

2020/21 - 2021/22

# OPERATING BUDGET



150 City Park Way  
Brentwood, CA 94513



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### City Council

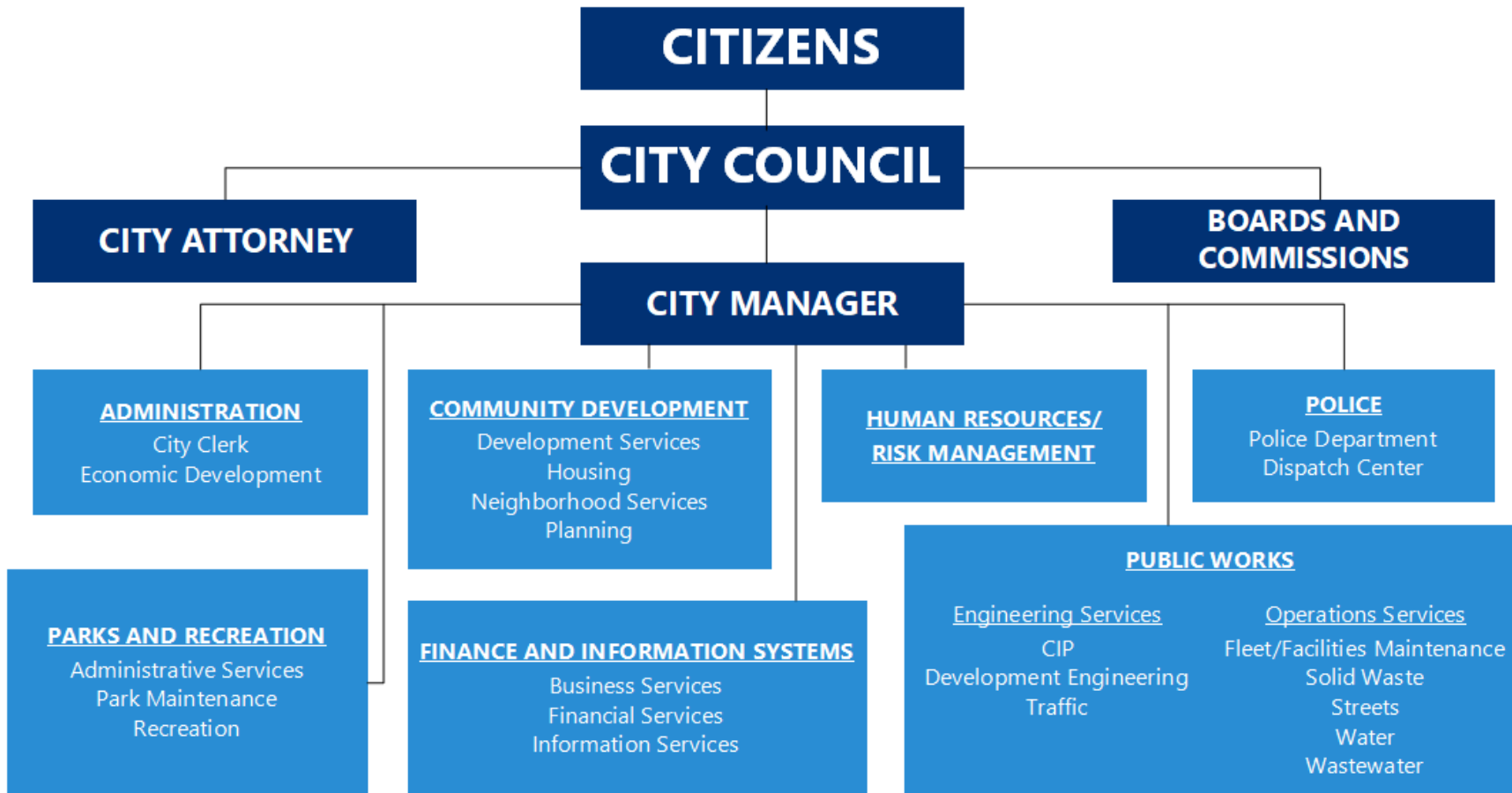
Robert Taylor ..... Mayor  
 Joel Bryant ..... Vice Mayor  
 Karen Rarey ..... Council Member  
 Johnny Rodriguez ..... Council Member  
 Claudette Staton..... Council Member

### Executive Team

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

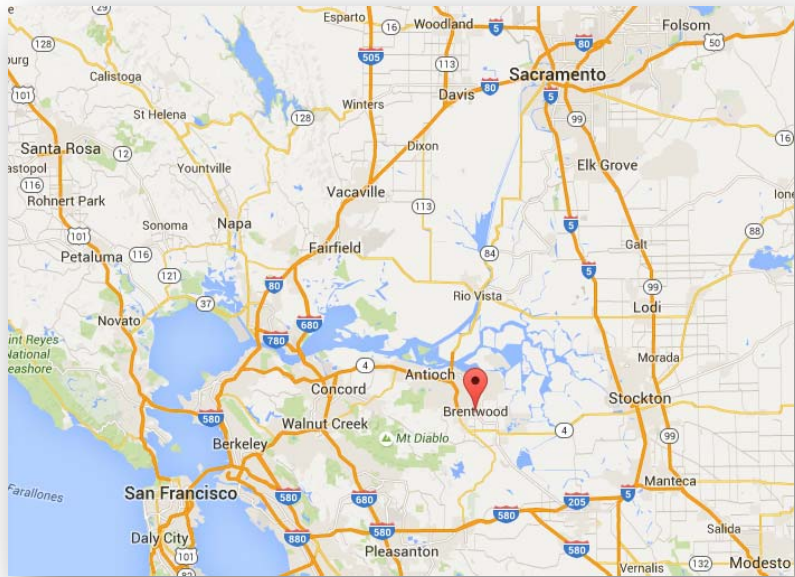


# CITY ORGANIZATIONAL CHART



## BRENTWOOD AT A GLANCE

- Located in eastern Contra Costa County, 55 miles east of San Francisco and 62 miles south of Sacramento
- 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



### TOTAL AREA

14.83 square miles  
Elevation – 79 feet above sea level

### POPULATION

65,118 (as of January 1, 2020)



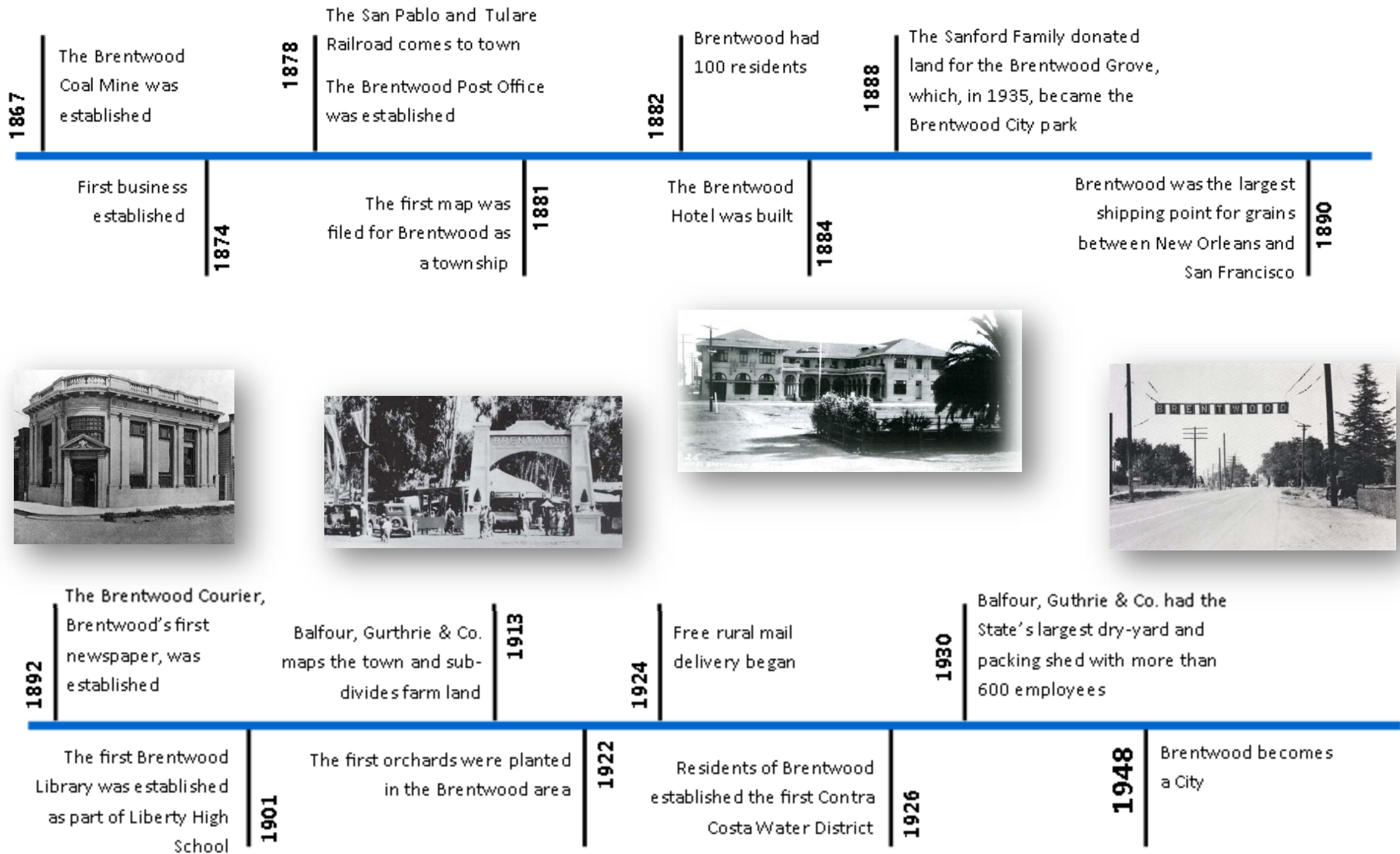
### MEDITERRANEAN CLIMATE



**CREDIT RATING**  
AA+



**SCHOOL DISTRICTS**  
Brentwood Union School District (BUSD)  
Liberty Union High School District (LUHSD)



### **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. Typically, the U-pick farm experience generates over 180,000 visitors to Brentwood each year.

### **Recreation**

Brentwood is part of the East Bay Regional Park District, a San Francisco Bay Area special 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 251 developed acres of parkland, 98 award winning parks and facilities, 19 miles of trails and 63 miles of bike lanes. Over 150 recreational activities and events are offered each year for people of all ages and interests.

### **Development**

The housing market has been one of the stronger sectors of economic growth since the end of the Great Recession. New construction activity in Brentwood has remained strong, as affordable prices by Bay Area standards along with Brentwood's reputation as a family community, resulted in several years of strong permit issuances. The City has issued an average of over 400 single-family building permits per year over the past three fiscal years, although the trend has slowed as housing prices



approached previous peak levels. As a result, the average single-family home sales price in Brentwood has flattened in recent quarters with the median home sales price at approximately \$638,500, as of March 2020. Although early indicators suggest continued moderate demand for new housing construction, the uncertainty of the economic impacts resulting from the COVID-19 crisis warrant planning for a slowdown. Below are the two-year budget building permit projections.

	<b>FY 2020/21</b>	<b>FY 2021/22</b>
Single-Family Units Per Year	175	200
Multi-Family Units Per Year	100	100
Commercial, Office Industrial Sq. Ft. Per Year	190,000	80,000
Citywide Housing Unit Total	21,344	21,644

Downtown Brentwood has experienced increased private investment and retail activity in the years leading up to 2020. New small business retail and food service providers were established, increasing the interest in and vibrancy of the Downtown area. At this time, the overall impact of the COVID-19 crisis on Brentwood's downtown activity is unknown, but will present considerable challenges to small businesses. The Brentwood Economic Development staff team is working with local businesses to ensure they are aware of financial resources and assistance which may be available to help them through this crisis.

Brentwood is home to a diverse retail sector and a variety of office, flex-office, and light-industrial businesses. A key objective in the upcoming two-year period is job creation and business development. Implementing the City's Economic Development Strategic Action Plan and constructing infrastructure in the Innovation Center @ Brentwood (formerly known as Priority Area 1 (PA-1) Specific Plan area) in northwest Brentwood demonstrates the City Council's strong commitment to economic development. In the current fiscal year, the City Council also approved funding to create specific plans and establish infrastructure financing districts for the Downtown area and the Brentwood Boulevard corridor.

### ***Employment***

Brentwood is part of Contra Costa County, one of nine counties which comprise the San Francisco Bay area. Before the impacts on employment by the COVID-19 crisis, there were approximately 16,000 jobs reported in Brentwood for 2020. The most recent unemployment data available does not reflect the serious economic consequences and employment losses caused by the COVID-19 crisis. As reported for the March 2020 period, Brentwood had a labor force of 29,200 and a 4.5% unemployment rate and Contra Costa County had a labor force of 554,200 with an unemployment rate of 4.0%. Significant increases in unemployment are anticipated in future reporting periods.

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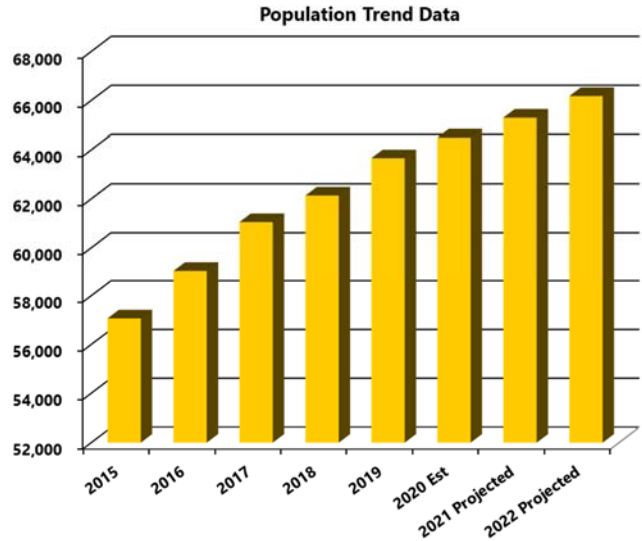
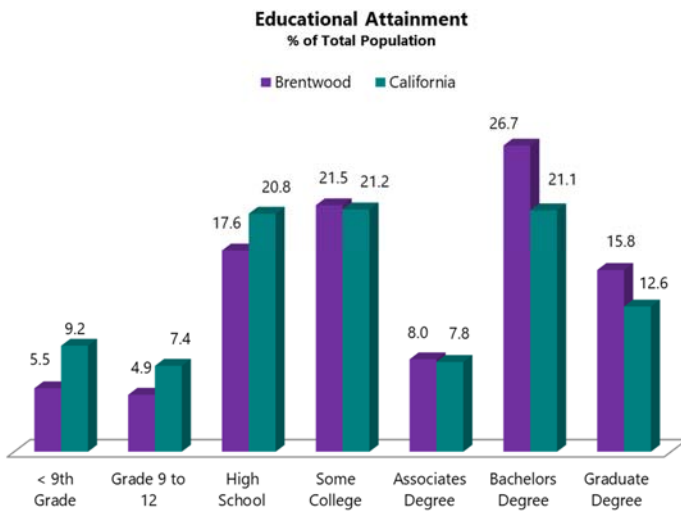
### ***Information Sources for Brentwood at a Glance***

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, 2020

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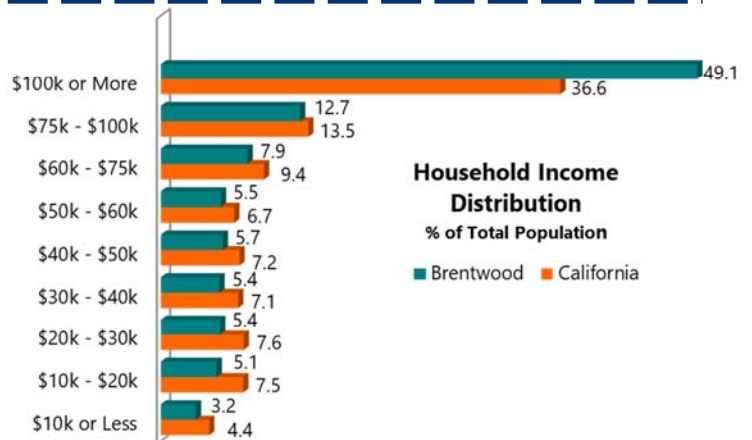
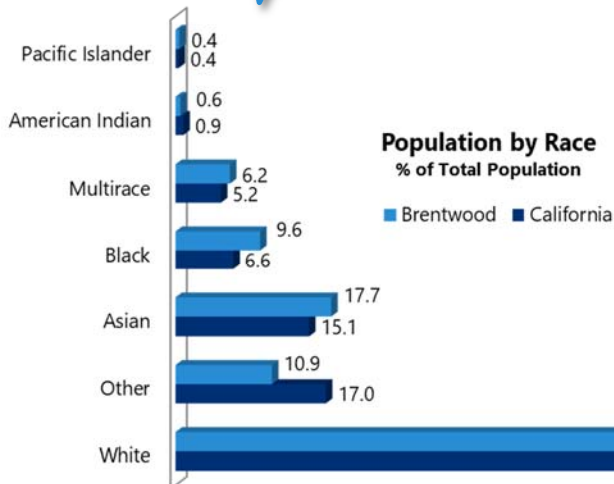
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The Bay Area has grown significantly as an employment center over the past 25 years and, as a result of this expansion in the Bay Area, Brentwood also experienced significant growth. From the mid 1990's to the mid 2000's the City's population more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

Over the past several years the convergence of low interest rates and affordable housing prices, compared to the San Francisco Bay Area, have resulted in development activity and associated population growth. Brentwood's population increased 1.17% to 65,118 between January 1, 2019 and January 1, 2020.

**Median Age  
37 Years Old**



**Median Household  
Income \$108,000**

**2019 Top 25 Sales/Use Tax Producers – 4th Quarter**

(In Alphabetical Order)

Ace Hardware	Arco AM PM (Lone Tree)	Arco (Balfour)	AT&T	Big B Lumber
Bill Brandt Ford	BJs Restaurant & Brewhouse	Brentwood Ready Mix	Chevron (Balfour and Lone Tree)	Chevron (Oak Street)
Circle K Gas	Colonial Energy	Dallas Shanks Services	Home Depot	Home Goods
Kohl's	Quik Stop	Ross	Safeway	Shell
TJ Maxx	Ulta Beauty	Victoria's Secret	Walgreens Co.	Winco Foods, Inc.

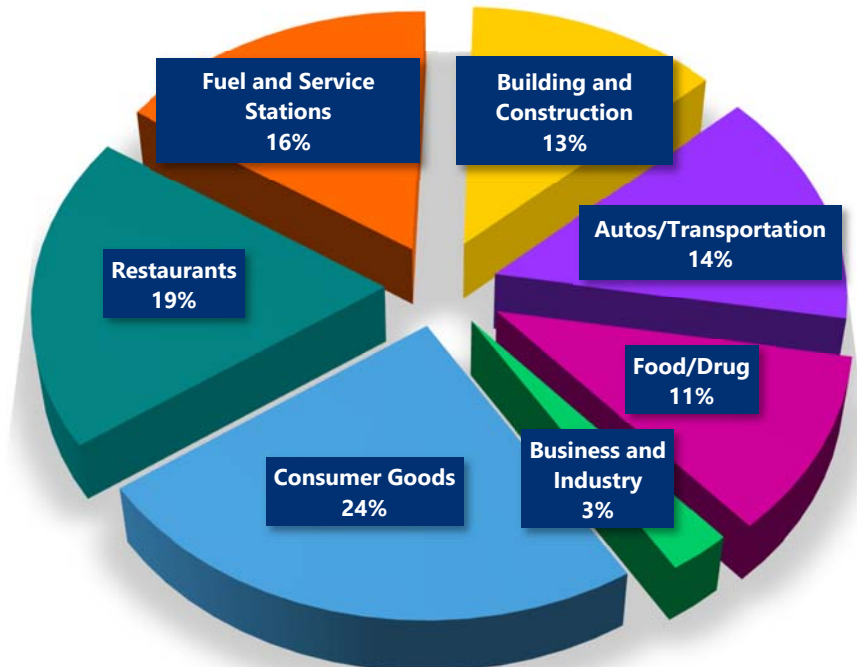
**Principal Employers for 2019**

(In Alphabetical Order)

Best Buy has been removed, as they are no longer an employer in the City.

BJ's Restaurant and Brewhouse	Brentwood Union School District	City of Brentwood
Delta Valley Athletic Club	East Contra Costa Fire Protection District	Ellison Framing Inc.
Home Depot	John Muir	John Muir Health
Kohl's	Liberty Union High School District	Precision Cabinets
Raley's	Safeway Stores, Inc.	Town and Country Roofing
Walgreen Co.	Winco Foods, Inc.	

**2019 Revenue by Business Group - 4th Quarter**





<b>Public Safety (FY 2019)</b>	
<b>Police</b>	
Sworn Officers	66
Vehicles	49
Motorcycles	5
<b>East Contra Costa Fire Protection District</b>	
Stations Located in Brentwood	1
Firefighters in Brentwood	10



<b>Infrastructure and Utilities (FY 2019)</b>	
Streets	192 miles
Sanitary Sewers	242 miles
Water Mains	345 miles
Street Lights	7,592
Wastewater Lift Stations	3
Wastewater Connections	19,611
Average Daily Wastewater Flow	3.33 MGD
Water Wells	7
Water Reservoirs	6
Water Connections	20,285
Water Storage Capacity	19 MG
Average Daily Water Production	9 MGD
Peak Daily Water Production	19 MGD
Residential Solid Waste Services	19,329
Commercial Solid Waste Services	497



<b>Public Schools (FY 2019)</b>	
Elementary Schools	8
Intermediate Schools	3
High Schools	2
Alternative High Schools	2



## ***Mission Statement***

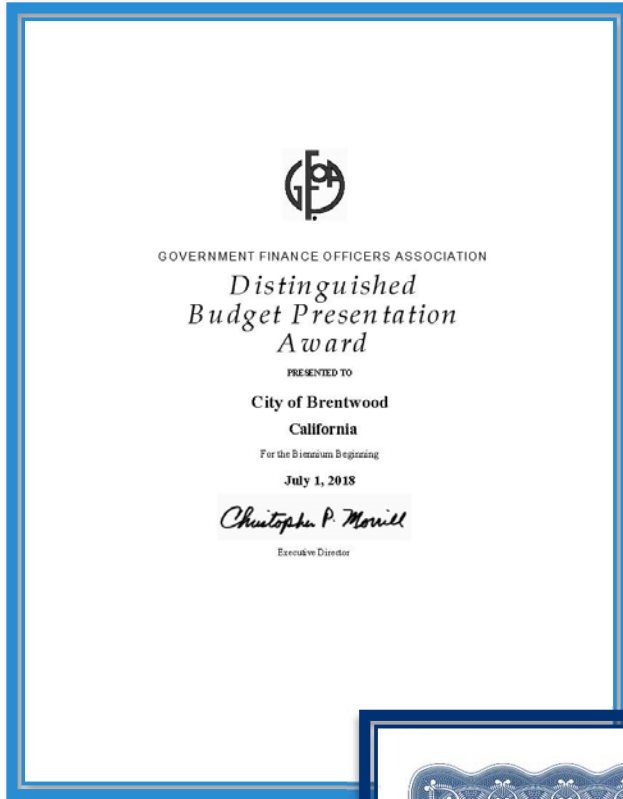
*Bringing Brentwood's Vision to Reality*



## ***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 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 2018/19 budget. Its attainment represents a significant accomplishment by a government and its management.**



## 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 recognized by the Arbor Day Foundation as a **"Tree City USA Community"** in 2019.

The City maintained designation of a **Healthy Eating Active Living ("HEAL")** city.

The City met guidelines to be designated in 2018 as a **"Bay-Friendly Landscape"** city.

The City's Priority Area 1 Specific Plan was selected for a 2019 **"Award of Merit"** in the category of Economic Planning and Development from the American Planning Association California Chapter Northern.

The City received the **"Excellence in Public Information and Communication Award"** in 2019.

The City was recognized as the **"2019 California Water Environment Association – San Francisco Bay Section Community Engagement and Outreach Program of the Year"**

The City received the following GFOA awards:

- **"Certificate of Achievement for Excellence in Financial Reporting Fiscal Year 2017/18"**
- **"Distinguished Budget Presentation Award"** for the two-year Operating Budget beginning July 1, 2018

The City received the CSMFO Award for the following:

- **"Excellence in Operating Budgeting Award Fiscal Year 2018/19"**
- **"Capital Budget Excellence Award Fiscal Year 2019/20"**



June 2020

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 budget for the City of Brentwood for fiscal years 2020/21 and 2021/22. This budget acknowledges our citizen's quality of life as the guiding principle and continues to support the delivery of critical services to our community while maintaining appropriate levels of reserves.

In the upcoming two fiscal years, the City is likely facing the greatest financial challenge since the Great Recession. The COVID-19 pandemic and the associated statewide and county shelter-in-place orders limited economic activity to essential businesses for months. These orders had a direct and substantial impact on major revenue sources of the City including sales tax, recreation program fees, transient occupancy (hotel) tax and development services. These impacts are expected to persist into the next two fiscal years from modifications to business conduct to ensure social distancing, consumer demand and confidence, development market capital, and from limitations on large public gatherings.

The budget reflects reductions in revenue for FY 2020/21 and FY 2021/22 from expected levels of about \$4 million per year. Prior to the COVID-19 pandemic, the City was poised to add services, initiate capital projects and fund Strategic Plan initiatives to further enhance the quality of life for Brentwood residents.

In order to close the gap left by decreased revenues, expenditures for service level increases, and certain projects and Strategic Plan initiatives were reduced or eliminated. Funding for staff vacancies has been delayed or eliminated from the budget, including the elimination of the planned funding for five Police Officers to form a 5<sup>th</sup> geographic beat in the City. All expenditures throughout the City's budget were reevaluated and non-essential supplies and services costs were eliminated. To add resources to the budget, funds originally intended for capital projects were redirected to support services and a portion of the balances in reserve for replacement of City assets were released. All of these measures resulted in closing the gap in the budget without the need to deeply cut existing services.

The economic impacts of the COVID-19 pandemic have been sudden and severe. As we move forward into the new fiscal year, updates will be provided to the City Council every six months, or more frequently as needed, to measure the latest economic data against this budget. With the City Council's commitment to balancing enhancing critical services and fiscal sustainability, the budget may be modified as updated information becomes available.



The City's Strategic Plan continues to be integral to the budget and will be used to focus staff and resources on the City Council's priorities for the next two years. Although funding for some of the Strategic Plan initiatives was eliminated or reduced from the original plan, initiatives with established specific funding sources or requiring only staff time to execute, will be completed in the next two years.

Economic development will remain a primary focus of the Strategic Plan. These efforts will support business attraction and retention in Brentwood during these critical economic times. Funded by a state grant, updated specific plans will be developed for both the Downtown and Brentwood Boulevard areas. Enhanced Infrastructure Financing Districts (EIFDs) for each area will be established as a mechanism to provide infrastructure funding. An economic development incentive program will be established to attract business and industry to Brentwood, assisting with infrastructure needs. Finally, the Innovation Center @ Brentwood (formerly PA-1 Specific Plan area), located in the northwest corner of Brentwood and a focal point for jobs and mixed-use development, will continue to construct critical infrastructure to attract and accelerate business development.

The City's Strategic Plan contains additional initiatives critical to ensuring maximum economic development opportunities and resident quality of life enjoyment that focus on infrastructure, public safety, parks and recreation opportunities and land use and development. Additional information on all Strategic Plan initiatives is available at the City's website.

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 especially appreciated during this unprecedented time of pandemic and eventual recovery, 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, and their tireless hours spent making last minutes changes to adapt to our current fiscal situation.

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

Sincerely,



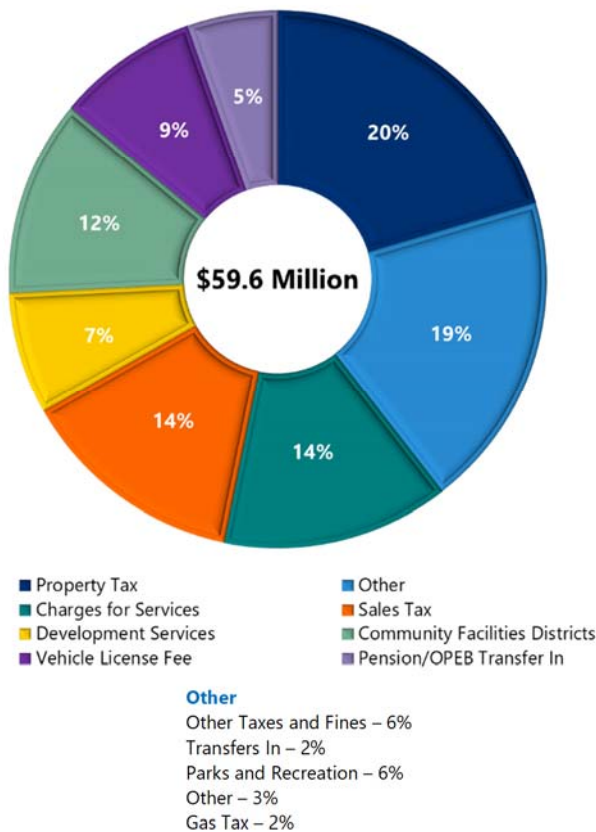
Tim Ogden  
City Manager

## EXECUTIVE SUMMARY

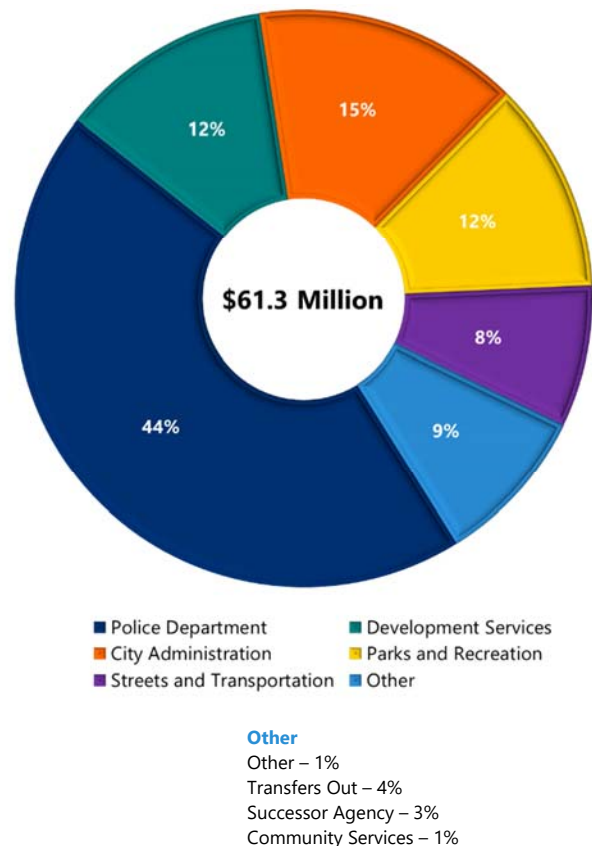
The Operating Budget is a flexible spending plan, which serves as the legal authority granted by the City Council to commit financial resources. The total Operating Budget expenditures for fiscal year (FY) 2020/21 is \$311.6 million. The City of Brentwood provides a full range of services, including 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 2020/21 General Fund Revenue Budget**



**FY 2020/21 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 32, the following budget items were key factors in the development of this budget.

- **COVID-19 Pandemic**

In late 2019, a novel coronavirus named COVID-19 was detected and over the next several months spread across the globe. By January 2020, the World Health Organization declared the COVID-19 outbreak a Public Health Emergency of International Concern. In March 2020, Governor Gavin Newsom declared a state of emergency in California due to the state's number of confirmed cases of COVID-19 and concern over hospital capacity. Shortly thereafter, the Contra Costa County Board of Supervisors declared the existence of a local emergency and the President of the United States declared that the outbreak of COVID-19 constituted a national emergency. On March 16, 2020, the county Health Officer issued an order directing individuals living in the county to shelter at their place of residence unless required to engage in certain essential activities, work for essential businesses, or provide essential governmental services. The order also directed all businesses and governmental agencies to cease non-essential operations at physical locations in the county; prohibited all non-essential gatherings of any number of individuals; and ordered cessation of all non-essential travel.

The impacts of the statewide and county orders had significant and immediate negative effects on the City's revenues. Revenues from sales tax, development services, parks and recreation program revenue, transient occupancy (hotel) tax, gas tax and business licenses were reduced in FY 2019/20 by approximately \$2.7 million. In the budget, longer-term impacts to these revenue sources have been factored into the projected revenues, reducing expected revenues to the General Fund by approximately \$4 million per year. In the second year of the budget, to be conservative, a potential negative impact to property taxes was projected. Property tax revenues take much longer to be impacted by economic downturns. The FY 2020/21 assessments are based off January 1, 2020 valuations. While the City has yet to see housing prices fall, given the severe economic impacts resulting from the COVID-19 pandemic a decline has been budgeted for FY 2021/22.

In response to the reduction in revenue, planned service level increases for FY 2020/21 have been removed from the budget. Funding for five authorized Police Department positions

that were intended to form a 5<sup>th</sup> geographic beat in the City was removed. Budgets for limited-service personnel for expanded Parks and Recreation programs included in the adopted Strategic Plan were eliminated from the budget. Other Parks and Recreation limited-served personnel budgets were reduced in anticipation of program reductions from COVID-19 social distancing limitations. Additional staff vacancies had funding eliminated from the first fiscal year of the budget or hiring dates were delayed, resulting in additional savings.

All capital projects funded by the General Fund were eliminated from the budget. This reduction included \$0.5 million of Strategic Plan projects. These capital projects included adding restrooms and pickle ball courts to certain parks, trail improvements and expansion and fencing improvements at Sunset Park.

Supplies and services budgets were reduced by cutting funding for additional library hours provided by Contra Costa County and reducing or eliminating certain Strategic Plan budgets for economic development and Parks and Recreation initiatives funded by the General Fund. Budgets for supplies and services were also reduced for Parks and Recreation activities that will not be scheduled due to the COVID-19 restrictions. After a thorough review of all departmental budgets, other non-essential expenditures were removed from the budget, as appropriate.

To close the remaining gap left by the anticipated decrease in revenues, Measure J, Local Streets and Roads, revenue will be used to support street maintenance services in the General Fund, rather than being used to enhance the pavement management program. In addition, surplus reserves from the City's facility and vehicle replacement funds will be used to help fund existing services on a temporary basis.

These combined budgetary actions have allowed the City to close the gap created by reduced revenues, without making deep cuts to existing City services and still maintaining a balanced budget.

- **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.

- **Vacant Positions**

Due to the COVID-19 pandemic and the impacts to revenues, vacant positions were evaluated and a plan made to delay or eliminate funding for certain positions to achieve budgetary savings. These positions include five police officer positions that were added to staff an expanded service level of a new 5<sup>th</sup> geographic beat in the City in FY 2019/20. Funding for additional positions were also delayed for a portion of a fiscal year or the full fiscal year.



### **Labor Contracts**

The labor contracts with the City's bargaining groups will expire at the end of FY 2019/20. Due to the COVID-19 crisis and economic uncertainty, the negotiation process was temporarily paused. This budget includes estimated personnel costs for the City's non-sworn and sworn labor groups.

### **Other Post-Employment Benefits (OPEB)**

Over a ten-year period ending in FY 2018/19, to address the City's unfunded OPEB obligation, the City switched from a pay-as-you-go plan to a prefunding plan for retiree medical benefits. This plan culminated with the payment of 85% of the annual Actuarial Determined Contribution (ADC) in each fiscal year. Where the City contributed less than a half million dollars when the prefunding plan started in 2008, contributions are budgeted to be \$3.9 million in FY 2020/21. While this increase represents the cost of adopting a fiscally responsible prefunding strategy, the funding commitment reduces the availability of funds for other purposes. As of June 30, 2019, the latest valuation available, the OPEB unfunded actuarial accrued liability for the City was \$33.1 million. As a result of the prefunding strategy, future OPEB costs are expected to remain relatively level for the next decade, followed by declining costs in the long term.

### **Pensions**

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 recent years, to strengthen the health of the pension system, CalPERS reduced the assumed long-term rate of return and increased employer funding requirements. In the last two fiscal years, the City has made pension prepayments of \$13.7 million, applied to the City's unfunded pension obligations, to mitigate the impacts of increasing funding requirements in the intermediate term.

- **Pension/OPEB Obligation Fund**

The Pension/OPEB Obligation Fund is a funding source to be used to help offset the rising cost of pensions and OPEB in the General Fund. A total of approximately \$15.2 million has been set aside in the fund to help mitigate budgetary challenges in the General Fund. Approximately \$3.2 million is budgeted to be transferred to the General Fund in FY 2020/21 and \$4.6 million in FY 2021/22; however, budgetary expenditure savings have significantly reduced or eliminated the need for such a transfer in past fiscal years.

- **Economic Development Strategic Plan Initiatives**

Job creation within the City has not kept pace with the growth in population. In order to address the resulting jobs/housing imbalance, the Strategic Plan includes several initiatives 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. A specific plan for Innovation Center @ Brentwood (formerly PA-1 Specific Plan area) has been adopted by the City Council. The

specific plan provides precise criteria for the growth and development in this area with a focus on development to support job growth. Included in the capital budgets is the Innovation Center @ Brentwood project that will provide the necessary infrastructure to incentivize business development. This project is funded by existing capital project funds, restricted for use to facilitate economic development, and existing development impact fee funds. In addition, updates to the Brentwood Boulevard and Downtown area specific plans will be completed using state grant funding. To complement the plans, EIFDs for each area will be developed to provide a source of funding for necessary infrastructure.

- **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 ending in FY 2022/23 provides the funding for the proposed budgets included in this draft.

- **Wastewater Treatment Plant Expansion**

To ensure capacity to service the City's final buildout population, a \$70.1 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 secured a low interest rate State Water Resources Control Board Revolving Fund ("SRF") loan to fund this project with a 30-year term. The cost of this expansion is included in the capital portion of the budget. The budget also includes a repayment plan funded from a combination of wastewater development impact fees and wastewater 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. To fund the projects, the City secured a 1% interest rate SRF loan to be paid back over 30 years by wastewater operations revenue and wastewater development impact fees. The funding also included provisions for approximately 35% of the project costs to be paid for by grants from Proposition 1 and 13. The construction cost for the remainder of this project, the Citywide Non-Potable Water Distribution System, is included in the capital portion of the budget.

- **Vineyards Amphitheater**

Included in the Strategic Plan is the construction of an outdoor amphitheater and event center at the Vineyards at Marsh Creek development. This project is funded by a development agreement between the City and the developer of the Vineyards at Marsh Creek. The cost of this project is included in the capital portion of the budget.

- **Fire Station**

The Strategic Plan includes direction to construct a fire station and ECCFPD administration building in Brentwood in partnership with ECCFPD. The funding for the construction of the fire station will come from the existing balance of fire development impact fees and funding for the administration building will come from contributions by ECCFPD. The fire station is being built to prepare for future expanded fire services. The cost of this facility is included in the capital portion of the budget.

- **Legislative Issues**

The unprecedented nature of the COVID-19 pandemic has resulted in a series of proposed state and federal legislative actions. While the federal response has included trillions of dollars in aid, only cities with populations greater than 500,000 have thus far been eligible. Following are the most recent proposed legislative actions which could impact the City.

In May 2020, in response to the economic impacts on state and local revenues of the COVID-19 pandemic, the United States Senate introduced a bill, the State and Municipal Assistance for Recovery and Transition (SMART) Act, which would provide \$500 billion in funds to state, local and tribal governments to help them weather the current crisis. State funding would be allocated proportionally based on population size, share of national infection rate and share of the combined revenue loss of all 50 states. Counties and municipalities would receive one-sixth of their state's funding allocated proportionally based on population and their municipality's share of revenue losses. Funding can be used by state and local governments for coronavirus responses, including to pay for operational expenses, to offset lost revenue or pay for the local cost-share for Federal Emergency Management Agency (FEMA) Public Assistance grants. That flexibility would also be applied retroactively to the \$150 billion Coronavirus Relief Fund included in the CARES Act. If this proposed legislation passes, the City would pursue SMART Act funds to replace lost revenues and seek reimbursement for COVID-19-related expenditures.

Additionally, in May 2020, the House of Representatives introduced the HEROES Act (HR 6800). The HEROES Act creates new state and local Coronavirus relief funds through the Department of the Treasury to help first responders, frontline health workers, transit employees, teachers and other workers providing vital services. Funds can be used for COVID-19-related expenses, to replace foregone revenues not projected on January 31, 2020 or to respond to negative economic impacts of COVID-19. Nationwide, using a modified Community Development Block Grant (CDBG) formula, HR 6800 would provide \$375 billion to local governments, \$250 billion within 30 days of enactment of the legislation and \$125 billion one year later. Of these amounts, \$87.5 billion would be available to municipalities of Brentwood's population size within 30 days of enactment and \$43.75 billion a year later. If this proposed legislation passes, the City would pursue HEROES Act relief funds to replace lost revenues and seek reimbursement for COVID-19-related expenditures.

Also, in May, at the state level, the Senate proposed establishing a new \$25 billion Economic Recovery Fund. This would be funded by enabling taxpayers to "prepay" taxes for years 2024 to 2033. In exchange, taxpayers would receive California Recovery Tax Vouchers that have a

modestly higher face value than the prepaid amount, to account for inflation and to incentivize participation. Approximately \$3.3 billion of vouchers per year from 2024 to 2033 are projected to result in \$25 billion collected by the Economic Recovery Fund. This fund could be used to address budget issues for the state and/or local municipalities. The impact of this proposal on the City's financial condition is unknown at this time, but actions by the state to balance the statewide budget may result in more available funding to support local government and/or fewer state reductions in local resources available to the City.

A statewide ballot initiative to amend Proposition 13 (1978), "The California Schools and Local Communities Funding Act", qualified for the November 2020 ballot. The proposed legislation would tax certain commercial and industrial real property based on fair-market value—rather than, under current law, the purchase price with limited inflation. If the initiative passes, the City could experience an increase in property tax revenue, which would be available to the General Fund to provide services at the discretion of the City Council.

A second statewide ballot initiative, "Family Home Protection and Fairness in Property Tax Assessment Act", qualified for the November 2020 ballot. If the initiative passes, eligible homeowners could transfer their current property tax assessments for their primary residence to a different home anywhere in the state, rather than just in the same county, allowing them to move without paying higher property taxes. Homeowners who are eligible for the tax assessment transfers are persons over 55 years old, persons with severe disabilities and victims of natural disasters and hazardous waste contamination. In addition, the initiative would close loopholes that currently allow transfer of the current assessment values for vacation homes and other income producing property between family members, limiting such transfers to primary residences. In addition, the initiative is written to ensure that corporations and other legal entities that acquire properties be taxed on the properties current market value. The fiscal impacts to the City from this initiative are not yet determined.

### ***Long-Range Planning***

The General Fund Fiscal Model ("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 COVID-19 pandemic has resulted in a substantial reduction in long-term economic visibility. As a result, it is anticipated that the latter years of the Fiscal Model will see significant variances and adjustments once the duration and magnitude of the current crisis becomes better understood. The current draft of the Fiscal Model has been built using the following assumptions and impacts:

- A short-term slowdown in single-family and multi-family housing development, followed by a modest increase, before slowing down as the City approaches buildout in the last few years of the Model.
- After a reduction in property tax in FY 2021/22, a return to normal increases with some upward adjustments as a portion of the property value losses are recovered.
- Reduced sales tax revenues in the short-term, followed by a recovery back to pre-crisis levels by FY 2023/24.
- Gas tax and business license revenues recover to pre-crisis projected levels by FY 2023/24. Hotel tax is not projected to return to pre-crisis levels until FY 2024/25.
- Personnel, pension and retiree medical costs include impacts from anticipated increases resulting from unfavorable investment returns from CalPERS.

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. After an expansion of the United States economy of a record breaking length, the COVID-19 pandemic will result in a period of recession and negatively impact both state and local revenues. The state has had a history of mitigating budget shortfalls with solutions that impact local governments. Any changes 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. These impacts are monitored by the City and addressed in the Fiscal Model by using conservative projections of 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.

- **COVID-19 Pandemic**

The most significant challenge facing the City will be the long-term economic impacts of the COVID-19 pandemic, as well as the uncertainty facing the nation regarding the depth and severity of the recession expected to follow. This budget includes the best information available to date on the financial impacts of the crisis on the City. In accordance with the City's budget policies, the City Council will receive updates on the financial condition of the City, at a minimum, every six months to allow for appropriate actions to be taken in reaction to economic conditions, negative or positive.

- **Pension/OPEB Contributions**

The impacts of the COVID-19 pandemic on the financial markets affect the value of the assets held in trust by CalPERS for the City's Pension and retiree medical benefits. Depending on market values at the end of this current fiscal year and the impact the valuation will have on annual investment returns, it is likely that the City will be required to increase contributions toward the Pension and retiree medical benefits in the future. CalPERS phases in increases in Pension contributions, so the budgetary impacts would not be felt until FY 2022/23. For retiree medical benefits, increases would also not be included in the budget until FY 2022/23, when an updated actuarial report as of June 30, 2021 would reflect any decrease in the value of the assets and potential increases in contribution rates.

- **Jobs/Housing Ratio**

Job creation within the City has not kept pace with the growth of the population. The City is currently at 80.5% of its build-out plan for residential population, yet the job population is only at 44.1%, resulting in a current jobs/housing ratio of .71. To assist in achieving the goal of a jobs/housing balance, the City completed a specific plan for development in an area identified as the Innovation Center @ Brentwood. The Innovation Center @ Brentwood, 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 provides precise criteria for the growth and development at the Innovation Center @ Brentwood, with a focus on development to support job growth. This is one of the strategies being designed to generate economic development and achieve the balanced jobs/housing ratio of 1.5 as dictated in the City's General Plan.

- **Fire Protection Service Levels**

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. ECCFPD along with all community stakeholders are in the process of developing long-term solutions 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 which was completed in 2018. Included in the specific plan for the Innovation Center @ Brentwood 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 intermediate-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 October 9 and 10, 2019, the City Council participated in a public planning workshop to discuss the draft of the FY 2020/21 – FY 2021/22 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. At the workshop, the Council gave direction to staff to implement two of the strategic plan initiatives in the current year, rather than waiting until the FY 2020/21 – FY 2021/22 Operating Budget timeframe. The initiatives identified for early implementation were the formation of a Police Department 5<sup>th</sup> patrol beat and addition of staff to the Police Dispatch Center.

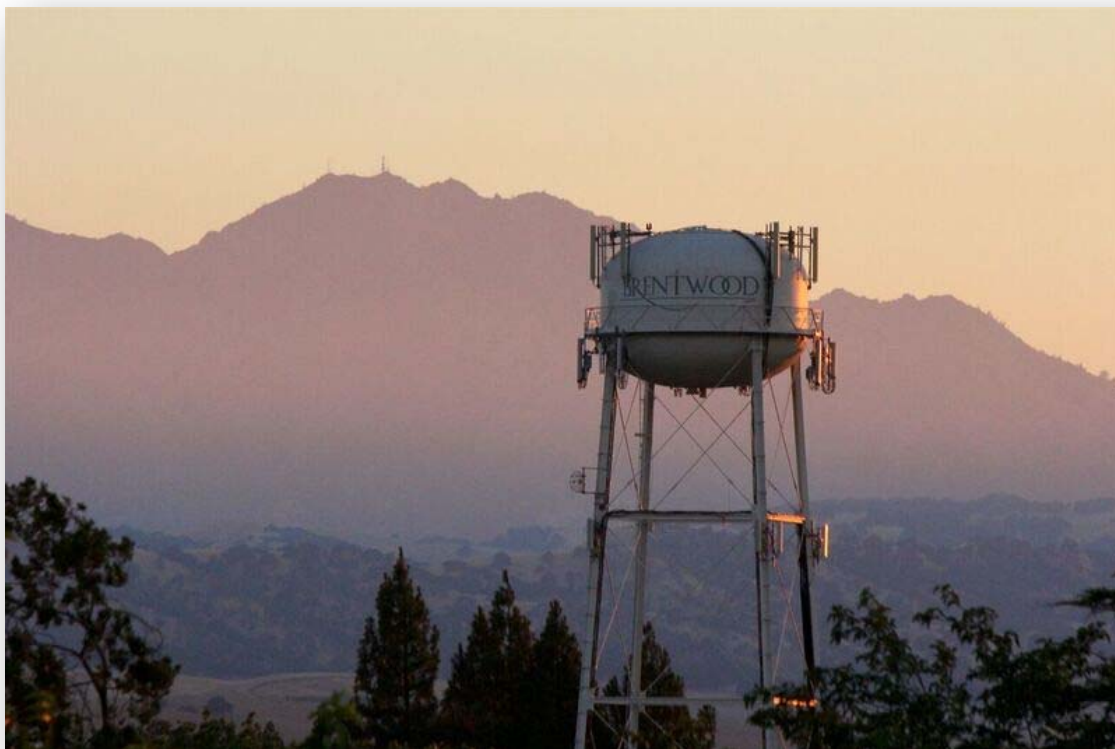
On November 12, 2019, the City Council approved an action to authorize the new positions and necessary budget amendment for the early implementation of the strategic initiatives for forming a Police Department 5<sup>th</sup> patrol beat and adding of staff to the Police Dispatch Center.

After the Strategic Plan workshop and through the month of January 2020, 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 25, 2020, 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 FY 2020/21 or FY 2021/22 departmental operating budget or in a CIP project budget.

In March 2020, subsequent to the adoption of the Strategic Plan and before the Operating Budget draft was finalized, the COVID-19 pandemic health crisis occurred. Due to the economic impacts of the statewide shelter-in-place orders and the closure of non-essential businesses, the City's revenue sources have been negatively impacted. As discussed previously, the reduction in revenues from major sources over the long-term are uncertain. The Strategic Plan included expansion of services and new capital projects that staff is recommending be removed from the budget due to the uncertainty of the economic conditions. The early implementation of the Police Department 5<sup>th</sup> beat has also been recommended for removal from the budget, as the City was in the process of recruitment of staff for these positions, but no staff had yet been hired. These initiatives and projects can be reconsidered in future budgets as the impacts of the COVID-19 crisis will be known. The table, beginning on the following page, summarizes the Strategic Plan initiatives by focus area and notes which specific initiatives have been recommended for removal from the budget due to the effects of the COVID-19 crisis.

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 107, for information on the specific initiatives defined for each goal.



**Strategic Plan Focus Areas and Goals**

<b>Focus Area 1: Infrastructure</b> <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 – Transportation: Proactively engage and collaborate with regional transportation agencies and stakeholders to facilitate the safe and efficient movement of people and goods	The City will support efforts to improve local roadways such as Sand Creek Road, Brentwood Boulevard, and Lone Tree Way and improve regional transportation corridors, such as State Route 4, Vasco Road, and access to Byron Airport by engaging with regional stakeholders on these priorities and supporting the development of funding strategies for the improvements.
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	To continue the commitment to provide safe and sustainable utility services for the build-out of the City, the City will initiate construction of the Wastewater Treatment Plant Expansion project. The planning, design, and environmental reviews have been completed. In addition, a low-interest loan and grant have been secured to provide funding for this project.

<b>Focus Area 2: Public Safety</b> <i>Mission Statement: Maintain a safe community through the provision of high quality public safety services and crime prevention measures.</i>	
Goal 1 – Implement 5 <sup>th</sup> Beat to enhance public safety through increased police services	<i>The funding for this goal has been removed from the Operating Budget due to the economic impacts of the COVID-19 crisis.</i>
Goal 2 – Increase training opportunities, provide for increased 24/7 coverage and improve succession planning in the Police Dispatch Center	Providing excellent service from the time the call is made into the Police Dispatch Center, to the time an officer arrives on scene is a top priority. Adequate staffing is imperative to quality service. The addition of two Police Dispatch positions will allow for increased specialized training for all dispatchers. Specialized training will result in a better response from our law enforcement team, assist with retaining the most qualified personnel and maintain 24/7 coverage.
Goal 3 – Develop a Police Services Plan for the City’s estimated build-out population of 81,000	A long-term plan will be developed to Identify police services operational enhancements, including staffing, equipment and technology to serve a population estimated to reach 81,000. Adequate police staffing is integral to maintaining a quality of life for all Brentwood residents.
Goal 4 – Implement strategies to enhance fire and medical levels of service	In consultation with ECCFPD, construct a fire station in Brentwood utilizing development impact fees to prepare for the potential of future expanded fire services.

**Focus Area 3: Economic Development**

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

Goal 1 – Establish and implement the vision for a vibrant Downtown	Downtown Brentwood is a truly authentic, historic, culturally active neighborhood with over 75,000 sq. ft. of unique fine dining, eclectic boutiques and entertainment. Efforts will focus on creating a vision for the Downtown of the Future and continuing the beautification program. Development strategy will be further strengthened with an update of the Downtown Specific Plan and creation of an Enhanced Infrastructure Financing District for the Downtown area to provide a potential funding source for infrastructure needs.
Goal 2 – Improve economic vitality along Brentwood Boulevard	With robust public input, an update and expansion to the Brentwood Blvd. Specific Plan will be completed. It will include a comprehensive Infrastructure plan and development strategy. This will streamline beneficial development and infrastructure improvements. In concert, an Enhanced Infrastructure Financing District for Brentwood Blvd. will be established to provide a funding for infrastructure.
Goal 3 – Facilitate development and encourage investment	Develop and implement an Economic Development Incentive Policy and Programs to attract beneficial projects to the City that will provide high-quality employment, generate revenue, catalyze other complementary development and fulfill community goals.
Goal 4 – Implementation of Main Streets	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.
Goal 5 – Implement the Economic Development Action Plan	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.
Goal 6 – Create a business friendly culture through commerce facilitation, incentives and technology	<i>The intentions behind this strategy are consolidated into goal 3 (above). The funding for goal 6 has been removed from the Operating Budget due to the economic impacts of the COVID-19 crisis.</i>

**Focus Area 4: Land Use Planning**

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

Goal 1 – Provide a diversity of housing opportunities, including equitable distribution of affordable housing for all socio-economic segments of the Brentwood community	Update the City's Housing Element, including: an evaluation of the 2015 Housing Element; assessment of housing needs, resources, and constraints; approval of an updated Regional Housing Needs Allocation; and adoption of housing goals, policies and actions.
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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.*

Goal 1 – Implement short-term high priority Parks and Recreation Master Plan projects	<i>The funding for this goal has been removed from the Operating Budget due to the economic impacts of the COVID-19 crisis.</i>
Goal 2 – Expand and enhance recreation opportunities by increasing programming for seniors, youth and teens; implementing adaptive recreation and expanding cultural arts	<i>The funding for this goal has been removed from the Operating Budget due to the economic impacts of the COVID-19 crisis.</i>
Goal 3 – Develop plan to implement long-term high priority Parks and Recreation Master Plan projects	Existing Parks and Recreation amenities are integral to the quality of life in the Brentwood. In response to the amenities identified as desirable in the Parks and Recreation Master Plan, a strategy will be developed to implement the long-term projects, including an assessment of funding sources.
Goal 4 – Enhance cultural and performing arts opportunities for Brentwood	The quality of life in a community is enhanced by the availability of cultural and performing arts events. Construction of an outdoor amphitheater and event center at the Vineyards at Marsh Creek development is planned. This project is the result of a development agreement between the City of Brentwood and the developer of the Vineyards at Marsh Creek which provided funding for the project. A market feasibility study was completed in 2019 to provide guidance on the market demand and successful operational model for the project.

**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.*

Goal 1 – Establish Citywide workforce training and development opportunities	The goal of the Diversity and Inclusion Program is to achieve a thriving and high-performing workforce that is informed, engaged, empowered, well-trained, and committed to positively impact the culture of the workplace.
Goal 2 – Leverage technology to improve staff efficiency and enhance the delivery of City services	A comprehensive Technology Master Plan will be developed outlining how to meet the City's technological and communication goals in the future.



## 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 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 and Information Systems 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. Additionally, quarterly financial reports are available on the City's web page to ensure the community has ongoing access to financial information in a graphical, interactive way. All of these documents are readily available on the City's website at the following location: [www.brentwoodca.gov](http://www.brentwoodca.gov).

### ***Budget Guidelines***

The Operating Budget is developed and managed per the Budget and Fiscal Policy, beginning on page A - 33, 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 and Information Systems Department is responsible for both preparing and monitoring the City's Operating Budget. The Finance and Information Systems 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 October, 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 and Information Systems 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 and Information Systems 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

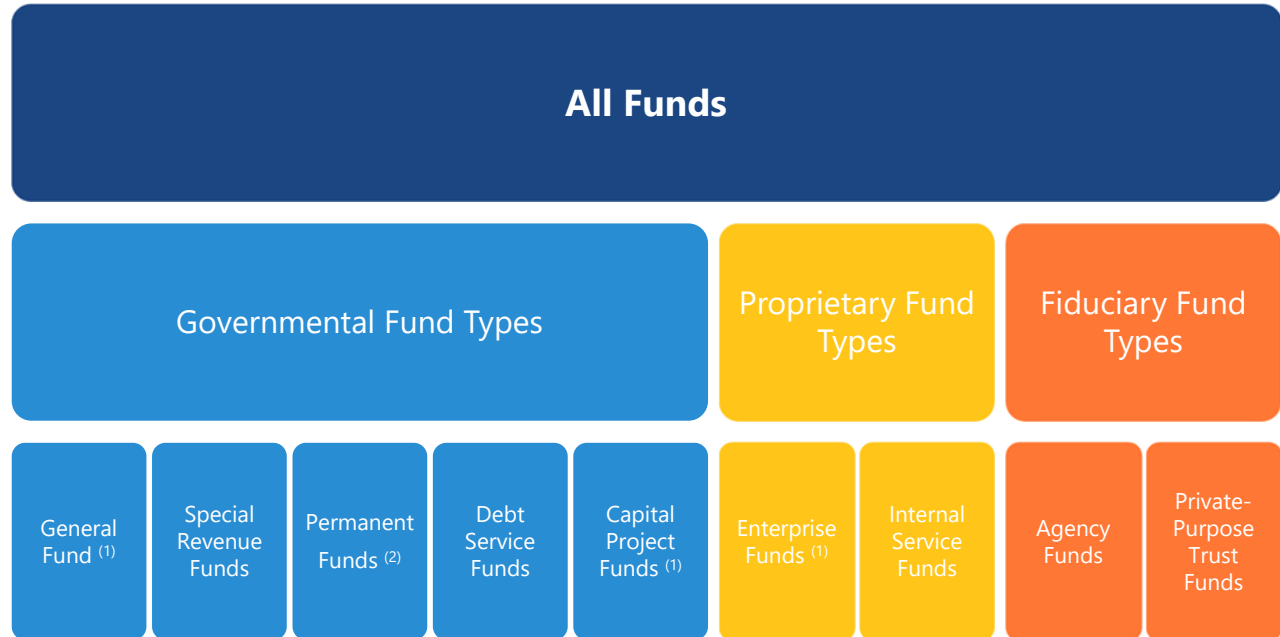
been incorporated, the Finance and Information Systems Department prepares the Operating Budget document for presentation and review at an Operating Budget/Fiscal Model Workshop, usually held in May, to gather input from the public and the City Council. The proposed budget is used to create a ten-year 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 and Information Systems 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.



Monthly timing is approximate and may vary.

## FUND STRUCTURE

Below is a graphic illustrating the City's fund structure. See the Guide to Funds – Description of Funds, beginning on page A - 104, 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 Project 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 Water Enterprise Fund and Wastewater Improvements 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 - 72.

## **LONG-TERM DEBT**

### ***Debt Policy and Limits***

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. In February 2019, Standard and Poor's affirmed the city's issuer credit rating of AA+. The Capital Financing and Debt Management Policy can be found beginning on page A- 57.

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, 2019, the outstanding indebtedness was \$5,806,653 with a debt limit of \$373,857,345, leaving a legal debt margin of \$368,050,692.

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 \$8,605,000 as of June 30, 2019.

General Obligation Bonds Series 2002			
Year Ending	Principal	Total	
June 30			
2020	\$ 540,000	\$	540,000
2021	570,000		570,000
2022	595,000		595,000
2023	625,000		625,000
2024	655,000		655,000
2025-2029	3,815,000		3,815,000
2030-2031	1,805,000		1,805,000
Subtotal	8,605,000	\$	8,605,000
Future Accretion	(2,699,769)		
<b>Total</b>	<b>\$ 5,905,231</b>		

- Capital Improvement Revenue Refunding Bonds Series 2012**

On January 11, 2012, the Authority issued \$24,060,000 in 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 Brentwood Redevelopment Agency. The Brentwood Family Aquatic Complex is pledged as collateral for this debt issuance. The interest rates on these bonds range from 2.00% to 5.25%.

The Successor Agency to the Brentwood Redevelopment Agency has pledged future tax revenues for the repayment of a portion of the bonds. Following the dissolution of the Brentwood Redevelopment Agency, the Successor Agency is allocated funds for payment of obligations listed on the Successor Agency's Recognized Obligation Payment Schedule (ROPS) and approved

Capital Improvement Revenue Refunding Bonds Series 2012			
Year Ending	Principal	Interest	Total
June 30			
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	1,250,000	662,425	1,912,425
2024	1,315,000	598,300	1,913,300
2025-2029	7,075,000	1,946,238	9,021,238
2030-2032	4,600,000	334,638	4,934,638
<b>Total</b>	<b>\$ 17,625,000</b>	<b>\$ 5,895,232</b>	<b>\$ 23,520,232</b>

by the California State Department of Finance ("DOF"). This pledge ends upon repayment of

the Successor Agency's \$17,585,787 remaining share of debt service on the bonds, as of June 30, 2019, which is scheduled to occur in 2032. For fiscal year 2018/19, gross tax revenue available to be distributed to the Successor Agency totaled \$8,503,427, which represented coverage of 6.25 times \$1,360,881 of the Successor Agency's debt service. The remaining portion of the bonds is repayable from any source of the City's available funds and is currently paid from the Roadway Development Impact Fee Fund and the City Rental Enterprise Fund. The principal balance as of June 30, 2019 was \$17,625,000.

- **2015 Lease Financing**

On December 17, 2015 the Authority issued \$11,515,000 in a direct placement with Capital One Public Funding, LLC to finance the acquisition and construction of a new Library and a Municipal Service Center, along with other public capital improvements. The City's Police Department building is pledged as collateral for this debt issuance.

Debt service payments will be made over 20 years at an interest rate of 3.25%. Debt service will primarily be funded by utilizing prior bond refinancing savings with the balance funded by various sources, including the Solid Waste, Water and Wastewater Enterprises and Community Facilities Development Impact Fees.

2015 Lease Financing			
Year Ending	Principal	Interest	Total
June 30			
2020	\$ 465,000	\$ 327,031	\$ 792,031
2021	480,000	311,675	791,675
2022	495,000	295,831	790,831
2023	510,000	279,500	789,500
2024	525,000	262,681	787,681
2025-2029	2,900,000	1,040,975	3,940,975
2030-2034	3,400,000	530,400	3,930,400
2035-2036	1,520,000	49,725	1,569,726
<b>Total</b>	<b>\$ 10,295,000</b>	<b>\$ 3,097,818</b>	<b>\$ 13,392,819</b>

- **2019 Civic Center Project Lease Revenue Refunding Bonds**

On April 2, 2019, the Authority issued \$32,210,000 in Civic Center Project Lease Revenue Refunding Bonds, Series 2019, to refinance the 2009 Civic Center Project Lease Revenue Bonds. The City's Civic Center is pledged as collateral for this debt issuance. Annual debt service payments, including interest at 4.00% to 5.00%, range from \$852,800 to \$2,715,650. The refunding resulted in overall debt service savings of \$17,856,031. The net present value of the debt service savings is called an economic gain and amounted to \$8,988,082. If an event of default occurs, as defined in the indenture of trust, the bond trustee, or not less than a majority of owners of the bonds outstanding at that time, are entitled to declare the principal and accrued interest for all bonds outstanding to be due and payable immediately.

The 2009 Civic Center Project Lease Revenue Bonds were issued to finance the construction of a new city hall, community center and senior center, plus library improvements and other public capital improvements.

The Civic Center Project Lease Revenue Refunding Bonds, Series 2019, 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 Brentwood Redevelopment Agency (now Successor Agency) pursuant to the reimbursement agreement, pledged payments from the Community Facilities Districts (CFD) local obligations and pledged payments from the CIFP revenues.

As mentioned previously, the Successor Agency to the Brentwood Redevelopment Agency has pledged future tax revenues for the repayment of a portion of the bonds. Following the dissolution of the Brentwood Redevelopment Agency, the Successor Agency is allocated funds for payment of obligations listed on the Successor Agency's ROPS and approved by the DOF. As of June 30, 2019, the Successor Agency listed this debt obligation on its ROPS and the DOF has approved its inclusion for each applicable ROPS period through June 30, 2020.

**2019 Civic Center Project Lease Revenue Refunding Bonds**

<b>Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
<b>June 30</b>			
2020	\$ 1,190,000	\$ 1,473,629	\$ 2,663,629
2021	1,235,000	1,429,300	2,664,300
2022	1,290,000	1,378,800	2,668,800
2023	1,340,000	1,326,200	2,666,200
2024	1,405,000	1,264,275	2,669,275
2025-2029	8,175,000	5,165,125	13,340,125
2030-2034	8,745,000	2,993,625	11,738,625
2035-2039	8,010,000	1,023,125	9,033,125
2040	820,000	16,400	836,400
<b>Total</b>	<b>\$ 32,210,000</b>	<b>\$ 16,070,479</b>	<b>\$ 48,280,479</b>

• **Successor Agency Payment Plan**

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by Assembly Bill 1484 (AB 1484) on June 27, 2012. This legislation suspended all new redevelopment activities and dissolved redevelopment agencies as of February 1, 2012. The City of Brentwood elected to become the Successor Agency to the former Brentwood Redevelopment Agency on January 10, 2012.

Section 34179.5 of AB 1484 required all successor agencies to hire a licensed accountant, approved by the county Auditor-Controller, to conduct two Due Diligence Reviews (DDRs) to determine the balances available to be redistributed to other taxing entities. The two DDRs were focused on 1) the Low and Moderate Income Housing Fund, and 2) Other Funds and Accounts.

The Low and Moderate Income Housing Fund DDR determined that an unobligated balance of \$4,072,553 was available for redistribution and the Successor Agency remitted this amount to the Contra Costa County Auditor Controller in February 2013. The Other Funds and Accounts DDR determined that the unobligated balance was \$0, and the Successor Agency filed the DDR report with the DOF. The DOF, during their review of the DDR, determined that transfers made pursuant to pre-existing contracts and construction commitments were invalid and adjusted the DDR accordingly, issuing a DDR demand of \$14,955,931.

In response to the \$14,955,931 DDR demand, the City and Successor Agency filed suit against the DOF claiming, among other things, that 1) the DOF's DDR determination violated Proposition 22, which added Article XIII, Sections 24(b) and 25(a)(7) to the California Constitution and prohibits the Legislature from reallocating tax increment; 2) at the time the transfers were made by the former Redevelopment Agency the transfers were legally valid and made pursuant to enforceable obligations and third party contracts; 3) the transfers were for the payment of goods and services which were broadly exempted from reversal as defined in California Health and Safety Code Section 34179.5(b)(3); and 4) the DOF's enforcement of its final determination was unconstitutional. The City and Successor Agency's legal challenge was ultimately unsuccessful and legal remedies were exhausted when the California Supreme Court declined to hear the case on September 16, 2015.

On December 9, 2015, the City, as Successor Agency, entered into a ten-year interest free payment plan with the DOF to pay the DDR demand of \$14,955,931. The annual payments range from \$357,796 to \$1,826,938.

### **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.

<b>State Water Resources Loan (Wastewater)</b>			
<b>Year Ending</b>			
<b>June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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
<b>Total</b>	<b>\$ 8,727,793</b>	<b>\$ 397,387</b>	<b>\$ 9,125,180</b>

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, 2019, the City's gross repayment obligation totaled \$9,125,180, which is net of the unamortized discount of \$397,387.

- **State Water Resources Loan (Recycled Water Projects)**

In July 2017, the City entered into a loan and grant agreement with the State of California's State Water Resources Control Board for a not-to-exceed amount of \$20,802,000 to fund the City's Water Recycling Projects, which consists of two City projects: the Non-Potable Storage Facility and Citywide Non-Potable Water Distribution System. Project financing will consist of a State Revolving Fund loan and grant funding in estimated amounts of \$14,596,500 and \$6,205,500, respectively. Certain terms of the loan were amended in September 2018, under which the City was to start construction no later than June 25, 2018 with construction to be completed by June 30, 2021. The loan bears annual interest of 1.0%, which begins accruing with each financing disbursement. Beginning one year after completion of construction, repayment of the loan principal plus interest will be made annually according to the final payment schedule provided by the state.

As of June 30, 2019, the City has incurred \$6,566,758 of eligible project costs and financing disbursement requests have been submitted to the State. Projected debt service for this loan in the amount of \$561,964, consisting of \$416,934 principal and \$145,030 interest, has been included in the FY 2021/22 budget.

- **State Water Resources Loan (Wastewater Treatment Plant Expansion – Phase II Project)**

In December 2019, the City entered into a loan and grant agreement with the State of California's State Water Resources Control Board for a not-to-exceed amount of \$65,102,000, with a principal forgiveness component of \$3,856,000, to fund the City's Wastewater Treatment Plant Expansion – Phase II project. Project financing will consist of a State Revolving Fund loan in an amount up to \$61,246,000, after principal forgiveness. Terms of the loan require the City to complete construction no later than January 31, 2023. The loan bears annual interest of 1.3%, which begins accruing with each financing disbursement. Beginning one year after completion of construction, repayment of the loan principal plus interest will be made annually according to the final payment schedule provided by the state.

- **Water Revenue Refunding Bonds Series 2014**

On December 4, 2014, the Authority issued \$42,810,000 in Water Revenue Refunding Bonds Series 2014 ("2014 Water Bonds"), with interest rates ranging from 3.0% to 5.0%, to refund a portion, \$43,335,000, of the Water Revenue Bonds, Series 2008. At June 30, 2019 the principal balance of the 2014 Water Bonds was \$39,650,000.

The Authority has pledged future water customer revenues, net of specified operating expenses, through 2038 to repay the 2014 Water Bonds.

Water Revenue Refunding Bonds Series 2014			
Year Ending	Principal	Interest	Total
June 30			
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	1,950,000	1,557,350	3,507,350
2024	2,050,000	1,459,850	3,509,850
2025-2029	9,790,000	5,790,250	15,580,250
2030-2034	10,435,000	3,809,200	14,244,200
2035-2038	10,100,000	1,293,000	11,393,000
<b>Total</b>	<b>\$ 39,650,000</b>	<b>\$ 19,122,700</b>	<b>\$ 58,772,700</b>



Below is a schedule of payments by fund for the fiscal years 2020/21 and 2021/22 for all long-term debt obligations discussed in this section.

Long-Term Debt Schedule of Payments by Fund Fiscal Years 2020/21 and 2021/22							
Description	Fund	FY 2020/21			FY 2021/22		
		Principal	Interest	Total	Principal	Interest	Total
<b>City Debt Obligations</b>							
General Obligation Bonds Series 2002	448	\$ 570,000	\$ 0	\$ 570,000	\$ 595,000	\$ 0	\$ 595,000
2019 Civic Center Project Lease Revenue Refunding Bonds	461	1,235,000	1,429,300	2,664,300	1,290,000	1,378,800	2,668,800
Capital Improvement Revenue Refunding Bonds Series 2012	445	1,130,000	785,550	1,915,550	1,185,000	724,781	1,909,781
2015 Lease Financing	466	480,000	311,675	791,675	495,000	295,831	790,831
Successor Agency Payment Plan	100	1,548,919	0	1,548,919	1,638,690	0	1,638,690
<b>Enterprise Debt Obligations</b>							
State Water Resources Loan (Wastewater)	590	944,399	119,210	1,063,609	961,446	80,182	1,041,628
State Water Resources Loan (Wastewater)	255	1,217,686	0	1,217,686	1,239,667	0	1,239,667
Water Revenue Refunding Bonds Series 2014	250	612,904	61,290	674,194	612,904	61,290	674,194
Water Revenue Refunding Bonds Series 2014	560	1,162,096	1,677,810	2,839,906	1,247,096	1,589,060	2,836,156
<b>Totals</b>		<b>\$ 8,901,004</b>	<b>\$ 4,384,835</b>	<b>\$ 13,285,839</b>	<b>\$ 9,264,803</b>	<b>\$ 4,129,944</b>	<b>\$ 13,394,747</b>

**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.

**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.

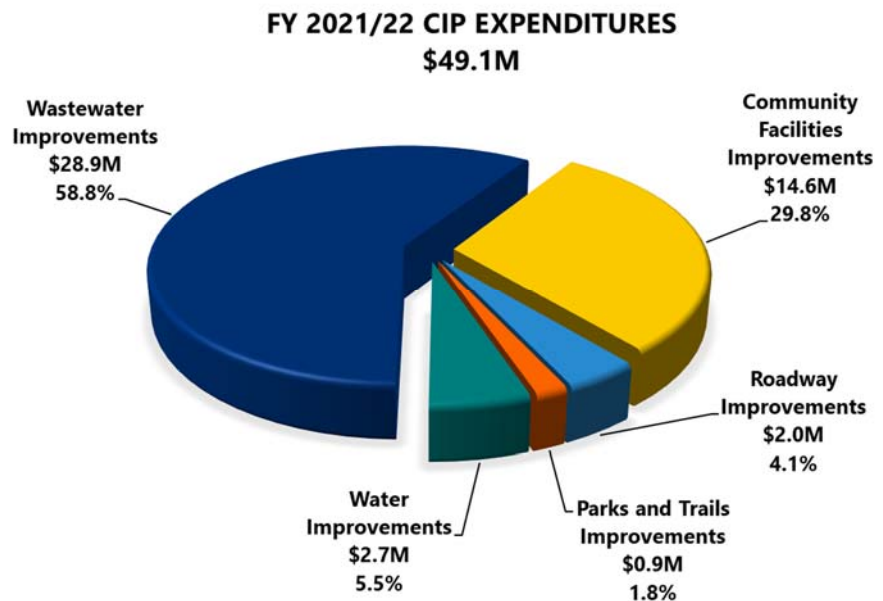
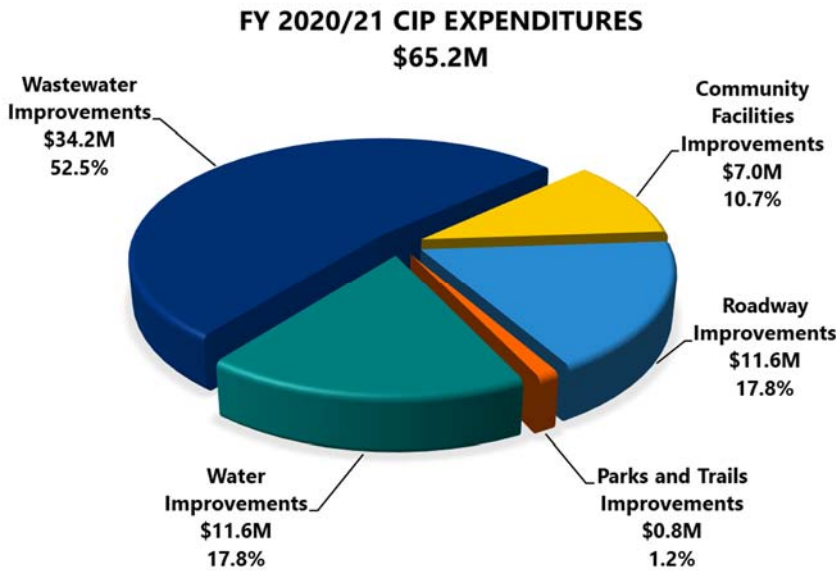
A capital project typically involves the purchase or construction of major fixed assets such as land, buildings and any permanent improvement including additions, replacements and major alterations having a long life expectancy. Additionally, capital projects may apply to: 1) expenditures which take 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.



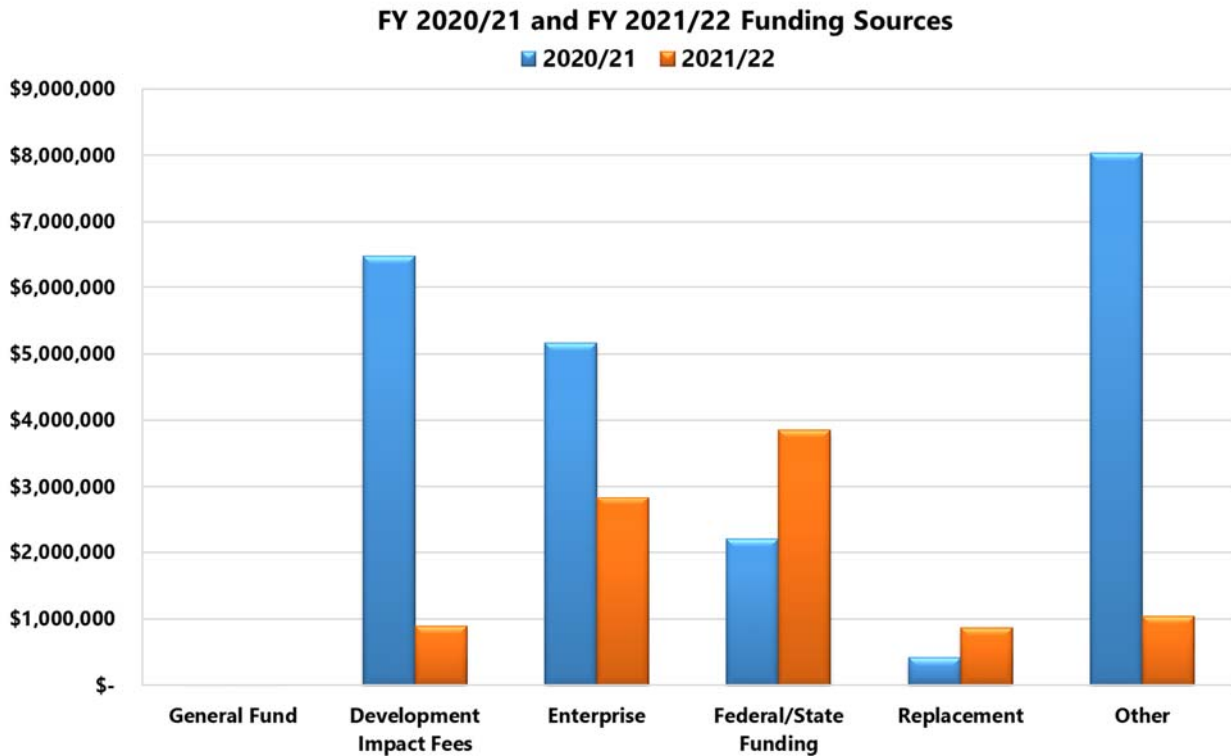
For more information on the City's CIP, please refer to the 2020/21 – 2024/25 Capital Improvement Program located on the City's website: [www.brentwoodca.gov](http://www.brentwoodca.gov). The information provided in this section is from the original adopted 2020/21 – 2024/25 CIP.

**Capital Improvement Program Summary**

The 2020/21 – 2024/25 CIP includes 47 City capital improvement projects with a total projected cost of \$203.6 million. The charts below show the capital expenditures, by category, for FY 2020/21 and FY 2021/22.



The FY 2020/21 and FY 2021/22 CIP funding sources are shown in the chart below.



- (1) Federal/State Funding excludes SRF loans of \$33,278,350 and \$24,244,000 for FY 2020/21 and FY 2021/22, respectively.  
 (2) Major components of Other funding include Vineyards Project Funds, Capital Infrastructure and RMRA.

### Strategic Initiative CIP Projects

On February 25, 2020, City Council adopted the original Strategic Plan for FY 2020/21 and FY 2021/22 and, in June 2020, revisions to the Strategic Plan were approved by the City Council 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. The table below lists the 2020/21 – 2024/25 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 27, for information on the focus area Goals and to the Performance Budgets section, beginning on page 107, for more information on the initiatives.

Summary of Proposed CIP Improvements by Strategic Initiative									
Fiscal Years 2020/21 - 2024/25									
SI #	Project #	Project Title	Prior	2020/21	2021/22	2022/23	2023/24	2024/25	Total Cost
1.2.a.	59140	Wastewater Treatment Plant Expansion - Phase II	\$ 5,025,000	\$ 30,100,000	\$ 28,100,000	\$ 6,912,520	\$ 0	\$ 0	\$ 70,137,520
2.4.a.	37030	ECCFPD Administration and Fire Station	1,440,000	2,050,000	10,340,000	2,100,000	0	0	15,930,000
3.2.a./b.	37255	Brentwood Boulevard Specific Plan Update and EIFD	32,500	46,000	150,000	0	0	0	228,500
3.1.a./b.	37256	Downtown Specific Plan Update and EIFD	32,000	45,000	153,500	0	0	0	230,500
5.4.a.	37231	Vineyards at Marsh Creek - Event Center/Amphitheater	195,000	4,205,000	3,700,000	0	0	0	8,100,000
<b>TOTAL</b>			<b>\$ 6,724,500</b>	<b>\$ 36,446,000</b>	<b>\$ 42,443,500</b>	<b>\$ 9,012,520</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 94,626,520</b>

**Other Significant CIP Projects**

There are several other notable capital expenditures included in the 2020/21 – 2024/25 CIP. Following, is a list of these projects including: 1) budgeted expenditures for FY 2020/21 and FY 2021/22; 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 2020/21 Budget	FY 2021/22 Budget	Total Project Budget	Future Annual O&M Impact
31695	Priority Area 1 Infrastructure Improvements	Roadway	\$ 9,330,000	\$ 0	\$ 11,552,000	\$ 120,000
52434	Aquatic Complex Mechanical Room Improvements	Parks and Trails	450,000	0	450,000	0
	Aquatic Complex Slide Replacement	Parks and Trails	0	310,000	310,000	0
	Aquatic Complex Water Play Structure Replacement	Parks and Trails	0	310,000	310,000	0
56401	Downtown Alley Rehabilitation - Diablo Way	Water	1,875,000	0	3,900,000	0
	Downtown Alley Rehabilitation - Mid Way	Water	1,270,000	1,270,000	2,540,000	0
56397	Sensus AMR System Upgrade	Water	1,430,000	0	2,890,000	0
56402	Water and Wastewater SCADA System Upgrade	Water	2,191,000	0	3,691,000	10,000
56409	Water Emergency Back-up Generators	Water	1,715,000	0	1,880,000	12,500
59202	Citywide Non-Potable Water Distribution System	Wastewater	4,146,000	0	8,091,000	18,500
37244	Public Art Spaces	Community Facilities	425,858	0	786,383	TBD
<b>TOTALS</b>			<b>\$ 22,832,858</b>	<b>\$ 1,890,000</b>	<b>\$ 36,400,383</b>	<b>\$ 161,000</b>

**Project Descriptions**

- **Priority Area 1 Infrastructure Improvements (CIP #336-31695)**

This project will construct infrastructure improvements within Priority Area 1. The project improvements include replacing the existing Heidorn Ranch Road with a new roadway consisting of a two lane arterial street section between Old Sand Creek Road and East Bay Municipal Utility District. Improvements also include Jeffery Way roadway extension from Amber Lane to Empire Avenue, the extension of wet utilities (water, sewer, and non-potable water) on Empire Avenue under Highway 4 to Heidorn Ranch Road, widening Lone Tree Plaza Drive between Heidorn Ranch Road and Canada Valley Road, and all associated improvements and land acquisition.

- **Aquatic Complex Mechanical Room Improvements (CIP #352-52434)**

The platform in the mechanical room at the BFAC houses the filters for the recreation and slide pool. The platform needs to be relocated to another area in the mechanical room. The corrugated metal on the platform has rusted in several locations and the main support beam is bowing. A temporary metal beam has been added to support the current structure until the relocation can be completed.

- **Aquatic Complex Slide Replacement**

Replace both slides for the Amusement Ride Pool at the BFAC to meet current ADA accessibility guidelines and Consumer Product Safety Commission guidelines. Replacement parts can become unavailable and may create a situation where the play structures no longer meet either the current Consumer Product Safety Commission guidelines on safety or the current ADA guidelines. The water play equipment, including both slides, were constructed in 1999.

- **Aquatic Complex Water Play Structure Replacement**  
Replace water play equipment in the BFAC Zero Entry Pool to meet current ADA accessibility guidelines and Consumer Product Safety Commission guidelines. Replacement parts can become unavailable and may create a situation where the play structures no longer meet either the current Consumer Product Safety Commission guidelines on safety, or the current ADA guidelines. The water play equipment at BFAC was constructed in 1999.
- **Downtown Alley Rehabilitation - Diablo Way (CIP #562-56401)**  
This project includes the installation of new water, sewer, and storm drain 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.
- **Downtown Alley Rehabilitation - Mid Way**  
This project includes the installation of new water, sewer, and storm drain 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 (MXU) 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.
- **Water and Wastewater SCADA System Upgrade (CIP #562-56402)**  
This project will provide necessary upgrades to the Supervisory Control and Data Acquisition (SCADA) computer systems to enable the Water Distribution System, Water Treatment Plant and Wastewater Treatment Plant to operate efficiently and securely. This project will replace the existing network infrastructure, SCADA infrastructure and software originally installed 15-20 years ago.
- **Water Emergency Back-up Generators (CIP #562-56409)**  
In the event of an emergency, the City of Brentwood will need to maintain power to critical infrastructure in order to provide water and wastewater services to the residents. City staff has reviewed the existing infrastructure and has identified six facilities which require emergency back-up generators to maintain adequate water and wastewater services. These facilities are Brentwood Hills Pump Station 3.1, Pump Station 3.2, Vineyards Booster Pump Station 2.3, Pump Station 2.1, and Well 15 to maintain adequate potable water services. The sixth facility is the Municipal Service Center (MSC), where a generator is critical for backing up the SCADA systems during an emergency.

- **Citywide Non-Potable Water Distribution System (CIP #592-59202)**

This project consists of the installation of a trunk, reclaimed (non-potable) water distribution system, throughout the City to provide reclaimed water for irrigation of golf courses, parks, parkways, medians and other applicable uses. The priority locations are located on Fairview Avenue from Grant Street to Balfour Road, and Sand Creek Road from Fairview Avenue to Brentwood Boulevard. There are parks and public landscaping that are currently irrigated using potable water. By converting to non-potable water usage, the City can reduce the cost of landscape irrigation, save on potable water usage and reduce the discharge of recycled water to Marsh Creek.

- **Public Art Spaces (CIP #337-37244)**

This project consists of the installation of three or more monuments at select locations throughout the City. The project's purpose is to improve the identity of the City at the three or more high traffic areas. These locations will need to be illuminated and highly visible. The Arts Commission will be an active partner in making a recommendation to City Council.





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## FUND BALANCE SUMMARY

	Fund Balance & Reserves at 6/30/2019	2019/20 Projected		Fund Balance & Reserves at 6/30/2020	2020/21 Budget		Fund Balance & Reserves at 6/30/2021	2021/22 Budget		Fund Balance & Reserves at 6/30/2022
		Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
General Fund	\$ 29,859,880	\$ 56,441,759	\$ 56,468,366	\$ 29,833,273	\$ 59,616,515	\$ 61,263,405	\$ 28,186,383	\$ 62,575,563	\$ 63,259,821	\$ 27,502,125
Solid Waste Enterprise <sup>(1)</sup>	15,885,486	14,878,598	13,647,530	17,116,554	15,676,533	14,677,054	18,116,033	16,528,232	15,257,825	19,386,440
Water Enterprise <sup>(1)</sup>	144,365,291	25,365,641	24,102,928	145,628,004	25,784,550	25,949,977	145,462,577	27,115,439	26,189,626	146,388,390
Wastewater Enterprise <sup>(1)</sup>	103,582,866	13,974,431	14,652,642	102,904,655	14,123,246	14,361,124	102,666,777	14,826,772	14,612,573	102,880,976
City Rentals Enterprise <sup>(1)</sup>	291,523	624,132	594,090	321,565	534,541	553,130	302,976	427,047	517,823	212,200
Housing Enterprise <sup>(1)</sup>	4,512,682	861,505	799,825	4,574,362	1,013,720	1,060,971	4,527,111	1,039,494	1,107,921	4,458,684
Internal Service Funds	55,298,955	22,706,570	22,952,773	55,052,752	20,036,141	23,851,994	51,236,899	18,979,384	26,339,311	43,876,972
Special Revenue Funds <sup>(2)</sup>	60,539,415	32,231,908	40,208,957	52,562,366	53,526,031	58,979,951	47,108,446	54,577,118	53,329,447	48,356,117
Debt Service Funds	39,297,615	31,895,559	31,870,650	39,322,524	31,834,018	31,894,090	39,262,452	31,900,769	31,932,948	39,230,273
Capital Project Funds	46,087,758	23,073,302	13,998,582	55,162,478	57,555,307	75,024,053	37,693,732	35,795,720	43,159,555	30,329,897
	<b>\$ 499,721,471</b>	<b>\$ 222,053,405</b>	<b>\$ 219,296,343</b>	<b>\$ 502,478,533</b>	<b>\$ 279,700,602</b>	<b>\$ 307,615,749</b>	<b>\$ 474,563,386</b>	<b>\$ 263,765,538</b>	<b>\$ 275,706,850</b>	<b>\$ 462,622,074</b>

(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

	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
<b>Beginning Fund Balances</b>	<b>\$ 495,173,372</b>	<b>\$ 499,721,471</b>	<b>\$ 499,721,471</b>	<b>\$ 502,478,533</b>	<b>\$ 474,563,386</b>
<b>Revenues and Other Financing Sources</b>					
Taxes	\$ 30,936,404	\$ 31,324,068	\$ 30,716,906	\$ 31,633,126	\$ 31,991,229
Licenses	880,361	976,168	763,640	720,606	776,103
Charges for Other Services	74,053,054	70,522,035	74,320,964	73,920,474	75,330,897
Use of Money and Property	10,957,361	4,022,596	4,867,519	1,413,977	1,393,781
Assessment Districts	24,561,123	25,982,612	24,973,605	24,876,866	24,375,560
Intergovernmental	12,066,833	40,296,641	10,873,700	45,537,069	37,046,891
Charges to Other Funds	7,898,186	7,763,930	8,037,022	8,257,813	8,511,217
Permits and Fines	6,352,330	4,767,852	4,618,413	4,596,262	4,979,154
Development Impact Fees	9,770,134	11,169,473	5,141,834	8,897,903	9,135,940
Franchise Fees	1,420,321	1,562,733	1,431,680	1,430,225	1,440,380
Fees and Other Revenues	25,999,259	6,362,173	5,117,901	5,131,603	5,493,723
Other Financing Sources	32,210,000	0	0	0	0
Transfers In	66,860,113	51,864,678	51,190,221	73,284,678	63,290,663
<b>Total Revenues and Other Financing Sources</b>	<b>303,965,479</b>	<b>256,614,959</b>	<b>222,053,405</b>	<b>279,700,602</b>	<b>263,765,538</b>
<b>Expenditures and Other Financing Uses</b>					
General Government	10,547,441	14,441,265	11,309,828	12,592,687	11,948,990
Public Safety	23,405,150	28,160,261	25,121,049	27,850,738	28,685,672
Community Development	5,893,497	7,247,290	5,780,205	6,350,967	6,449,080
Engineering	3,460,092	3,788,014	3,513,635	3,684,885	3,792,433
Public Works	3,914,338	4,281,791	4,053,134	4,084,076	4,315,473
Parks and Recreation	10,842,247	12,161,081	11,018,172	13,236,727	13,771,387
Enterprise Funds <sup>(1)</sup>	47,318,772	49,394,192	47,936,860	51,673,907	53,142,299
Community Services	8,553,831	13,345,773	13,213,097	10,303,795	9,096,647
Internal Service	27,604,789	22,183,834	20,643,379	19,066,696	19,233,602
Debt Service - Principal	13,877,594	21,568,579	14,939,534	15,536,005	16,581,738
Debt Service - Interest	11,104,497	10,865,343	9,022,073	8,536,396	8,163,198
Capital Outlay	25,016,713	55,369,793	11,374,714	66,718,719	41,252,537
Other Financing Uses	42,663,905	300	300	0	0
Transfers Out	65,214,514	47,484,042	41,370,363	67,980,151	59,273,794
<b>Total Expenditures and Other Financing Uses</b>	<b>299,417,380</b>	<b>290,291,558</b>	<b>219,296,343</b>	<b>307,615,749</b>	<b>275,706,850</b>
<b>Ending Fund Balances</b>	<b>\$ 499,721,471</b>	<b>\$ 466,044,872</b>	<b>\$ 502,478,533</b>	<b>\$ 474,563,386</b>	<b>\$ 462,622,074</b>

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

## FY 2020/21 SUMMARY OF ACTIVITIES BY FUND TYPE

	General Fund	Enterprise Funds	Internal Service Funds	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total All Funds
<b>Revenues</b>							
Taxes	\$ 24,096,038	\$ 92,862	\$ 0	\$ 6,874,711	\$ 569,515	\$ 0	\$ 31,633,126
Licenses	583,151	0	0	137,455	0	0	720,606
Charges for Other Services	443,258	54,430,940	19,046,276	0	0	0	73,920,474
Use of Money and Property	480,431	219,172	237,988	247,785	113,160	115,441	1,413,977
Assessment Districts	0	0	0	12,091,460	12,785,406	0	24,876,866
Intergovernmental	5,177,073	0	0	7,081,646	0	33,278,350	45,537,069
Charges to Other Funds	8,203,196	54,617	0	0	0	0	8,257,813
Permits and Fines	4,513,885	0	82,377	0	0	0	4,596,262
Development Impact Fees	0	0	0	8,751,078	0	146,825	8,897,903
Franchise Fees	1,430,225	0	0	0	0	0	1,430,225
Fees and Other Revenues	1,660,387	909,493	0	89,682	2,472,041	0	5,131,603
Total Revenues	<u>46,587,644</u>	<u>55,707,084</u>	<u>19,366,641</u>	<u>35,273,817</u>	<u>15,940,122</u>	<u>33,540,616</u>	<u>206,415,924</u>
Transfers In	13,028,871	1,425,506	669,500	18,252,214	15,893,896	24,014,691	73,284,678
<b>Total Revenues and Transfers In</b>	<b><u>59,616,515</u></b>	<b><u>57,132,590</u></b>	<b><u>20,036,141</u></b>	<b><u>53,526,031</u></b>	<b><u>31,834,018</u></b>	<b><u>57,555,307</u></b>	<b><u>279,700,602</u></b>
<b>Expenditures</b>							
General Government	7,867,811	0	0	2,715,177	2,009,699	0	12,592,687
Public Safety	27,569,418	0	0	281,320	0	0	27,850,738
Community Development	5,937,729	0	0	301,241	111,997	0	6,350,967
Engineering	3,684,885	0	0	0	0	0	3,684,885
Public Works	4,084,076	0	0	0	0	0	4,084,076
Parks and Recreation	7,198,591	0	0	6,038,136	0	0	13,236,727
Enterprise Funds <sup>(1)</sup>							
Solid Waste	0	14,600,474	0	0	0	0	14,600,474
Water	0	22,905,858	0	471,867	0	0	23,377,725
Wastewater	0	11,996,934	0	331,430	0	0	12,328,364
City Rentals	0	346,373	0	0	0	0	346,373
Housing	0	1,020,971	0	0	0	0	1,020,971
Community Services	770,285	0	0	9,533,510	0	0	10,303,795
Internal Service	0	0	19,066,696	0	0	0	19,066,696
Debt Service	1,548,920	3,903,515	0	1,861,235	16,758,731	0	24,072,401
Capital Outlay	0	0	0	0	0	66,718,719	66,718,719
Total Expenditures	<u>58,661,715</u>	<u>54,774,125</u>	<u>19,066,696</u>	<u>21,533,916</u>	<u>18,880,427</u>	<u>66,718,719</u>	<u>239,635,598</u>
Transfers Out	2,601,690	1,828,131	4,785,298	37,446,035	13,013,663	8,305,334	67,980,151
<b>Total Expenditures and Transfers Out</b>	<b><u>61,263,405</u></b>	<b><u>56,602,256</u></b>	<b><u>23,851,994</u></b>	<b><u>58,979,951</u></b>	<b><u>31,894,090</u></b>	<b><u>75,024,053</u></b>	<b><u>307,615,749</u></b>
<b>Net Result of Operations</b>	<b>(1,646,890)</b>	<b>530,334</b>	<b>(3,815,853)</b>	<b>(5,453,920)</b>	<b>(60,072)</b>	<b>(17,468,746)</b>	<b>(27,915,147)</b>
<b>Beginning Balance - 7/01/20</b>	<b><u>29,833,273</u></b>	<b><u>270,545,140</u></b>	<b><u>55,052,752</u></b>	<b><u>52,562,366</u></b>	<b><u>39,322,524</u></b>	<b><u>55,162,478</u></b>	<b><u>502,478,533</u></b>
<b>Fund Balance - 6/30/21</b>	<b><u>\$ 28,186,383</u></b>	<b><u>\$ 271,075,474</u></b>	<b><u>\$ 51,236,899</u></b>	<b><u>\$ 47,108,446</u></b>	<b><u>\$ 39,262,452</u></b>	<b><u>\$ 37,693,732</u></b>	<b><u>\$ 474,563,386</u></b>

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

## FY 2020/21 FUND BALANCE BY FUND

Fund #	Fund Name	Estimated	Budget		Budget		Estimated
		7/1/2020 Fund Balance	Revenues	Transfers In	Expenditures	Transfer Out	6/30/2021 Fund Balance
100	<b>General Fund</b>	\$ 29,833,273	\$ 46,587,644	\$ 13,028,871	\$ 58,661,715	\$ 2,601,690	\$ 28,186,383
	<b>Enterprise Funds <sup>(1)</sup></b>						
540,543	Solid Waste Enterprise	17,116,554	15,676,533	0	14,600,474	76,580	18,116,033
560,563	Water Enterprise	145,628,004	25,419,799	364,751	25,745,764	204,213	145,462,577
590,593	Wastewater Enterprise	102,904,655	14,117,071	6,175	13,060,543	1,300,581	102,666,777
501	City Rentals Enterprise	321,565	187,541	347,000	346,373	206,757	302,976
510,511,513	Housing Enterprise	4,574,362	306,140	707,580	1,020,971	40,000	4,527,111
	<b>Total Enterprise Funds</b>	<b>270,545,140</b>	<b>55,707,084</b>	<b>1,425,506</b>	<b>54,774,125</b>	<b>1,828,131</b>	<b>271,075,474</b>
	<b>Internal Service Funds</b>						
701	Information Services <sup>(2)</sup>	(1,006,944)	3,281,438	0	3,400,959	0	(1,126,465)
702	Equipment Replacement	12,827,300	2,194,960	0	3,782,691	0	11,239,569
703	Information Systems Replacement	2,226,775	1,059,838	0	591,577	0	2,695,036
704	Facilities Replacement	6,490,859	1,136,153	0	1,138,087	0	6,488,925
705	Tuition	63,772	26,309	0	32,902	0	57,179
706	Fleet Maintenance Services <sup>(2)</sup>	(882,520)	1,951,079	0	1,870,549	0	(801,990)
707	Facilities Maintenance Services <sup>(2)</sup>	(707,751)	1,972,394	0	1,949,681	0	(685,038)
708	Parks and LLAD Replacement	20,586,645	1,967,766	669,500	936,864	1,475,338	20,811,709
709	Insurance	278,692	2,298,509	0	1,944,256	0	632,945
710	Pension/OPEB Obligation	15,175,924	3,478,195	0	3,419,130	3,309,960	11,925,029
	<b>Total Internal Service Funds</b>	<b>55,052,752</b>	<b>19,366,641</b>	<b>669,500</b>	<b>19,066,696</b>	<b>4,785,298</b>	<b>51,236,899</b>

(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 2020/21 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated	Budget		Budget		Estimated
		7/1/2020	Revenues	Transfers In	Expenditures	Transfer Out	6/30/2021
		Fund Balance					Fund Balance
<b>Special Revenue Funds</b>							
203-209	Gas Tax	\$ 1,798,038	\$ 2,573,147	\$ 0	\$ 1,440	\$ 3,466,975	\$ 902,770
214	SB1186 Disability Access	56,742	22,156	0	19,950	0	58,948
216	Police Grants	202,772	257,370	0	281,270	0	178,872
217	Grants	22,534	3,325,700	0	1,120,000	2,205,650	22,584
219	Economic Development Grant	312,640	138,933	0	281,291	0	170,282
230	Citywide Park Assessment District	461,387	2,719,318	2,797,669	5,662,825	0	315,549
231	Community Facilities District #2	18,357	647,547	0	7,450	650,048	8,406
232	Community Facilities District #3	1,080,936	1,639,505	396,507	14,983	2,314,246	787,719
233,235	Community Facilities District #4	193,571	2,801,397	95,143	20,100	2,899,252	170,759
234	Community Facilities District #5	996,940	1,788,868	29,111	15,468	2,096,662	702,789
250	Water Development Impact Fee <sup>(1)</sup>	4,440,438	1,924,515	0	1,115,416	683,000	4,566,537
251	Roadway Development Impact Fee	5,724,765	2,693,905	17,781	582,175	409,349	7,444,927
252	Parks and Trails Development Impact Fee	1,282,366	974,524	0	365,386	0	1,891,504
255	Wastewater Development Impact Fee <sup>(1)</sup>	9,291,995	1,645,819	0	1,549,116	0	9,388,698
256	Community Facilities Development Impact Fee	(838,745)	452,497	0	68,858	153,159	(608,265)
257	Fire Development Impact Fee	6,446,252	477,875	0	6,848	6,130,000	787,279
261	Development Impact Fee Administration	257,197	377,249	0	426,423	0	208,023
262	Agriculture Land Administration	650,569	3,205	0	49,940	0	603,834
263	Agriculture Land Acquisition	2,075,539	8,617	0	301,351	0	1,782,805
264	First-Time Homebuyer	1,850,357	5,847	0	101,193	35,000	1,720,011
265	Affordable Housing In-Lieu Fee	4,840,181	369,211	0	38,938	632,580	4,537,874
267	Public Art Administration	742,784	3,037	128	694	0	745,255
268	Public Art Acquisition	2,326,596	9,686	509	2,236	659	2,333,896
269	Parking In-Lieu	425	50	0	0	0	475
272	Riparian Mitigation Site Maintenance	82,220	600	0	90	1,535	81,195
280	Asset Forfeiture	216,888	1,000	0	203	0	217,685
281	Abandoned Vehicle Abatement	74,754	40,135	0	50	30,000	84,839
285	PEG Media	899,189	4,258	0	5,878	0	897,569
286	Parks Advertising	35,511	1,244	0	9,835	0	26,920
293	Measure J	661,427	934,360	0	8,950	900,000	686,837
302	City Low Income Housing	1,055,768	74	0	50	0	1,055,792
6xx	Landscape and Lighting Assessment Districts	5,301,973	9,432,168	14,915,366	9,475,509	14,837,920	5,336,078
<b>Total Special Revenue Funds</b>		<b>52,562,366</b>	<b>35,273,817</b>	<b>18,252,214</b>	<b>21,533,916</b>	<b>37,446,035</b>	<b>47,108,446</b>

(1) Certain Special Revenue Funds are presented utilizing cash balance.

## FY 2020/21 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated 7/1/2020 Fund Balance	Budget		Budget		Estimated 6/30/2021 Fund Balance
			Revenues	Transfers In	Expenditures	Transfer Out	
<b>Debt Service Funds</b>							
<b>City Debt Obligations</b>							
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 14,399,016	\$ 1,443,014	\$ 616,106	\$ 2,008,565	\$ 89,852	\$ 14,359,719
448	General Obligation Bonds Series 2002	67,474	570,805	0	576,855	0	61,424
461	2019 Civic Center Project Lease Revenue Refunding Bonds	10,974,335	1,114,231	2,082,511	2,675,927	520,761	10,974,389
466	2015 Lease Financing	3	0	792,229	792,175	0	57
<b>Assessment Districts</b>							
435	2018 A Refinance	487,245	0	3,922,119	3,948,129	0	461,235
436	2014 A & B Refinance	2,223,879	50	7,175,380	7,175,379	0	2,223,930
437	2012 A Refinance	878,169	50	1,303,026	1,312,591	0	868,654
438	Capital Improvement Financing Program 2003-1	921,770	1,256,617	1,083	29,456	1,225,322	924,692
439	Capital Improvement Financing Program 2002-1	908,699	1,202,091	1,442	26,908	1,173,378	911,946
441	Capital Improvement Financing Program 94-1	2,361,315	2,763,435	0	62,844	2,695,841	2,366,065
442	Capital Improvement Financing Program 98-1	581,018	700,806	0	17,586	682,040	582,198
443	Capital Improvement Financing Program 99-1	519,669	638,370	0	16,324	620,986	520,729
444	Capital Improvement Financing Program 2000-01	754,385	932,761	0	24,345	906,881	755,920
449	Capital Improvement Financing Program 2004-1	1,143,225	1,560,843	0	35,160	1,523,419	1,145,489
460	Randy Way Assessment District	130,179	56,849	0	56,426	0	130,602
462	2006 A & B Refinance	2,475	50	0	0	2,525	0
463	Capital Improvement Financing Program 2006-1	828,749	1,109,478	0	38,161	1,069,577	830,489
464	Capital Improvement Financing Program 2005-1	1,972,924	2,590,113	0	82,983	2,503,081	1,976,973
465	96R Assessment District	167,995	559	0	613	0	167,941
<b>Total Debt Service Funds</b>		<b>39,322,524</b>	<b>15,940,122</b>	<b>15,893,896</b>	<b>18,880,427</b>	<b>13,013,663</b>	<b>39,262,452</b>

## FY 2020/21 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated 7/1/2020 Fund Balance	Budget		Budget		Estimated 6/30/2021 Fund Balance
			Revenues	Transfers In	Expenditures	Transfer Out	
<b>Capital Project Funds</b>							
336	Roadway Improvements	\$ 9,459,251	\$ 24,852	\$ 4,321,500	\$ 11,590,000	\$ 24,852	\$ 2,190,751
337	Community Facilities Improvements	7,296,597	19,881	10,801,000	6,996,858	646,382	10,474,238
352	Parks and Trails Improvements <sup>(1)</sup>	34,173	4,714	418,270	768,270	0	(311,113)
380	Civic Center Capital Improvement Financing Program	29,587	601	1,176,966	113	1,183,728	23,313
381	City Capital Improvement Financing Program	229,125	1,082	805,355	225	535,946	499,391
392	Capital Infrastructure	3,397,860	13,213	25,950	1,511,255	1,593,500	332,268
393	Vineyards Projects	4,232,113	176,996	0	6,680	4,100,000	302,429
394	Vineyards Event Center Projects	254,162	0	0	515	200,000	53,647
562	Water Improvements	18,020,274	20,927	5,498,000	11,598,803	20,926	11,919,472
592	Wastewater Improvements	12,209,336	33,278,350	967,650	34,246,000	0	12,209,336
<b>Total Capital Project Funds</b>		<b>55,162,478</b>	<b>33,540,616</b>	<b>24,014,691</b>	<b>66,718,719</b>	<b>8,305,334</b>	<b>37,693,732</b>
<b>Total All Funds</b>		<b>\$ 502,478,533</b>	<b>\$ 206,415,924</b>	<b>\$ 73,284,678</b>	<b>\$ 239,635,598</b>	<b>\$ 67,980,151</b>	<b>\$ 474,563,386</b>

(1) This Capital Project Fund includes an interfund loan obligation, which results in a negative fund balance. This fund maintains a positive cash balance.

## SUMMARY OF REVENUES AND EXPENDITURES BY FUND TYPE

Revenues	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
General Fund	\$ 56,740,754	\$ 61,019,358	\$ 56,441,759	\$ 59,616,515	-2.30%	\$ 62,575,563	4.96%
Enterprise Funds							
Solid Waste Enterprise	16,477,735	14,485,645	14,878,598	15,676,533	8.22%	16,528,232	5.43%
Water Enterprise	37,267,952	24,365,815	25,365,641	25,784,550	5.82%	27,115,439	5.16%
Wastewater Enterprise	21,218,151	13,652,639	13,974,431	14,123,246	3.45%	14,826,772	4.98%
City Rentals Enterprise	613,464	641,232	624,132	534,541	-16.64%	427,047	-20.11%
Housing Enterprise	1,015,020	882,533	861,505	1,013,720	14.86%	1,039,494	2.54%
Internal Service Funds	28,705,133	20,408,092	22,706,570	20,036,141	-1.82%	18,979,384	-5.27%
Special Revenue Funds	58,311,962	42,660,117	32,231,908	53,526,031	25.47%	54,577,118	1.96%
Debt Service Funds	55,645,531	34,523,168	31,895,559	31,834,018	-7.79%	31,900,769	0.21%
Capital Project Funds	27,969,777	43,976,360	23,073,302	57,555,307	30.88%	35,795,720	-37.81%
<b>Total Revenues</b>	<b>\$ 303,965,479</b>	<b>\$ 256,614,959</b>	<b>\$ 222,053,405</b>	<b>\$ 279,700,602</b>	<b>9.00%</b>	<b>\$ 263,765,538</b>	<b>-5.70%</b>

Expenditures	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
General Fund	\$ 55,450,332	\$ 64,596,681	\$ 56,468,366	\$ 61,263,405	-5.16%	\$ 63,259,821	3.26%
Enterprise Funds							
Solid Waste Enterprise	13,580,646	13,949,624	13,647,530	14,677,054	5.21%	15,257,825	3.96%
Water Enterprise	30,975,869	31,826,973	31,386,208	29,890,977	-6.08%	27,988,626	-6.36%
Wastewater Enterprise	16,953,805	20,399,886	16,307,464	14,361,124	-29.60%	15,012,573	4.54%
City Rentals Enterprise	581,419	601,646	594,090	553,130	-8.06%	517,823	-6.38%
Housing Enterprise	755,756	904,717	799,825	1,060,971	17.27%	1,107,921	4.43%
Internal Service Funds	28,604,790	27,432,482	22,952,773	23,851,994	-13.05%	26,339,311	10.43%
Special Revenue Funds	55,105,366	48,306,041	40,208,957	58,979,951	22.10%	53,329,447	-9.58%
Debt Service Funds	59,091,363	34,073,565	31,870,650	31,894,090	-6.40%	31,932,948	0.12%
Capital Project Funds	38,318,034	57,575,480	13,998,582	75,024,053	30.31%	43,159,555	-42.47%
<b>Total Expenditures</b>	<b>\$ 299,417,380</b>	<b>\$ 299,667,095</b>	<b>\$ 228,234,445</b>	<b>\$ 311,556,749</b>	<b>3.97%</b>	<b>\$ 277,905,850</b>	<b>-10.80%</b>



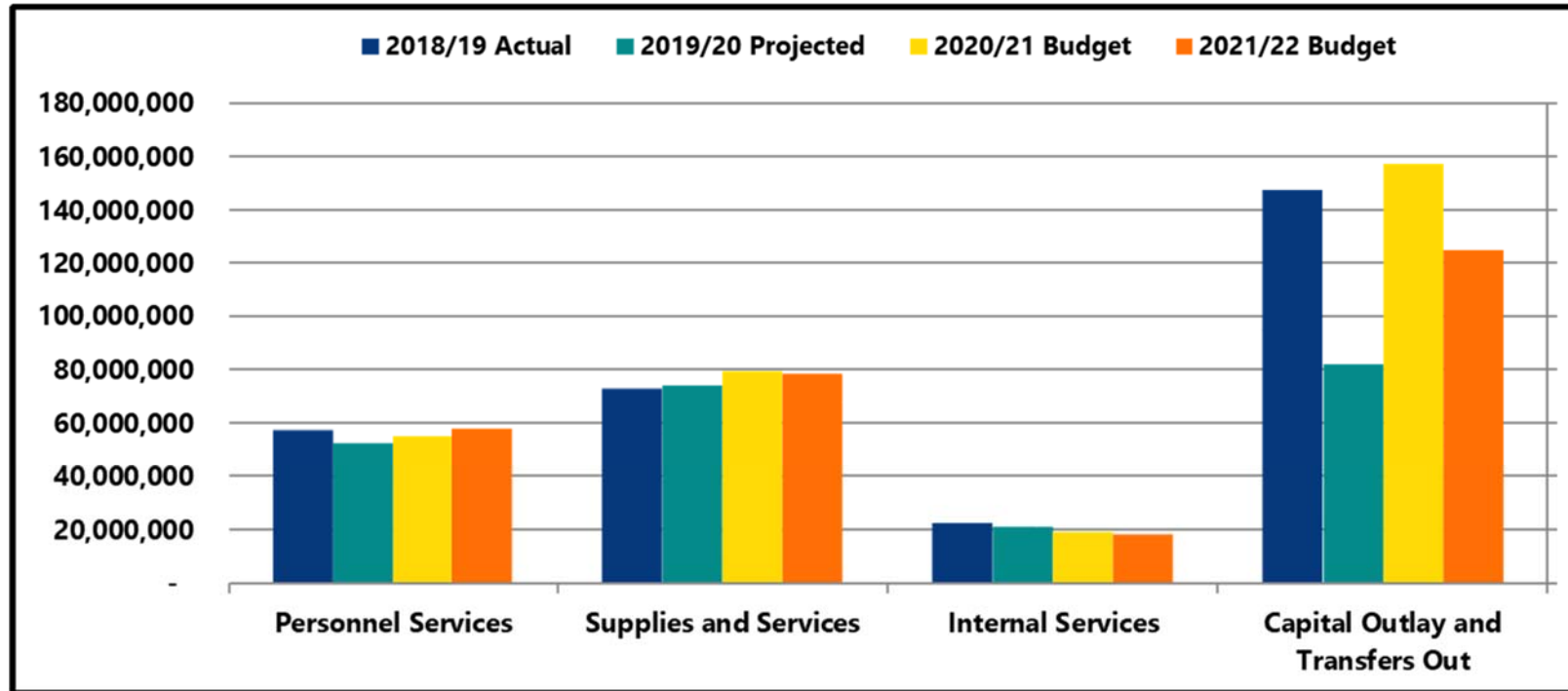
## DETAIL OF EXPENDITURES BY CATEGORY

	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>Personnel Services</b>							
Salaries	\$ 31,120,734	\$ 35,718,345	\$ 33,487,485	\$ 35,641,534	-0.22%	\$ 36,957,332	3.69%
Overtime	1,206,399	1,361,284	1,379,229	1,424,235	4.62%	1,451,817	1.94%
Part-time	1,022,781	1,454,916	1,084,077	1,386,535	-4.70%	1,420,092	2.42%
Benefits	23,966,186 <sup>(1)</sup>	18,250,358 <sup>(1)</sup>	16,225,012 <sup>(1)</sup>	16,535,492	-9.40%	17,785,563	7.56%
<b>Total Personnel Services</b>	<b>57,316,100</b>	<b>56,784,903</b>	<b>52,175,803</b>	<b>54,987,796</b>	<b>-3.16%</b>	<b>57,614,804</b>	<b>4.78%</b>
<b>Supplies and Services</b>							
Operating Supplies	1,550,805	2,180,106	1,914,036	2,382,177	9.27%	2,465,533	3.50%
Utilities	3,860,435	4,435,887	4,287,198	4,736,707	6.78%	4,896,851	3.38%
Repairs and Maintenance	3,887,118	5,838,027	5,598,681	6,146,626	5.29%	5,885,958	-4.24%
Rentals	61,091	82,400	99,542	158,406	92.24%	163,699	3.34%
Insurance	1,239,791	1,344,820	1,429,250	1,863,730	38.59%	1,951,841	4.73%
Special Services	4,058,746	5,782,641	4,850,412	4,721,790	-18.35%	4,791,645	1.48%
Communications	341,928	353,722	346,820	375,927	6.28%	391,036	4.02%
Advertising	99,516	137,090	107,395	143,706	4.83%	147,637	2.74%
Training and Conferences	362,708	583,176	345,491	553,748	-5.05%	532,823	-3.78%
Purchased Water	8,800,617	10,340,349	10,204,667	11,004,860	6.43%	11,424,208	3.81%
Contributions	371,202	627,841	450,517	370,152	-41.04%	350,234	-5.38%
Legal Services	452,881	757,360	467,102	557,777	-26.35%	577,152	3.47%
Contractual Services	8,087,206	10,909,369	10,332,753	11,169,714	2.39%	11,413,275	2.18%
Interfund Services	8,130,478	8,438,174	8,299,897	8,516,953	0.93%	8,756,722	2.82%
Interest Expense	11,104,497	10,865,343	9,022,073	8,536,396	-21.43%	8,163,198	-4.37%
Depreciation/Amortization	6,844,704	6,363,833	6,363,833	7,270,091	14.24%	7,228,116	-0.58%
Developer Reimbursement	1,155,549	1,188,839	934,461	179,624	-84.89%	508,881	183.30%
Other	12,285,817	12,538,273	8,908,753	11,810,894	-5.80%	8,762,068	-25.81%
<b>Total Supplies and Services</b>	<b>72,695,089</b>	<b>82,767,250</b>	<b>73,962,881</b>	<b>80,499,278</b>	<b>-2.74%</b>	<b>78,410,877</b>	<b>-2.59%</b>
<b>Internal Services</b>							
Internal Service	22,126,562	21,536,488	20,809,488	19,188,208	-10.90%	18,077,392	-5.79%
<b>Total Internal Services</b>	<b>22,126,562</b>	<b>21,536,488</b>	<b>20,809,488</b>	<b>19,188,208</b>	<b>-10.90%</b>	<b>18,077,392</b>	<b>-5.79%</b>
<b>Capital Outlay and Transfers Out</b>							
Capital Outlay/CIP	25,523,616	60,149,996	16,037,974	69,424,311	15.42%	45,748,245	-34.10%
Debt Service	56,541,499 <sup>(2)</sup>	21,568,879	14,939,834	15,536,005	-27.97%	16,581,738	6.73%
Transfers	65,214,514	56,859,579	50,308,465	71,921,151	26.49%	61,472,794	-14.53%
<b>Total Capital Outlay and Transfers Out</b>	<b>147,279,629</b>	<b>138,578,454</b>	<b>81,286,273</b>	<b>156,881,467</b>	<b>13.21%</b>	<b>123,802,777</b>	<b>-21.09%</b>
<b>Total Expenditures</b>	<b>\$ 299,417,380</b>	<b>\$ 299,667,095</b>	<b>\$ 228,234,445</b>	<b>\$ 311,556,749</b>	<b>3.97%</b>	<b>\$ 277,905,850</b>	<b>-10.80%</b>

(1) Includes PERS Paydown of \$12.6M in FY 2018/19 and \$1.2M in FY 2019/20.

(2) Includes refunding of debt service.

## SUMMARY OF EXPENDITURES BY CATEGORY



## SUMMARY OF EXPENDITURES BY CATEGORY AND FUND TYPE

	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
<b>Personnel Services</b>					
General Fund	\$ 32,256,743	\$ 37,639,425	\$ 34,221,992	\$ 37,334,351	\$ 39,003,930
Enterprise Funds					
Solid Waste Enterprise	3,164,574	4,389,719	4,183,402	4,286,408	4,428,917
Water Enterprise	3,200,727	4,446,663	4,268,838	4,506,721	4,657,599
Wastewater Enterprise	2,391,678	3,912,502	3,521,989	3,645,587	4,060,041
Housing Enterprise	175,654	356,720	315,678	439,248	455,069
Internal Service Funds	15,472,945	5,283,965	4,990,914	3,662,484	3,792,141
Special Revenue Funds	653,779	755,909	672,990	1,112,997	1,217,107
<b>Total Personnel Services</b>	<b>\$ 57,316,100</b>	<b>\$ 56,784,903</b>	<b>\$ 52,175,803</b>	<b>\$ 54,987,796</b>	<b>\$ 57,614,804</b>
<b>Annual Percentage Change</b>			-8.97%	-3.16%	4.78%
	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
<b>Supplies and Services</b>					
General Fund	\$ 7,699,813	\$ 12,602,507	\$ 8,408,667	\$ 9,176,168	\$ 9,207,414
Enterprise Funds					
Solid Waste Enterprise	5,834,763	6,445,110	6,416,687	7,052,506	7,430,210
Water Enterprise	16,801,009	17,186,634	16,990,291	18,237,876	18,206,408
Wastewater Enterprise	7,780,953	7,095,553	6,780,005	6,956,933	7,167,961
City Rentals Enterprise	264,239	287,605	280,004	294,143	259,577
Housing Enterprise	330,024	444,723	388,122	504,671	528,830
Internal Service Funds	10,013,779	12,158,500	11,031,991	11,817,569	11,426,441
Special Revenue Funds	12,210,375	15,516,685	14,287,860	16,110,197	15,693,105
Debt Service Funds	11,607,445	10,812,612	9,165,059	8,830,427	8,476,734
Capital Project Funds	152,689	217,321	214,195	1,518,788	14,197
<b>Total Supplies and Services</b>	<b>\$ 72,695,089</b>	<b>\$ 82,767,250</b>	<b>\$ 73,962,881</b>	<b>\$ 80,499,278</b>	<b>\$ 78,410,877</b>
<b>Annual Percentage Change</b>			1.74%	-2.74%	-2.59%

## SUMMARY OF EXPENDITURES BY CATEGORY AND FUND TYPE (Continued)

	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
<b>Internal Services</b>					
General Fund	\$ 9,823,136	\$ 10,612,467	\$ 10,178,975	\$ 10,471,273	\$ 10,701,051
Enterprise Funds					
Solid Waste Enterprise	3,759,930	2,797,028	2,729,674	2,818,723	2,872,772
Water Enterprise	2,303,811	1,279,364	1,212,767	1,317,571	1,351,864
Wastewater Enterprise	1,896,792	1,140,902	1,072,725	1,219,504	1,255,613
City Rentals Enterprise	10,968	11,267	11,267	52,230	53,562
Housing Enterprise	172,528	70,274	65,920	74,052	76,022
Internal Service Funds	1,973,650	979,239	906,231	769,723	787,120
Special Revenue Funds	2,185,747	4,645,947	4,631,929	2,465,132	979,388
<b>Total Internal Services</b>	<b>\$ 22,126,562</b>	<b>\$ 21,536,488</b>	<b>\$ 20,809,488</b>	<b>\$ 19,188,208</b>	<b>\$ 18,077,392</b>
<b>Annual Percentage Change</b>			-5.95%	-10.90%	-5.79%
	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
<b>Capital Outlay and Transfers Out</b>					
General Fund	\$ 5,670,640	\$ 3,742,282	\$ 3,658,732	\$ 4,281,613	\$ 4,347,426
Enterprise Funds					
Solid Waste Enterprise	821,378	317,767	317,767	519,417	525,926
Water Enterprise	8,670,322	8,914,312	8,914,312	5,828,809	3,772,755
Wastewater Enterprise	4,884,382	8,250,929	4,932,745	2,539,100	2,528,958
City Rentals Enterprise	306,212	302,774	302,819	206,757	204,684
Housing Enterprise	77,550	33,000	30,105	43,000	48,000
Internal Service Funds	1,144,416	9,010,778	6,023,637	7,602,218	10,333,609
Special Revenue Funds	40,055,465	27,387,500	20,616,178	39,291,625	35,439,847
Debt Service Funds <sup>(1)</sup>	47,483,918	23,260,953	22,705,591	23,063,663	23,456,214
Capital Project Funds	38,165,346	57,358,159	13,784,387	73,505,265	43,145,358
<b>Total Capital Outlay and Transfers Out</b>	<b>\$ 147,279,629</b>	<b>\$ 138,578,454</b>	<b>\$ 81,286,273</b>	<b>\$ 156,881,467</b>	<b>\$ 123,802,777</b>
<b>Annual Percentage Change</b>			-44.81%	13.21%	-21.09%

(1) Includes refunding of debt service.



## GENERAL FUND

	2019/20 Projected	2020/21 Budget	2021/22 Budget	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected	2027/28 Projected	2028/29 Projected
Fund Balance 7/1	\$ 29,859,880	\$ 29,833,273	\$ 28,186,383	\$ 27,502,125	\$ 28,360,125	\$ 29,054,125	\$ 29,799,125	\$ 30,454,125	\$ 31,100,125	\$ 31,809,125
Add:										
Revenues	46,558,746	46,587,644	47,542,464	51,201,000	52,942,000	54,530,000	56,118,000	57,967,000	59,785,000	61,653,000
Transfers In	9,883,013	13,028,871	15,033,099	10,525,000	10,852,000	11,575,000	12,334,000	12,215,000	12,695,000	10,659,000
Total Revenue	56,441,759	59,616,515	62,575,563	61,726,000	63,794,000	66,105,000	68,452,000	70,182,000	72,480,000	72,312,000
Less:										
Expenditures	54,519,054	58,661,715	60,583,491	57,715,000	59,664,000	61,818,000	63,812,000	65,785,000	67,922,000	69,975,000
Operating Transfers Out	1,549,312	2,601,690	2,676,330	3,013,000	3,296,000	3,402,000	3,495,000	3,611,000	3,709,000	3,820,000
Total Appropriations	56,068,366	61,263,405	63,259,821	60,728,000	62,960,000	65,220,000	67,307,000	69,396,000	71,631,000	73,795,000
Revenue Over (Under) Appropriations	373,393	(1,646,890)	(684,258)	998,000	834,000	885,000	1,145,000	786,000	849,000	(1,483,000)
Non-Operating Transfers Out	400,000	0	0	140,000	140,000	140,000	490,000	140,000	140,000	140,000
Revenue Over (Under) Appropriations	(26,607)	(1,646,890)	(684,258)	858,000	694,000	745,000	655,000	646,000	709,000	(1,623,000)
<b>Fund Balance 6/30</b>	<b>\$ 29,833,273</b>	<b>\$ 28,186,383</b>	<b>\$ 27,502,125</b>	<b>\$ 28,360,125</b>	<b>\$ 29,054,125</b>	<b>\$ 29,799,125</b>	<b>\$ 30,454,125</b>	<b>\$ 31,100,125</b>	<b>\$ 31,809,125</b>	<b>\$ 30,186,125</b>



## SOLID WASTE ENTERPRISE FUND

	2019/20 Projected	2020/21 Budget	2021/22 Budget	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected	2027/28 Projected	2028/29 Projected
Net Assets 7/1	\$ 15,885,486	\$ 17,116,554	\$ 18,116,033	\$ 19,386,440	\$ 20,644,193	\$ 21,372,516	\$ 21,930,195	\$ 22,340,455	\$ 22,592,057	\$ 22,695,736
Add:										
Operating Revenues	14,877,124	15,676,533	16,299,080	17,040,735	17,466,313	17,877,364	18,327,395	18,764,359	19,210,990	19,667,584
Total Operating Revenue	14,877,124	15,676,533	16,299,080	17,040,735	17,466,313	17,877,364	18,327,395	18,764,359	19,210,990	19,667,584
Less:										
Operations	13,567,963	14,600,474	15,183,889	15,718,866	16,673,874	17,256,522	17,857,074	18,452,696	19,047,250	19,590,543
Total Operating Appropriations	13,567,963	14,600,474	15,183,889	15,718,866	16,673,874	17,256,522	17,857,074	18,452,696	19,047,250	19,590,543
Revenue Over (Under)										
Operating Appropriations	1,309,161	1,076,059	1,115,191	1,321,869	792,439	620,842	470,321	311,663	163,740	77,041
Non-Operating Revenues and Appropriations	(78,093)	(76,580)	155,216	(64,116)	(64,116)	(63,163)	(60,061)	(60,061)	(60,061)	(60,061)
Revenue Over (Under) Appropriations	1,231,068	999,479	1,270,407	1,257,753	728,323	557,679	410,260	251,602	103,679	16,980
<b>Net Assets 6/30</b>	<b>\$ 17,116,554</b>	<b>\$ 18,116,033</b>	<b>\$ 19,386,440</b>	<b>\$ 20,644,193</b>	<b>\$ 21,372,516</b>	<b>\$ 21,930,195</b>	<b>\$ 22,340,455</b>	<b>\$ 22,592,057</b>	<b>\$ 22,695,736</b>	<b>\$ 22,712,716</b>



## WATER ENTERPRISE FUND

	2019/20 Projected	2020/21 Budget	2021/22 Budget	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected	2027/28 Projected	2028/29 Projected
Net Assets 7/1	\$ 144,365,291	\$ 145,628,004	\$ 145,462,577	\$ 146,388,390	\$ 147,902,624	\$ 149,761,789	\$ 151,908,839	\$ 153,692,354	\$ 155,352,119	\$ 157,091,352
Add:										
Operating Revenues	24,877,317	25,419,799	26,698,315	27,930,222	29,049,671	30,182,266	30,525,892	31,123,645	32,035,783	33,288,251
Total Operating Revenue	24,877,317	25,419,799	26,698,315	27,930,222	29,049,671	30,182,266	30,525,892	31,123,645	32,035,783	33,288,251
Less:										
Operations	23,890,752	25,745,764	25,992,467	26,572,943	27,349,877	28,196,904	28,912,012	29,641,185	30,473,855	31,294,117
Total Operating Appropriations	23,890,752	25,745,764	25,992,467	26,572,943	27,349,877	28,196,904	28,912,012	29,641,185	30,473,855	31,294,117
Revenue Over (Under) Operating Appropriations	986,565	(325,965)	705,848	1,357,279	1,699,794	1,985,362	1,613,880	1,482,460	1,561,928	1,994,134
Non-Operating Revenues and Appropriations	(7,007,132)	(3,780,462)	(1,579,035)	(1,653,782)	(840,629)	(2,068,980)	(1,080,365)	(1,072,695)	(1,072,695)	(1,578,695)
Revenue Over (Under) Appropriations	(6,020,567)	(4,106,427)	(873,187)	(296,503)	859,165	(83,618)	533,515	409,765	489,233	415,439
Adjustments to Net Assets <sup>(1)</sup>	7,283,280	3,941,000	1,799,000	1,810,737	1,000,000	2,230,668	1,250,000	1,250,000	1,250,000	1,756,000
<b>Net Assets 6/30</b>	<b>\$ 145,628,004</b>	<b>\$ 145,462,577</b>	<b>\$ 146,388,390</b>	<b>\$ 147,902,624</b>	<b>\$ 149,761,789</b>	<b>\$ 151,908,839</b>	<b>\$ 153,692,354</b>	<b>\$ 155,352,119</b>	<b>\$ 157,091,352</b>	<b>\$ 159,262,791</b>

(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

	2019/20 Projected	2020/21 Budget	2021/22 Budget	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected	2027/28 Projected	2028/29 Projected
Net Assets 7/1	\$ 103,582,866	\$ 102,904,655	\$ 102,666,777	\$ 102,880,976	\$ 101,358,515	\$ 100,360,056	\$ 99,491,292	\$ 98,821,799	\$ 98,358,384	\$ 98,053,846
Add:										
Operating Revenues	13,921,274	14,117,071	14,757,758	15,356,144	15,957,455	16,571,898	17,237,835	17,907,401	18,603,288	19,326,326
Total Operating Revenue	13,921,274	14,117,071	14,757,758	15,356,144	15,957,455	16,571,898	17,237,835	17,907,401	18,603,288	19,326,326
Less:										
Operations	12,596,076	13,060,543	13,903,638	16,806,588	16,884,803	17,370,419	17,840,067	18,306,431	18,843,441	18,951,413
Total Operating Appropriations	12,596,076	13,060,543	13,903,638	16,806,588	16,884,803	17,370,419	17,840,067	18,306,431	18,843,441	18,951,413
Revenue Over (Under)										
Operating Appropriations	1,325,198	1,056,528	854,120	(1,450,444)	(927,348)	(798,521)	(602,232)	(399,030)	(240,153)	374,913
Non-Operating Revenues and Appropriations	(3,658,231)	(1,294,406)	(1,039,921)	(1,662,017)	(71,111)	(70,243)	(317,261)	(314,385)	(314,385)	(314,385)
Revenue Over (Under) Appropriations	(2,333,033)	(237,878)	(185,801)	(3,112,461)	(998,459)	(868,764)	(919,493)	(713,415)	(554,538)	60,528
Adjustments to Net Assets <sup>(1)</sup>	1,654,822	0	400,000	1,590,000	0	0	250,000	250,000	250,000	250,000
<b>Net Assets 6/30</b>	<b>\$ 102,904,655</b>	<b>\$ 102,666,777</b>	<b>\$ 102,880,976</b>	<b>\$ 101,358,515</b>	<b>\$ 100,360,056</b>	<b>\$ 99,491,292</b>	<b>\$ 98,821,799</b>	<b>\$ 98,358,384</b>	<b>\$ 98,053,846</b>	<b>\$ 98,364,374</b>

(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

	2019/20 Projected	2020/21 Budget	2021/22 Budget	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected	2027/28 Projected	2028/29 Projected
Net Assets 7/1	\$ 291,523	\$ 321,565	\$ 302,976	\$ 212,200	\$ 208,823	\$ 200,027	\$ 199,030	\$ 191,954	\$ 198,349	\$ 198,238
Add:										
Revenues	624,132	534,541	427,047	471,680	471,170	488,706	487,287	525,915	604,593	621,321
Total Revenue	624,132	534,541	427,047	471,680	471,170	488,706	487,287	525,915	604,593	621,321
Less:										
Operations	594,090	553,130	517,823	475,057	479,966	489,703	494,363	519,520	604,704	619,045
Total Appropriations	594,090	553,130	517,823	475,057	479,966	489,703	494,363	519,520	604,704	619,045
Revenue Over (Under) Appropriations	30,042	(18,589)	(90,776)	(3,377)	(8,796)	(997)	(7,076)	6,395	(111)	2,276
<b>Net Assets 6/30</b>	<b>\$ 321,565</b>	<b>\$ 302,976</b>	<b>\$ 212,200</b>	<b>\$ 208,823</b>	<b>\$ 200,027</b>	<b>\$ 199,030</b>	<b>\$ 191,954</b>	<b>\$ 198,349</b>	<b>\$ 198,238</b>	<b>\$ 200,514</b>



## HOUSING ENTERPRISE FUND

	2019/20 Projected	2020/21 Budget	2021/22 Budget	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected	2027/28 Projected	2028/29 Projected
Net Assets 7/1	\$ 4,512,682	\$ 4,574,362	\$ 4,527,111	\$ 4,458,684	\$ 4,388,204	\$ 4,315,610	\$ 4,240,838	\$ 4,163,823	\$ 4,084,497	\$ 4,002,792
Add:										
Revenues	861,505	1,013,720	1,039,494	1,070,679	1,102,799	1,135,883	1,169,960	1,205,058	1,241,210	1,278,447
Total Revenue	861,505	1,013,720	1,039,494	1,070,679	1,102,799	1,135,883	1,169,960	1,205,058	1,241,210	1,278,447
Less:										
Operations	799,825	1,060,971	1,107,921	1,141,159	1,175,393	1,210,655	1,246,975	1,284,384	1,322,916	1,362,603
Total Appropriations	799,825	1,060,971	1,107,921	1,141,159	1,175,393	1,210,655	1,246,975	1,284,384	1,322,916	1,362,603
Revenue Over (Under)										
Operating Appropriations	61,680	(47,251)	(68,427)	(70,480)	(72,594)	(74,772)	(77,015)	(79,326)	(81,705)	(84,157)
<b>Net Assets 6/30</b>	<b>\$ 4,574,362</b>	<b>\$ 4,527,111</b>	<b>\$ 4,458,684</b>	<b>\$ 4,388,204</b>	<b>\$ 4,315,610</b>	<b>\$ 4,240,838</b>	<b>\$ 4,163,823</b>	<b>\$ 4,084,497</b>	<b>\$ 4,002,792</b>	<b>\$ 3,918,635</b>



## 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 projected FY 2019/20 and FY 2020/21 Enterprise Funds balances is due primarily to capital projects being funded from the Water and Wastewater Enterprises. There is a corresponding increase in the FY 2019/20 Capital Project Funds balance due to this project funding. As projects are completed, the resulting assets will be capitalized to the appropriate Enterprise Fund. The Internal Service Fund balance is decreasing primarily due to 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. Also, in FY 2021/22, 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. One key project being funded by development impact fees in FY 2020/21 is the ECCFPD Administration and Fire Station project, which results in a fund balance reduction for that year. FY 2020/21 and FY 2021/22 fund balances in the Capital Project Funds are projected to decrease from using existing resources to construct capital projects, including the Priority Area 1 Infrastructure Improvements, Downtown Alley Rehabilitation - Diablo Way, Sensus AMR System Upgrade, Water and Wastewater SCADA System Upgrade and the Vineyards at Marsh Creek Amphitheater projects. The decline in Capital Project Funds has been anticipated for this purpose.

	FY 2018/19 Actuals	FY 2019/20 Projected	FY 2020/21 Budget	FY 2021/22 Budget
General Fund	\$ 29,859,880	\$ 29,833,273	\$ 28,186,383	\$ 27,502,125
Enterprise Funds	268,637,848	261,607,038	258,196,372	258,248,588
Internal Service Funds	55,298,955	55,052,752	51,236,899	43,876,972
Special Revenue Funds	60,539,415	52,562,366	47,108,446	48,356,117
Debt Service Funds	39,297,615	39,322,524	39,262,452	39,230,273
Capital Project Funds	46,087,758	55,162,478	37,693,732	30,329,897
<b>Total Fund Balance</b>	<b>\$ 499,721,471</b>	<b>\$ 493,540,431</b>	<b>\$ 461,684,284</b>	<b>\$ 447,543,972</b>



## GENERAL FUND

	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
Revenues	\$ 49,729,112	\$ 48,110,546	\$ 46,558,746	\$ 46,587,644	\$ 47,542,464
Expenditures	49,604,191	58,891,304	52,888,749	56,886,523	58,900,385
Revenues Over (Under) Expenditures	124,921	(10,780,758)	(6,330,003)	(10,298,879)	(11,357,921)
Other Sources and Uses					
Operating Transfers In	7,011,642	12,908,812	9,883,013	13,028,871	15,033,099
Operating Transfers Out	1,498,119	1,549,312	1,549,312	2,601,690	2,676,330
Total Other Sources Less Uses	5,513,523	11,359,500	8,333,701	10,427,181	12,356,769
Revenues and Other Sources Over (Under) Expenditures and Other Uses	5,638,444	578,742	2,003,698	128,302	998,848
Non-Operating Expenditures/Transfers Out	(4,348,022)	(4,156,065)	(2,030,305)	(1,775,192)	(1,683,106)
Total Sources Less Other Uses Over (Under)	1,290,422	(3,577,323)	(26,607)	(1,646,890)	(684,258)
Fund Balance, Beginning Year	28,569,458	29,859,880	29,859,880	29,833,273	28,186,383
<b>Fund Balance, End of Year</b>	<b>\$ 29,859,880</b>	<b>\$ 26,282,557</b>	<b>\$ 29,833,273</b>	<b>\$ 28,186,383</b>	<b>\$ 27,502,125</b>
<b>Fund Balance:</b>					
<u>Restricted</u>					
RDA Escrow	\$ 95,930	\$ 95,930	\$ 95,930	\$ 95,930	\$ 95,930
Total Restricted	95,930	95,930	95,930	95,930	95,930
<u>Committed</u>					
General Plan Update	400,000	500,000	500,000	600,000	700,000
The Hive Business Café	200,000	0	0	0	0
Brentwood Blvd Improvements	678,000	678,000	678,000	678,000	678,000
Future Strategic Initiatives	2,062,821	93,303	214,235	44,513	0
Police Department 5th Beat	0	0	2,500,000	2,500,000	2,500,000
Successor Agency Payment Plan	8,930,885	7,712,923	7,712,923	6,421,476	5,055,180
Total Committed	12,271,706	8,984,226	11,605,158	10,243,989	8,933,180
<b>Total Restricted and Committed</b>	12,367,636	9,080,156	11,701,088	10,339,919	9,029,110
<u>Unassigned</u>					
Undesignated	17,492,244	17,202,401	18,132,185	17,846,464	18,473,015
<b>Total Unassigned</b>	17,492,244	17,202,401	18,132,185	17,846,464	18,473,015
Percent of Appropriations	30.52%	28.46%	30.00%	30.00%	30.00%
<b>Total Fund Balance, End of Year</b>	<b>\$ 29,859,880</b>	<b>\$ 26,282,557</b>	<b>\$ 29,833,273</b>	<b>\$ 28,186,383</b>	<b>\$ 27,502,125</b>



## OTHER FUNDS

Fund #	Fund Name	Fund Balance & Reserves at 6/30/2019	2019/20 Projected		Fund Balance & Reserves at 6/30/2020	2020/21 Budget		Fund Balance & Reserves at 6/30/2021	2021/22 Budget		Fund Balance & Reserves at 6/30/2022
			Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
<b>ENTERPRISE FUNDS</b>											
540,543	Solid Waste Enterprise	\$ 15,885,486	\$ 14,878,598	\$ 13,647,530	\$ 17,116,554	\$ 15,676,533	\$ 14,677,054	\$ 18,116,033	\$ 16,528,232	\$ 15,257,825	\$ 19,386,440
560,563	Water Enterprise	144,365,291	25,365,641	31,386,208	138,344,724	25,784,550	29,890,977	134,238,297	27,115,439	27,988,626	133,365,110
590,593	Wastewater Enterprise	103,582,866	13,974,431	16,307,464	101,249,833	14,123,246	14,361,124	101,011,955	14,826,772	15,012,573	100,826,154
501	City Rentals Enterprise	291,523	624,132	594,090	321,565	534,541	553,130	302,976	427,047	517,823	212,200
510,511,513	Housing Enterprise	4,512,682	861,505	799,825	4,574,362	1,013,720	1,060,971	4,527,111	1,039,494	1,107,921	4,458,684
	<b>Total Enterprise Funds</b>	<b>268,637,848</b>	<b>55,704,307</b>	<b>62,735,117</b>	<b>261,607,038</b>	<b>57,132,590</b>	<b>60,543,256</b>	<b>258,196,372</b>	<b>59,936,984</b>	<b>59,884,768</b>	<b>258,248,588</b>
<b>INTERNAL SERVICE FUNDS</b>											
701	Information Services <sup>(1)</sup>	(1,314,910)	2,855,504	2,547,538	(1,006,944)	3,281,438	3,400,959	(1,126,465)	3,448,193	3,388,065	(1,066,337)
702	Equipment Replacement	15,196,172	2,245,840	4,614,712	12,827,300	2,194,960	3,782,691	11,239,569	2,194,960	4,438,283	8,996,246
703	Information Systems Replacement	2,485,532	1,374,240	1,632,997	2,226,775	1,059,838	591,577	2,695,036	1,062,338	717,072	3,040,302
704	Facilities Replacement	6,084,242	1,200,796	794,179	6,490,859	1,136,153	1,138,087	6,488,925	1,138,653	1,340,012	6,287,566
705	Tuition	61,336	28,973	26,537	63,772	26,309	32,902	57,179	15,642	32,987	39,834
706	Fleet Maintenance Services <sup>(1)</sup>	(845,326)	1,766,038	1,803,232	(882,520)	1,951,079	(882,520)	(801,990)	2,005,703	1,908,680	(704,967)
707	Facilities Maintenance Services <sup>(1)</sup>	(788,569)	2,341,315	2,260,497	(707,751)	1,972,394	1,949,681	(685,038)	2,008,607	1,999,513	(675,944)
708	Parks and LLAD Replacement	16,714,817	5,337,233	1,465,405	20,586,645	2,637,266	2,412,202	20,811,709	1,152,526	2,303,887	19,660,348
709	Insurance	530,257	1,281,575	1,533,140	278,692	2,298,509	1,944,256	632,945	2,411,665	2,033,736	1,010,874
710	Pension/OPEB Obligation	17,175,404	4,275,056	6,274,536	15,175,924	3,478,195	6,729,090	11,925,029	3,541,097	8,177,076	7,289,050
	<b>Total Internal Service Funds</b>	<b>55,298,955</b>	<b>22,706,570</b>	<b>22,952,773</b>	<b>55,052,752</b>	<b>20,036,141</b>	<b>23,851,994</b>	<b>51,236,899</b>	<b>18,979,384</b>	<b>26,339,311</b>	<b>43,876,972</b>
<b>SPECIAL REVENUE FUNDS</b>											
203-209	Gas Tax	628,334	2,815,444	1,645,740	1,798,038	2,573,147	3,468,415	902,770	2,670,837	2,464,486	1,109,121
214	SB1186 Disability Access	46,854	22,388	12,500	56,742	22,156	19,950	58,948	22,376	19,950	61,374
216	Police Grants	261,880	222,127	281,235	202,772	257,370	281,270	178,872	257,370	281,270	154,972
217	Grants	1,593,583	1,831,427	3,402,476	22,534	3,325,700	3,325,650	22,584	4,006,050	4,006,000	22,634
219	Economic Development Grant	278,018	154,173	119,551	312,640	138,933	281,291	170,282	147,778	233,722	84,338
220	Infrastructure Improvements	6,500	0	6,500	0	0	0	0	0	0	0
230	Citywide Park Assessment District	287,068	3,590,547	3,416,228	461,387	5,516,987	5,662,825	315,549	5,726,699	5,910,085	132,161
231	Community Facilities District #2	10,193	634,949	626,785	18,357	647,547	657,498	8,406	660,496	667,147	1,755
232	Community Facilities District #3	1,028,934	1,980,466	1,928,464	1,080,936	2,036,012	2,329,229	787,719	2,183,621	2,530,236	441,104
233,235	Community Facilities District #4	30,515	2,833,533	2,670,477	193,571	2,896,540	2,919,353	170,759	2,980,119	2,981,528	169,350
234	Community Facilities District #5	1,221,420	1,475,193	1,699,673	996,940	1,817,979	2,112,130	702,789	2,033,572	2,043,217	693,144
250	Water Development Impact Fee	4,954,498	955,305	1,469,365	4,440,438	1,924,515	1,798,416	4,566,537	2,176,876	1,497,649	5,245,764
251	Roadway Development Impact Fee	9,065,047	1,583,681	4,923,963	5,724,765	2,711,686	991,524	7,444,927	2,704,014	1,447,515	8,701,426
252	Parks and Trails Development Impact Fee	1,369,379	773,208	860,221	1,282,366	974,524	365,386	1,891,504	1,110,331	306,822	2,695,013
255	Wastewater Development Impact Fee	11,504,044	958,032	3,170,081	9,291,995	1,645,819	1,549,116	9,388,698	1,692,949	2,261,560	8,820,087
256	Community Facilities Development Impact Fee	(873,162)	259,462	225,045	(838,745)	452,497	222,017	(608,265)	459,338	221,270	(370,197)
257	Fire Development Impact Fee	6,142,277	308,726	4,751	6,446,252	477,875	6,136,848	787,279	371,094	505,093	653,280
261	Development Impact Fee Administration	498,049	235,023	475,875	257,197	377,249	426,423	208,023	292,232	351,475	148,780
262	Agriculture Land Administration	669,843	16,678	35,952	650,569	3,205	49,940	603,834	3,005	51,014	555,825
263	Agriculture Land Acquisition	2,022,656	54,594	1,711	2,075,539	8,617	301,351	1,782,805	8,667	21,755	1,769,717
264	First-Time Homebuyer	1,864,793	21,727	36,163	1,850,357	5,847	136,193	1,720,011	5,847	136,193	1,589,665
265	Affordable Housing In-Lieu Fee	4,835,414	464,763	459,996	4,840,181	369,211	671,518	4,537,874	366,711	692,002	4,212,583
267	Public Art Administration	691,242	52,079	537	742,784	3,165	694	745,255	3,037	672	747,620
268	Public Art Acquisition	2,197,341	165,700	36,445	2,326,596	10,195	2,895	2,333,896	9,686	2,914	2,340,668
269	Parking In-Lieu	416	9	0	425	50	0	475	50	0	525
272	Riparian Mitigation Site Maintenance	82,256	1,565	1,601	82,220	600	1,625	81,195	600	1,625	80,170
280	Asset Forfeiture	212,988	34,052	30,152	216,888	1,000	203	217,685	1,000	50,203	168,482
281	Abandoned Vehicle Abatement	43,914	30,890	50	74,754	40,135	30,050	84,839	40,135	30,050	94,924
285	PEG Media	883,227	16,818	856	899,189	4,258	5,878	897,569	4,258	5,878	895,949
286	Parks Advertising	43,246	1,815	9,550	35,511	1,244	9,835	26,920	1,274	10,130	18,064
293	Measure J	68,822	1,051,355	458,750	661,427	934,360	908,950	686,837	953,060	1,009,150	630,747
302	City Low Income Housing	1,055,528	290	50	1,055,768	74	50	1,055,792	74	50	1,055,816
6xx	Landscape and Lighting Assessment Districts	7,814,298	9,685,889	12,198,214	5,301,973	24,347,534	24,313,429	5,336,078	23,683,962	23,588,786	5,431,254
	<b>Total Special Revenue Funds</b>	<b>60,539,415</b>	<b>32,231,908</b>	<b>40,208,957</b>	<b>52,562,366</b>	<b>53,526,031</b>	<b>58,979,951</b>	<b>47,108,446</b>	<b>54,577,118</b>	<b>53,329,447</b>	<b>48,356,117</b>

(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 6/30/2019	2019/20 Projected		Fund Balance & Reserves at 6/30/2020	2020/21 Budget		Fund Balance & Reserves at 6/30/2021	2021/22 Budget		Fund Balance & Reserves at 6/30/2022
			Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
<b>DEBT SERVICE FUNDS</b>											
<b>City Debt Obligations</b>											
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 14,418,947	\$ 2,146,117	\$ 2,166,048	\$ 14,399,016	\$ 2,059,120	\$ 2,098,417	\$ 14,359,719	\$ 2,055,683	\$ 2,066,143	\$ 14,349,259
448	General Obligation Bonds Series 2002	98,578	515,687	546,791	67,474	570,805	576,855	61,424	600,080	606,080	55,424
461	2019 Civic Center Project Lease Revenue Refunding Bonds	10,970,721	3,157,925	3,154,311	10,974,335	3,196,742	3,196,688	10,974,389	3,192,340	3,192,285	10,974,444
466	2015 Lease Financing	0	792,535	792,532	3	792,229	792,175	57	795,661	795,607	111
	<b>Total City Debt Obligations</b>	<b>25,488,246</b>	<b>6,612,264</b>	<b>6,659,682</b>	<b>25,440,828</b>	<b>6,618,896</b>	<b>6,664,135</b>	<b>25,395,589</b>	<b>6,643,764</b>	<b>6,660,115</b>	<b>25,379,238</b>
<b>Assessment Districts</b>											
435	2018 A Refinance	520,201	3,925,646	3,958,602	487,245	3,922,119	3,948,129	461,235	3,924,904	3,951,467	434,672
436	2014 A & B Refinance	2,228,261	7,180,770	7,185,152	2,223,879	7,175,430	7,175,379	2,223,930	7,185,044	7,184,994	2,223,980
437	2012 A Refinance	888,704	1,301,030	1,311,565	878,169	1,303,076	1,312,591	868,654	1,310,687	1,320,593	858,748
438	Capital Improvement Financing Program 2003-1	905,699	1,266,874	1,250,803	921,770	1,257,700	1,254,778	924,692	1,257,422	1,255,583	926,531
439	Capital Improvement Financing Program 2002-1	891,969	1,215,110	1,198,380	908,699	1,203,533	1,200,286	911,946	1,203,177	1,201,372	913,751
441	Capital Improvement Financing Program 94-1	2,332,492	2,794,926	2,766,103	2,361,315	2,763,435	2,758,685	2,366,065	2,769,584	2,764,834	2,370,815
442	Capital Improvement Financing Program 98-1	570,550	703,194	692,726	581,018	700,806	699,626	582,198	703,039	701,859	583,378
443	Capital Improvement Financing Program 99-1	512,910	638,925	632,166	519,669	638,370	637,310	520,729	643,934	642,874	521,789
444	Capital Improvement Financing Program 2000-01	744,380	934,592	924,587	754,385	932,761	931,226	755,920	933,126	931,591	757,455
449	Capital Improvement Financing Program 2004-1	1,123,062	1,574,957	1,554,794	1,143,225	1,560,843	1,558,579	1,145,489	1,561,840	1,559,576	1,147,753
460	Randy Way Assessment District	129,325	57,792	56,938	130,179	56,849	56,426	130,602	60,763	60,340	131,025
462	2006 A & B Refinance	2,420	55	0	2,475	50	2,525	0	0	0	0
463	Capital Improvement Financing Program 2006-1	828,200	1,099,919	1,099,370	828,749	1,109,478	1,107,738	830,489	1,107,248	1,105,508	832,229
464	Capital Improvement Financing Program 2005-1	1,965,257	2,587,299	2,579,632	1,972,924	2,590,113	2,586,064	1,976,973	2,595,678	2,591,629	1,981,022
465	96R Assessment District	165,939	2,206	150	167,995	559	613	167,941	559	613	167,887
	<b>Total Assessment Districts</b>	<b>13,809,369</b>	<b>25,283,295</b>	<b>25,210,968</b>	<b>13,881,696</b>	<b>25,215,122</b>	<b>25,229,955</b>	<b>13,866,863</b>	<b>25,257,005</b>	<b>25,272,833</b>	<b>13,851,035</b>
	<b>Total Debt Service Funds</b>	<b>39,297,615</b>	<b>31,895,559</b>	<b>31,870,650</b>	<b>39,322,524</b>	<b>31,834,018</b>	<b>31,894,090</b>	<b>39,262,452</b>	<b>31,900,769</b>	<b>31,932,948</b>	<b>39,230,273</b>
<b>CAPITAL PROJECT FUNDS</b>											
336	Roadway Improvements	12,210,951	3,727,470	6,479,170	9,459,251	4,346,352	11,614,852	2,190,751	1,013,853	2,013,853	1,190,751
337	Community Facilities Improvements	7,489,053	808,802	1,001,258	7,296,597	10,820,881	7,643,240	10,474,238	693,500	6,771,835	4,395,903
352	Parks and Trails Improvements <sup>(1)</sup>	(93,835)	692,325	564,317	34,173	422,984	768,270	(311,113)	874,714	870,000	(306,399)
366	2015 Lease Financing	0	0	0	0	0	0	0	0	0	0
380	Civic Center Capital Improvement Financing Program	23,020	1,193,176	1,186,609	29,587	1,177,567	1,183,841	23,313	1,166,922	1,173,341	16,894
381	City Capital Improvement Financing Program	236,508	491,715	499,098	229,125	806,437	536,171	499,391	508,476	715,236	292,631
392	Capital Infrastructure	1,143,178	2,459,540	204,858	3,397,860	39,163	3,104,755	332,268	35,378	10,211	357,435
393	Vineyards Projects	3,919,658	318,966	6,511	4,232,113	176,996	4,106,680	302,429	163,900	3,118	463,211
394	Vineyards Event Center Projects	217,487	45,858	9,183	254,162	0	200,515	53,647	0	530	53,117
542	Solid Waste Improvements	0	0	0	0	0	0	0	0	0	0
562	Water Improvements	10,586,382	8,401,673	967,781	18,020,274	5,518,927	11,619,729	11,919,472	2,438,927	2,701,431	11,656,968
592	Wastewater Improvements	10,355,356	4,933,777	3,079,797	12,209,336	34,246,000	34,246,000	12,209,336	28,900,050	28,900,000	12,209,386
	<b>Total Capital Project Funds</b>	<b>46,087,758</b>	<b>23,073,302</b>	<b>13,998,582</b>	<b>55,162,478</b>	<b>57,555,307</b>	<b>75,024,053</b>	<b>37,693,732</b>	<b>35,795,720</b>	<b>43,159,555</b>	<b>30,329,897</b>
	<b>TOTAL OTHER FUNDS</b>	<b>\$ 469,861,591</b>	<b>\$ 165,611,646</b>	<b>\$ 171,766,079</b>	<b>\$ 463,707,158</b>	<b>\$ 220,084,087</b>	<b>\$ 250,293,344</b>	<b>\$ 433,497,901</b>	<b>\$ 201,189,975</b>	<b>\$ 214,646,029</b>	<b>\$ 420,041,847</b>

(1) This Capital Project Fund includes an interfund loan obligation, which results in a negative fund balance. This fund maintains a positive cash balance.





## 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 2020/21 and FY 2021/22. 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 Wastewater Improvements Fund is projecting minimal to no fund balance changes for both fiscal years as capital project funding is anticipated to equal project spending each year. The definition of a Major Budgetary Fund can be found on page 36.

### Non-Major Funds (in Aggregate)

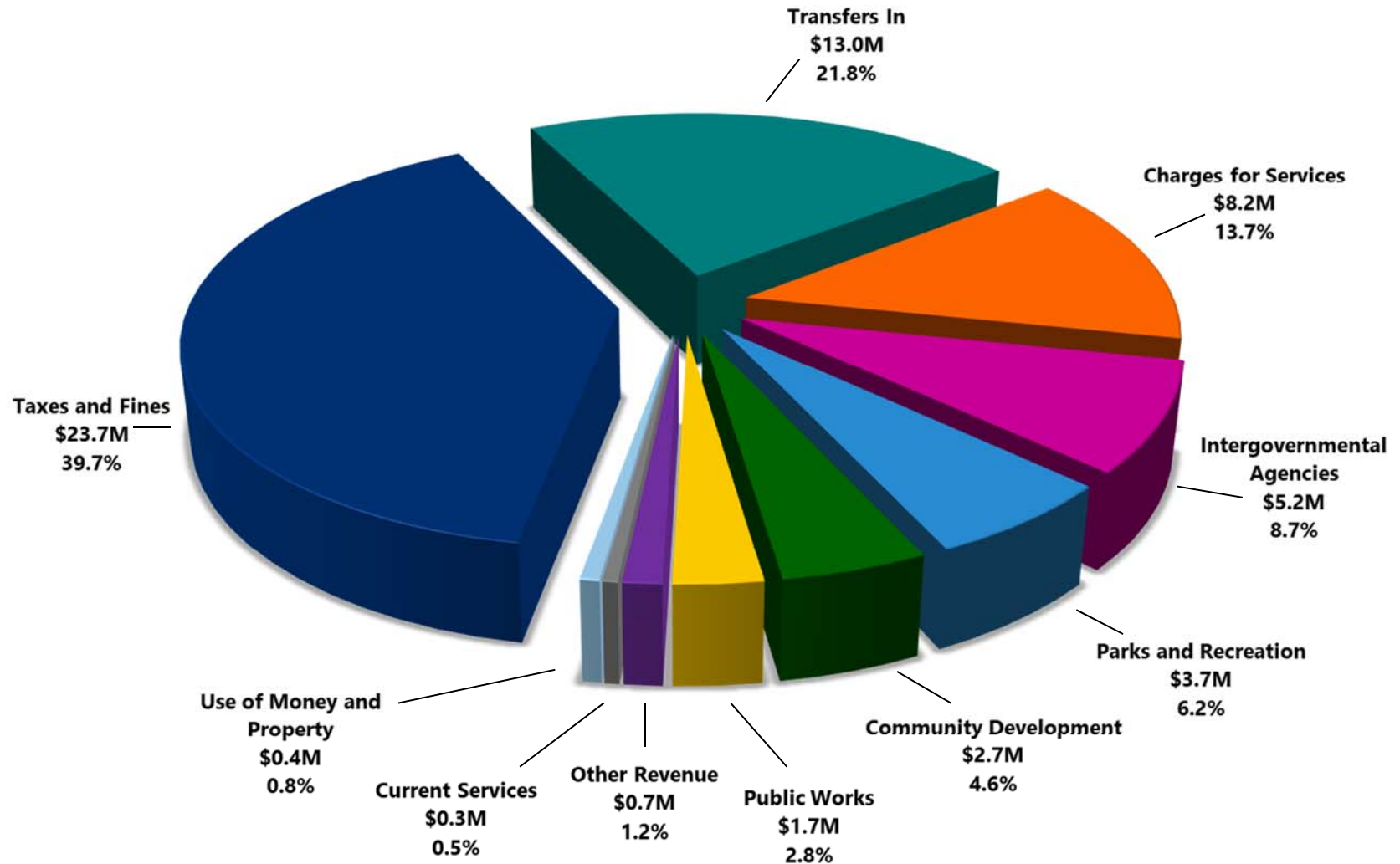
The change in fund balance for all other non-major budgetary funds in the aggregate is projected to be below 10% for both FY 2020/21 and FY 2021/22.

Fund #	Fund Name	Projected Fund Balance & Reserves at 6/30/2020	Budget Fund Balance & Reserves at 6/30/2021	Change	% Change	Fund #	Fund Name	Budget Fund Balance & Reserves at 6/30/2021	Budget Fund Balance & Reserves at 6/30/2022	Change	% Change
<b>GENERAL FUND</b>						<b>GENERAL FUND</b>					
100	General Fund	\$ 29,833,273	\$ 28,186,383	\$ (1,646,890)	-5.52%	100	General Fund	\$ 28,186,383	\$ 27,502,125	\$ (684,258)	-2.43%
<b>ENTERPRISE FUNDS</b>						<b>ENTERPRISE FUNDS</b>					
560, 563	Water Enterprise	138,344,724	134,238,297	(4,106,427)	-2.97%	560, 563	Water Enterprise	134,238,297	133,365,110	(873,187)	-0.65%
<b>CAPITAL PROJECT FUNDS</b>						<b>CAPITAL PROJECT FUNDS</b>					
592	Wastewater Improvements	12,209,336	12,209,336	0	0.00%	592	Wastewater Improvements	12,209,336	12,209,386	50	0.00%
<b>ALL OTHER NON-MAJOR FUNDS</b>						<b>ALL OTHER NON-MAJOR FUNDS</b>					
xxx	All Other Non-Major Funds	313,153,098	287,050,268	(26,102,830)	-8.34%	xxx	All Other Non-Major Funds	287,050,268	274,467,351	(12,582,917)	-4.38%



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## FY 2020/21 GENERAL FUND REVENUE BY CATEGORY \$59.6 Million





## GENERAL FUND REVENUE SUMMARY

	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	% Change	2021/22 Budget	% Change
Taxes and Fines	\$ 24,147,532	\$ 24,781,164	\$ 23,427,090	\$ 23,707,706	-4.33%	\$ 23,921,753	0.90%
Use of Money and Property	1,671,178	854,119	1,088,439	464,147	-45.66%	469,847	1.23%
Community Development	3,447,949	2,514,029	2,626,317	2,732,670	8.70%	2,920,858	6.89%
Public Works	2,655,887	2,020,527	1,787,049	1,661,906	-17.75%	1,845,791	11.06%
Parks and Recreation	3,994,281	4,270,186	3,621,926	3,674,790	-13.94%	4,111,675	11.89%
Intergovernmental Agencies	4,670,649	4,955,277	5,005,814	5,177,073	4.48%	4,926,505	-4.84%
Current Services	572,486	337,877	332,418	282,103	-16.51%	278,049	-1.44%
Charges for Services	7,812,423	7,710,162	7,959,049	8,158,416	5.81%	8,408,000	3.06%
Other Revenue	756,727	667,205	710,644	728,833	9.24%	659,986	-9.45%
Transfers In	7,011,642	12,908,812	9,883,013	13,028,871	0.93%	15,033,099	15.38%
<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$ 56,740,754</b>	<b>\$ 61,019,358</b>	<b>\$ 56,441,759</b>	<b>\$ 59,616,515</b>		<b>\$ 62,575,563</b>	
<b>Annual Percentage Change</b>			-0.53%	-2.30%		4.96%	



## GENERAL FUND SCHEDULE OF INTERFUND TRANSFERS IN

From Fund	Purpose	2019/20 Projected	2020/21 Budget	2021/22 Budget
Gas Tax	Street Operations	\$ 1,644,759	\$ 1,366,975	\$ 1,462,663
Community Facilities District #2	Public Safety	620,000	650,048	659,697
Community Facilities District #3	Public Safety	1,271,400	1,629,902	1,820,814
Community Facilities District #4	Public Safety	2,500,000	2,735,065	2,794,818
Community Facilities District #5	Public Safety	1,640,818	2,046,410	1,976,755
Public Art Acquisition	Art Commission	640	659	679
Measure J	Street Operations	450,000	900,000	1,000,000
Roadway Projects	Interest	3,532	0	0
Community Facility Projects	Interest	13,311	0	0
Community Facility Projects	Return of Excess CIP Funding	458,355	300,000	0
CIP 2012	Debt Refinance Savings	158,094	89,852	59,071
Internal Services	Accumulated Savings	0	0	566,238
Pension/OPEB Obligation	Interest	0	70,000	63,203
Pension/OPEB Obligation	Pension/OPEB Funding Contribution	1,122,104	3,239,960	4,629,161
<b>Total Transfers In</b>		<b>\$ 9,883,013</b>	<b>\$ 13,028,871</b>	<b>\$ 15,033,099</b>

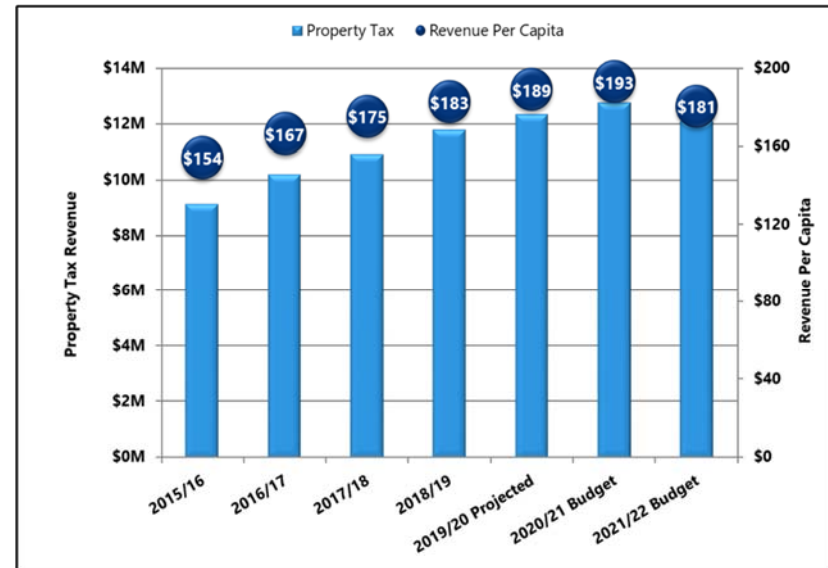
## MAJOR GENERAL FUND RECURRING REVENUE SOURCES

Major Recurring Revenue Sources	2018/19 Actual	% of General Fund Revenue	2019/20 Projected	% of General Fund Revenue	2020/21 Budget	% of General Fund Revenue	2021/22 Budget	% of General Fund Revenue
Property Tax	\$ 11,769,547	20.74%	\$ 12,317,798	21.82%	\$ 12,739,355	21.37%	\$ 12,068,149	19.29%
Sales Tax	8,941,152	15.76%	7,978,768	14.14%	7,971,946	13.37%	8,481,046	13.55%
Community Facilities District Assessments	5,261,355	9.27%	6,032,218	10.69%	7,061,425	11.84%	7,252,084	11.59%
Motor Vehicle In-Lieu Tax	4,603,565	8.11%	4,931,759	8.74%	5,099,277	8.55%	4,846,753	7.75%
Development Fees	6,103,836	10.76%	4,413,366	7.82%	4,394,576	7.37%	4,766,649	7.62%
Parks and Recreation Property Tax	2,454,062	4.33%	2,517,494	4.46%	2,603,439	4.37%	2,470,035	3.95%
Gas Tax	1,407,255	2.48%	1,644,759	2.91%	1,366,975	2.29%	1,462,663	2.34%
Franchise Fees	1,420,321	2.50%	1,431,680	2.54%	1,430,225	2.40%	1,440,380	2.30%
Parks and Recreation Program Fees	1,495,666	2.64%	1,070,788	1.90%	1,034,271	1.73%	1,603,448	2.56%
Measure J	0	0.00%	450,000	0.80%	900,000	1.51%	1,000,000	1.60%

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 2020/21 and FY 2021/22.

### 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 2018/19, the City’s property tax base increased by 7.36%, followed by an additional increase of 6.93% in FY 2019/20. These escalations were a direct result of property values increasing combined with steady increases in new housing development.





Property tax revenues are expected to increase from \$183 per capita in FY 2018/19 to \$193 per capita in the FY 2020/21 budget. The COVID-19 crisis is not expected to significantly impact FY 2020/21 property tax revenues. January 1, 2020 property values, which were not yet impacted by the crisis, will be used in setting the tax roll.

The FY 2020/21 estimate of property tax revenue of \$12.7 million represents 21.4% of General Fund revenues and is a 3.42% increase from projected FY 2019/20 property taxes. The budgeted revenues for FY 2020/21 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.

However, reflecting concerns about the potential longer-term impacts of the COVID-19 crisis on property values, the budget for FY 2021/22 includes a decrease in per capita revenue to \$181, a 5.3% decrease in revenue.

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 right demonstrates that Brentwood receives less property tax revenue per capita than the average comparison city.

PROPERTY TAX		
City	1/1/2019 Population	2019/20 Est. Revenue Per Capita
Pleasanton	79,392	\$ 816.10
Dublin	64,132	658.93
Benicia	27,263	594.40
Livermore	91,436	387.30
Fremont	233,404	352.36
Oakland	430,753	298.13
Walnut Creek	70,958	251.45
Martinez	37,658	247.71
Danville	43,923	236.63
San Ramon	82,100	201.48
Union City	73,661	189.26
<b>Brentwood <sup>(1)</sup></b>	<b>64,365</b>	<b>181.57</b>
Vallejo	119,349	170.16
Vacaville	98,066	158.74
Tracy	94,586	156.95
Fairfield	116,319	129.71
Concord	130,435	124.68
Antioch	112,423	108.12
Stockton	317,271	107.90
Pleasant Hill	34,286	97.72
Oakley	41,979	70.04
Average Comparison City	112,560	\$ 263.78

(1) Excludes payments received from the county for the Agency's share of the Redevelopment Property Tax Trust Fund residual distribution.



SALES TAX		
City	1/1/2019 Population	2019 Calendar Revenue Per Capita
Livermore	91,436	\$ 397.83
Walnut Creek	70,958	392.76
Dublin	64,132	374.45
Tracy	94,586	335.07
Pleasanton	79,392	304.69
Concord	130,435	297.53
Pleasant Hill	34,286	283.78
Benicia	27,263	246.70
Fremont	233,404	246.45
Vacaville	98,066	230.00
Fairfield	116,319	210.93
Stockton	317,271	176.43
Union City	73,661	156.16
San Ramon	82,100	146.79
Oakland	430,753	143.51
<b>Brentwood</b>	<b>64,365</b>	<b>143.20</b>
Antioch	112,423	142.13
Danville	43,923	140.98
Vallejo	119,349	135.61
Martinez	37,658	135.35
Oakley	41,979	47.54
Average Comparison City	115,861	\$ 205.12

**Sales Tax**

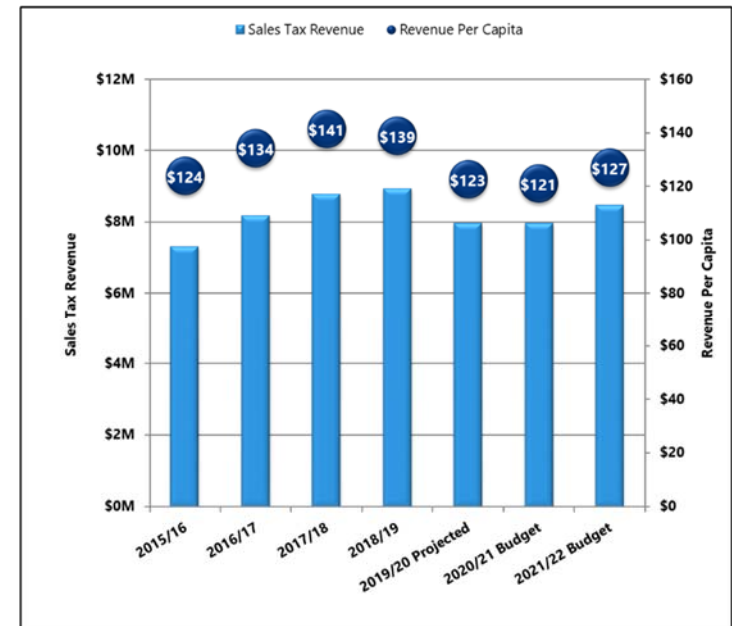
Sales tax revenue is the General Fund’s second largest individual revenue source and varies depending upon economic conditions and activity. The City of Brentwood receives a 1% share of all taxable sales generated within its borders. In addition to this 1% share, the City receives a portion of an additional,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

The sales tax budget for FY 2020/21 is \$8.0 million, not including the public safety portion. The budget for FY 2020/21 is flat compared to the FY 2019/20 projection; however the FY 2019/20 projection is a 10.8% reduction from FY 2018/19 actual revenue. The decrease in revenue in FY 2019/20 is a direct result of the COVID-19 crisis and the closure of non-essential businesses and statewide shelter-in-place orders limiting sales tax generating economic activity.

Historical sales tax growth has been robust in the recent fiscal years with a 6.8% average increase in the five-year period ending FY 2018/19. However, the loss of two larger retailers caused revenues to flatten in FY 2018/19. The FY 2020/21 budget reflects the expectation that the impacts of the COVID-19 crisis will be felt through a substantial portion of the fiscal year. The FY 2021/22 budget reflects a 6.4% increase over FY

2020/21, as the economy is expected to rebound. The sales tax revenue budgets were compared to estimates from the City’s sales tax revenue consultant’s estimates for FY 2020/21 and FY 2021/22 for reasonableness.

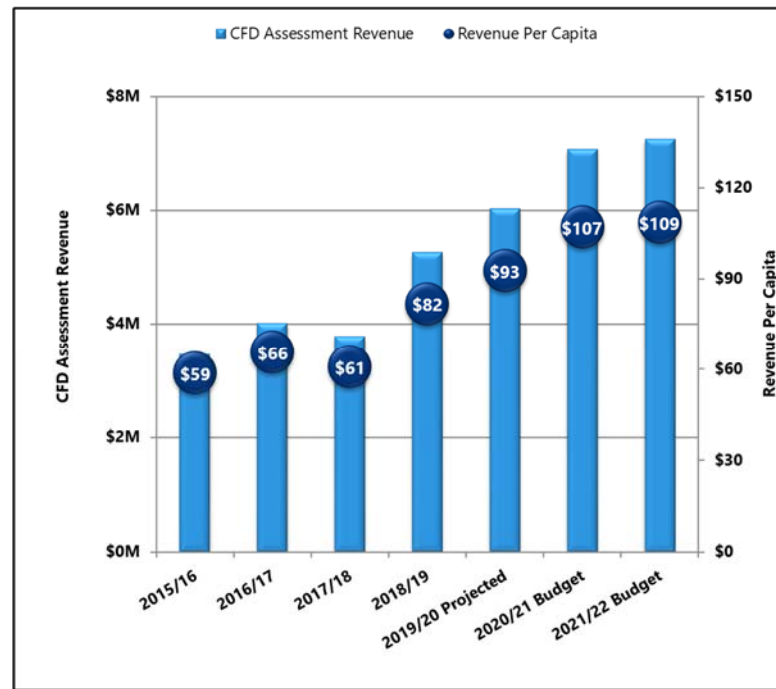
The multi-city comparison of calendar year 2019 sales tax revenue, shown at the right, illustrates the City has room for additional economic development to increase the per capital sales tax revenue.



**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.

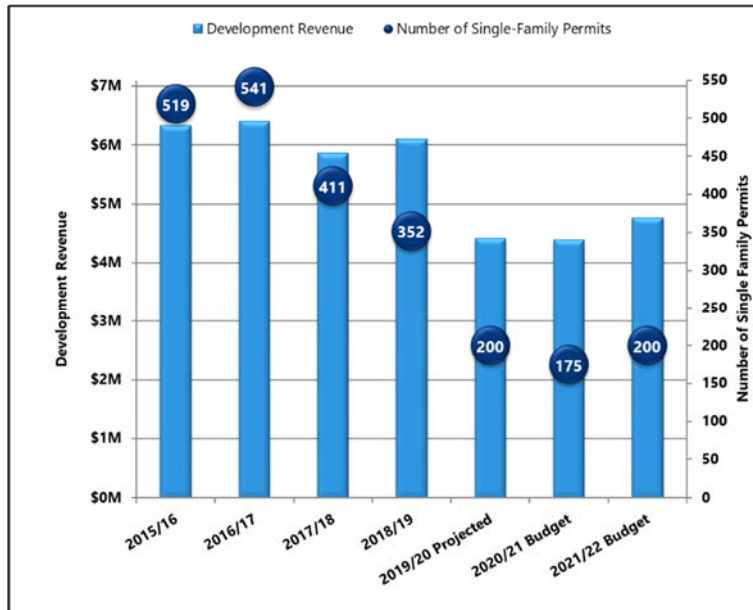
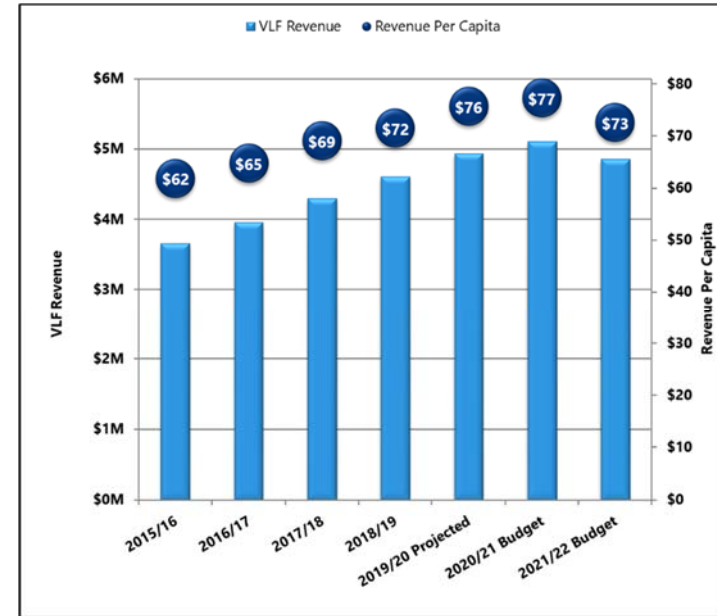
This revenue source has grown in line with increasing development over the past several years. Budgeted growth in this revenue source is driven by new development in the City, plus an annual 2% inflation increase in the existing assessment amounts. New development includes 175 single-family, 100 multi-family residential and 180,000 square feet of commercial, office and industrial permits projected to be issued in FY 2020/21, as well as, 200 single-family, 100 multi-family residential and 90,000 square feet of commercial, office and industrial permits in FY 2021/22.



**Motor Vehicle In-Lieu Tax**

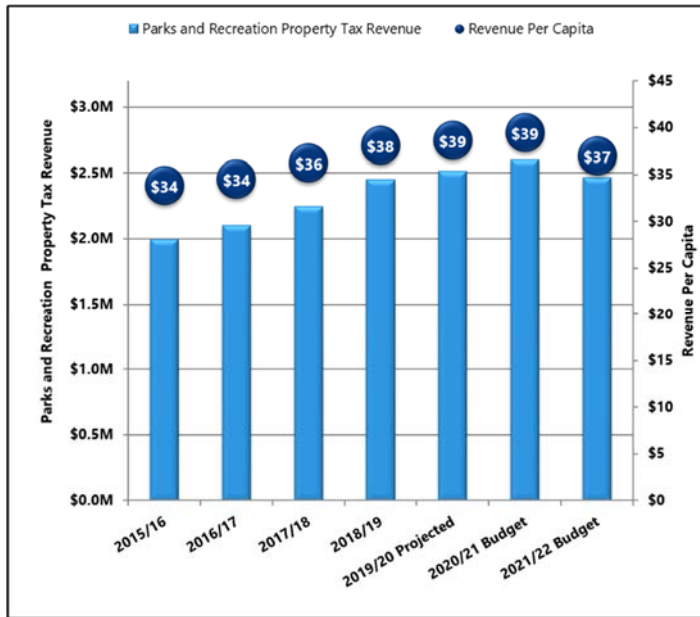
The State Revenue and Taxation code imposes an annual license fee of 2% of the market value of motor vehicles in-lieu of a local motor vehicle property tax. Due to the State Budget Act of 2004, the timing of the payments and the method of calculation has changed dramatically. The majority of the Motor 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 strong 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 7.7% per year from FY 2017/18 to the FY 2019/20 projection. The budget for FY 2020/21 includes a 3.4% increase to a total of \$5.1 million followed by a decrease to the FY 2021/22 budget of 5.0% to \$4.8 million. This decrease is based on the same analysis utilized in projecting property tax, discussed in the Property Tax section beginning on page 77.



**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 411 single-family dwelling permits issued in FY 2017/18 and 352 issued in FY 2018/19. The current projection for FY 2019/20 shows a total of 200 permits expected to be issued by year end. The projected revenue for FY 2020/21 of \$4.4 million and \$4.8 million for FY 2021/22 is based on the issuance of an estimated 175 single-family, 100 multi-family and 180,000 square feet of commercial, office and industrial permits to be issued in FY 2020/21, as well as 200 single-family, 100 multi-family and 90,000 square feet of commercial, office and industrial permits to be issued in FY 2021/22.



The City's development revenues are projected based on the number of single-family and multi-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**

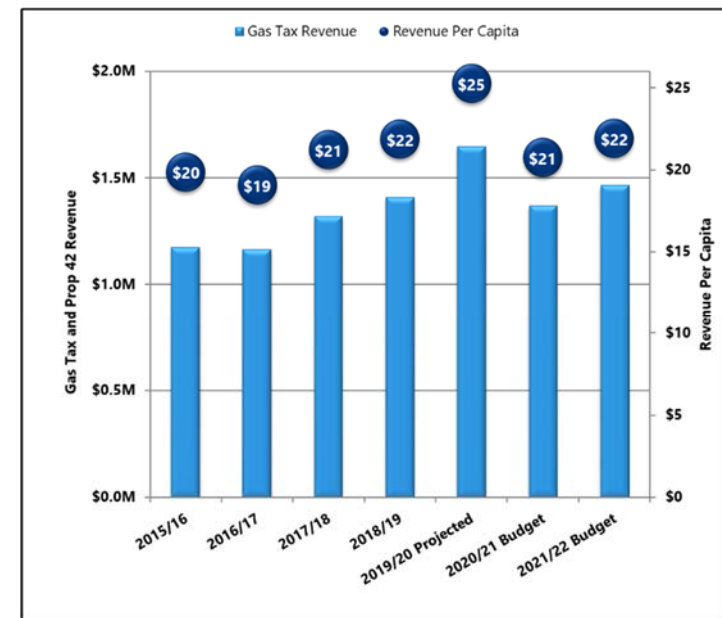
The County of Contra Costa levies a tax of 1% on the assessed valuation of property within the county. The City of Brentwood Parks and Recreation Department receives approximately 2.27% of the City's share of the 1% levy for property located within the City limits. These revenues are used to support the Parks and Recreation Department programs and services. The FY 2020/21 budget of Parks and Recreation property tax revenue of \$2.6 million represents 4.4% of the General Fund total revenue. The FY 2021/22 budgeted revenue is \$2.5 million or 4.0% of the General Fund total revenue. 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 77.

**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.

The City has based the revenue amount of \$1.6 million for FY 2019/20 on projections provided by the California Local Government Finance Almanac (CLGFA). The budget of \$1.4 million and \$1.5 million, for FY 2020/21 and FY 2021/22, respectively are also based on CLGFA projections, but have been adjusted for the impacts of the COVID-19 crisis on the overall economy, including a reduction in demand for gasoline, expected to persist into the two-year budget period.

Additional taxes collected under SB 1 – Road Maintenance and Rehabilitation Act (RMRA) will be used to directly fund road maintenance capital projects. Although

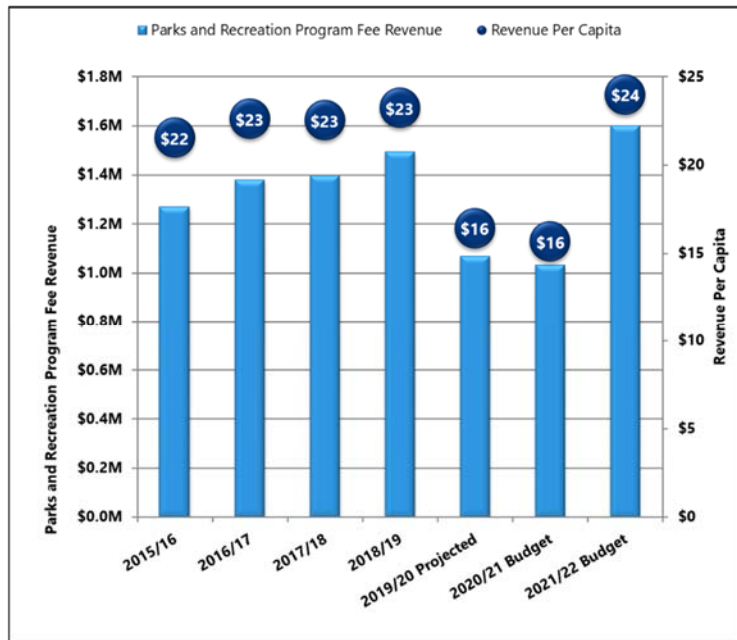
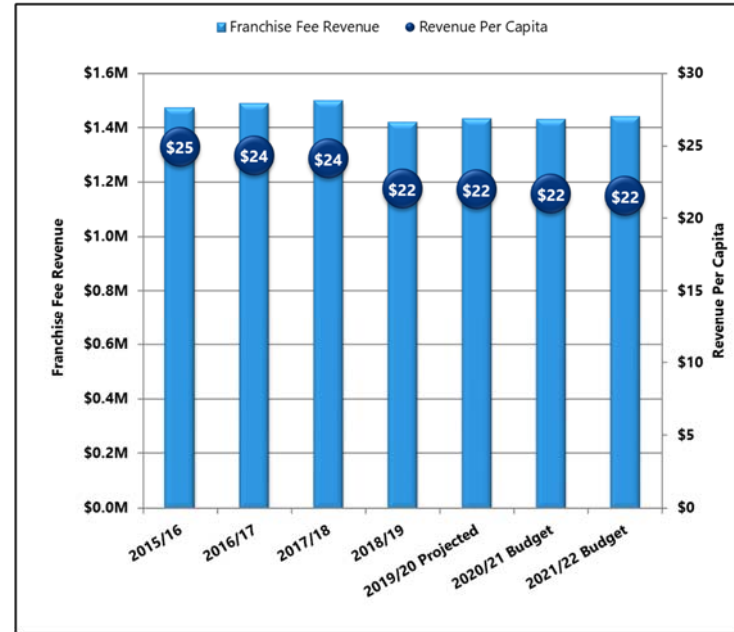


not currently budgeted as a source revenue for the General Fund in the current year or in the two-year budget period.

**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 grew, the demand for enhanced services increased and franchise fee revenue peaked in FY 2017/18. New technologies have reduced the rate of growth in fees in the most recent years, resulting in a reduction in revenues received and a flattening out of budgeted revenues. However, 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 service demand trends, development and population growth.

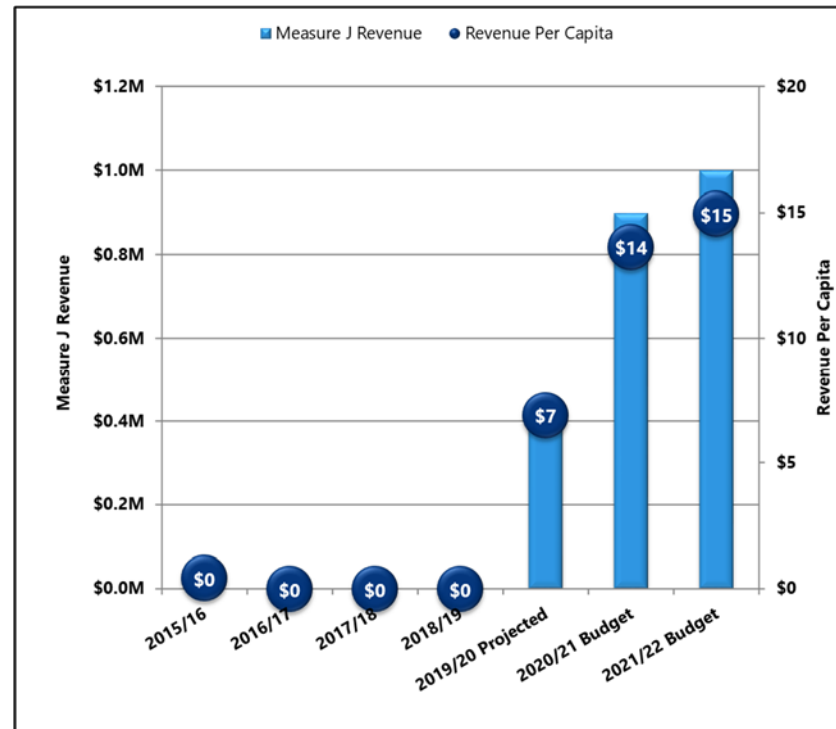


**Parks and Recreation Program Fees**

The Parks and Recreation department offers a variety of sports and recreation programs and rental of various parks facilities. Fees are collected for facility rental and programs according to a cost recovery policy set by the City Council. The projected fee revenue of \$1.1 million in FY 2019/20 is lower than in prior years due to the impact of the COVID-19 crisis causing the cancellation of programs and closing of facilities in the latter part of the fiscal year. FY 2020/21 budgeted revenues have also been reduced to \$1.0 million to reflect the potential for ongoing restrictions on activities due to state and county health orders. In FY 2021/22, revenues are expected to recover and are budgeted at \$1.6 million. The budgets were based on an evaluation of each program and facility and the expected revenue considering likely restrictions from state and county orders.

**Measure J**

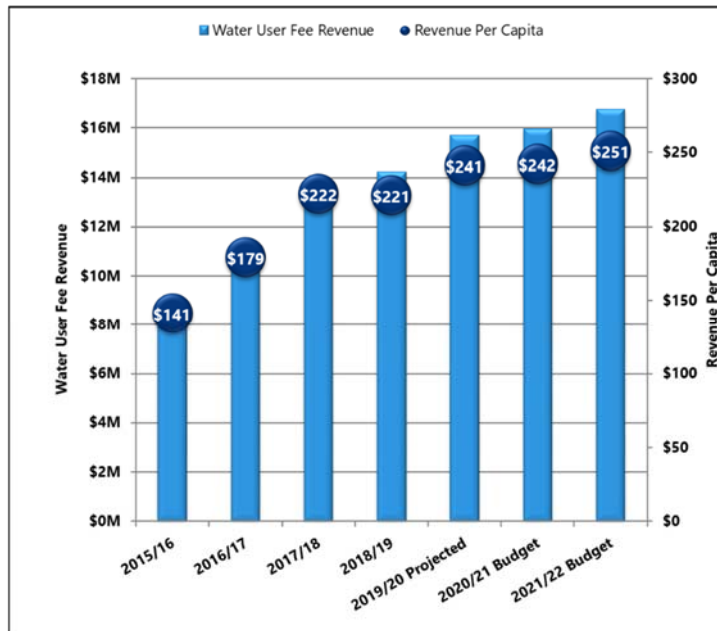
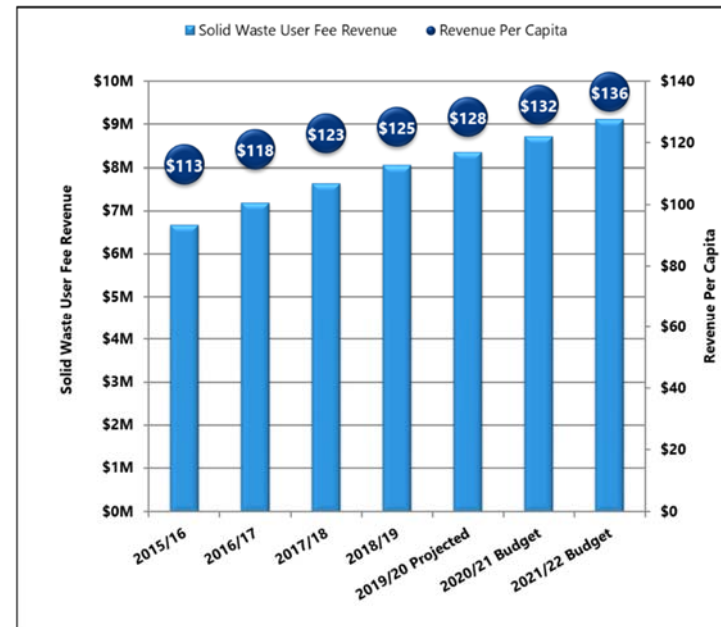
Measure J revenue is the City's share of Contra Costa County's Local Street Maintenance and Improvements Fund. These funds can only be spent on local streets and roads, transit operations, growth management planning and compliance, bicycle and pedestrian trails and parking facilities. Through FY 2015/16, these funds were used to support streets division expenditures, however, due to strong economic conditions, in FY 2016/17 through FY 2019/20, these funds were used to fund pavement management capital projects. Due to the COVID-19 crisis, and availability of RMRA funding for pavement management projects, these funds will be used to support General Fund streets division expenditures in FY 2019/20 and in the FY 2020/21 and FY 2021/22 budgets, in the amount of \$0.9 million and \$1.0 million, respectively.



## OTHER CITY REVENUE SOURCES

### Solid Waste User Fees

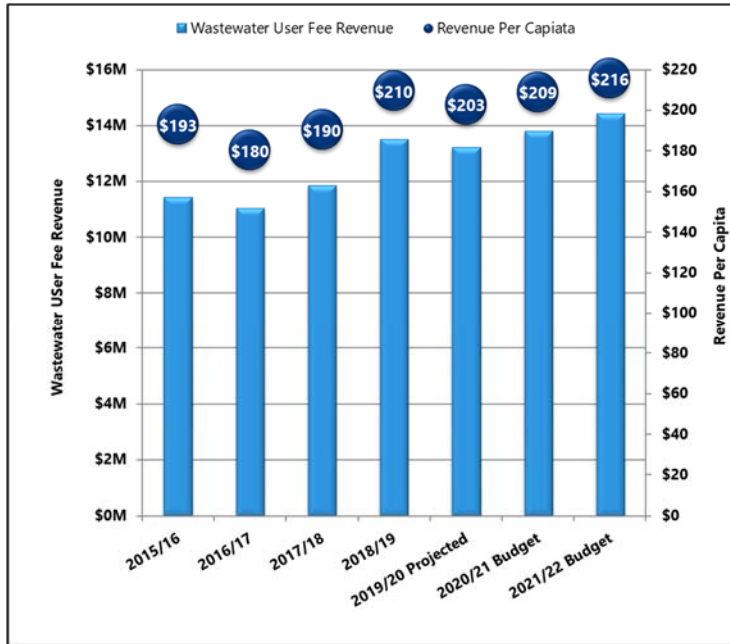
Charges for Solid Waste Enterprise services provided by the City are set in accordance with Proposition 218 and are required to be sufficient to cover the necessary operating expenses and capital improvements costs of the Enterprise. Five-year rate studies are developed that include the future enterprise 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.





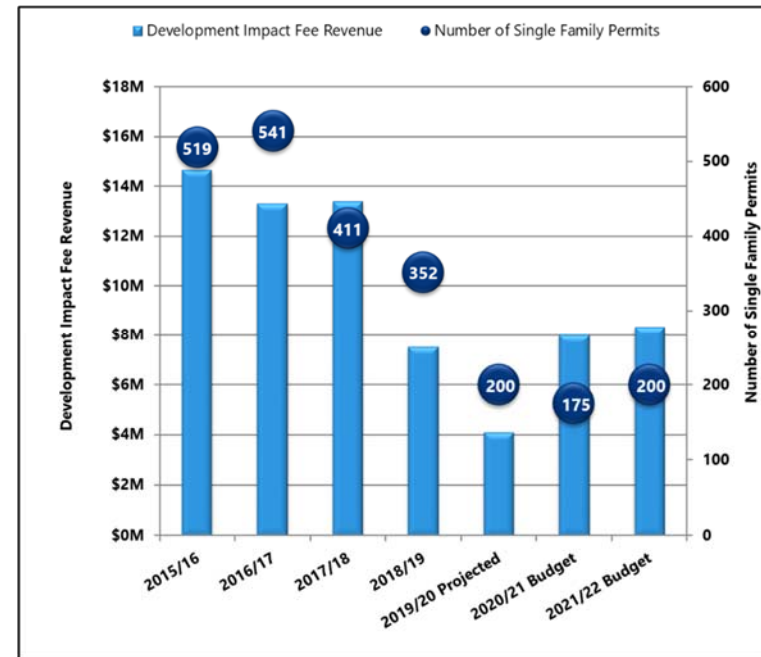
**Wastewater User Fees**

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 basis for the Wastewater revenue budget.

**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 Development Impact Fee Program was adopted in 2018.

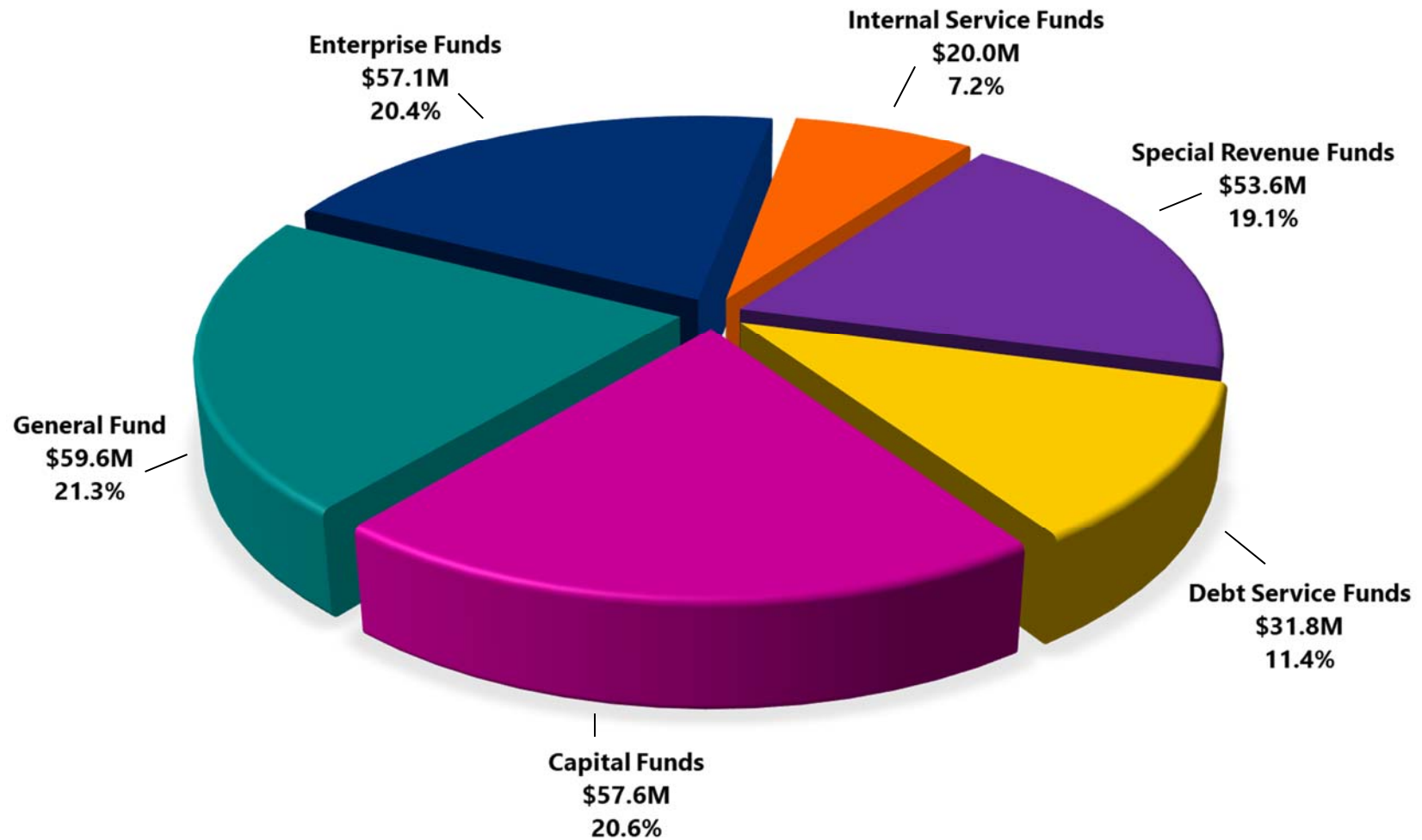
The budgeted revenue of \$8 million in FY 2020/21 and \$8.3 million in FY 2021/22, is calculated based on the estimated number of single-family and multi-family dwelling units and commercial/office/industrial development permits projected to be issued in the respective fiscal years.





## FY 2020/21 CITYWIDE REVENUE BY FUND TYPE

**\$279.7 Million**





## FUND REVENUE SUMMARY

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>GENERAL FUND</b>								
100	General Fund	\$ 56,740,754	\$ 61,019,358	\$ 56,441,759	\$ 59,616,515	-2.30%	\$ 62,575,563	4.96%
	<b>Total General Fund</b>	<u>56,740,754</u>	<u>61,019,358</u>	<u>56,441,759</u>	<u>59,616,515</u>	-2.30%	<u>62,575,563</u>	4.96%
<b>ENTERPRISE FUNDS</b>								
540,543	Solid Waste Enterprise	16,477,735	14,485,645	14,878,598	15,676,533	8.22%	16,528,232	5.43%
560,563	Water Enterprise	37,267,952	24,365,815	25,365,641	25,784,550	5.82%	27,115,439	5.16%
590,593	Wastewater Enterprise	21,218,151	13,652,639	13,974,431	14,123,246	3.45%	14,826,772	4.98%
501	City Rentals Enterprise	613,464	641,232	624,132	534,541	-16.64%	427,047	-20.11%
510,511,513	Housing Enterprise	1,015,020	882,533	861,505	1,013,720	14.86%	1,039,494	2.54%
	<b>Total Enterprise Funds</b>	<u>76,592,322</u>	<u>54,027,864</u>	<u>55,704,307</u>	<u>57,132,590</u>	5.75%	<u>59,936,984</u>	4.91%
<b>INTERNAL SERVICE FUNDS</b>								
701	Information Services	2,745,870	2,788,951	2,855,504	3,281,438	17.66%	3,448,193	5.08%
702	Equipment Replacement	3,039,994	2,077,741	2,245,840	2,194,960	5.64%	2,194,960	0.00%
703	Information Systems Replacement	1,646,902	1,341,214	1,374,240	1,059,838	-20.98%	1,062,338	0.24%
704	Facilities Replacement	1,290,616	1,169,548	1,200,796	1,136,153	-2.86%	1,138,653	0.22%
705	Tuition	30,450	29,275	28,973	26,309	-10.13%	15,642	-40.55%
706	Fleet Maintenance Services	1,876,113	1,773,353	1,766,038	1,951,079	10.02%	2,005,703	2.80%
707	Facilities Maintenance Services	2,253,093	2,345,755	2,341,315	1,972,394	-15.92%	2,008,607	1.84%
708	Parks and LLAD Replacement	3,661,753	2,679,476	5,337,233	2,637,266	-1.58%	1,152,526	-56.30%
709	Insurance	1,232,298	1,289,213	1,281,575	2,298,509	78.29%	2,411,665	4.92%
710	Pension/OPEB Obligation	10,928,044	4,913,566	4,275,056	3,478,195	-29.21%	3,541,097	1.81%
	<b>Total Internal Service Funds</b>	<u>28,705,133</u>	<u>20,408,092</u>	<u>22,706,570</u>	<u>20,036,141</u>	-1.82%	<u>18,979,384</u>	-5.27%



## FUND REVENUE SUMMARY (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>SPECIAL REVENUE FUNDS</b>								
203-209	Gas Tax	\$ 2,472,897	\$ 2,598,816	\$ 2,815,444	\$ 2,573,147	-0.99%	\$ 2,670,837	3.80%
214	SB1186 Disability Access	23,843	21,386	22,388	22,156	3.60%	22,376	0.99%
216	Police Grants	262,011	260,192	222,127	257,370	-1.08%	257,370	0.00%
217	Grants	3,572,398	6,071,188	1,831,427	3,325,700	-45.22%	4,006,050	20.46%
219	Economic Development Grant	189,643	191,810	154,173	138,933	-27.57%	147,778	6.37%
220	Infrastructure Improvements	290	0	0	0	0.00%	0	0.00%
230	Citywide Park Assessment District	3,125,803	3,547,653	3,590,547	5,516,987	55.51%	5,726,699	3.80%
231	Community Facilities District #2	621,073	632,687	634,949	647,547	2.35%	660,496	2.00%
232	Community Facilities District #3	15,731,699	2,381,283	1,980,466	2,036,012	-14.50%	2,183,621	7.25%
233,235	Community Facilities District #4	6,027,041	2,996,906	2,833,533	2,896,540	-3.35%	2,980,119	2.89%
234	Community Facilities District #5	2,280,260	1,562,633	1,475,193	1,817,979	16.34%	2,033,572	11.86%
250	Water Development Impact Fee	2,149,266	2,388,187	955,305	1,924,515	-19.42%	2,176,876	13.11%
251	Roadway Development Impact Fee	3,403,302	3,452,274	1,583,681	2,711,686	-21.45%	2,704,014	-0.28%
252	Parks and Trails Development Impact Fee	1,422,494	1,687,264	773,208	974,524	-42.24%	1,110,331	13.94%
255	Wastewater Development Impact Fee	2,167,967	2,127,472	958,032	1,645,819	-22.64%	1,692,949	2.86%
256	Community Facilities Development Impact Fee	695,756	541,570	259,462	452,497	-16.45%	459,338	1.51%
257	Fire Development Impact Fee	578,393	438,152	308,726	477,875	9.07%	371,094	-22.34%
261	Development Impact Fee Administration	427,052	340,608	235,023	377,249	10.76%	292,232	-22.54%
262	Agriculture Land Administration	124,705	37,688	16,678	3,205	-91.50%	3,005	-6.24%
263	Agriculture Land Acquisition	467,485	128,576	54,594	8,617	-93.30%	8,667	0.58%
264	First-Time Homebuyer	77,793	21,268	21,727	5,847	-72.51%	5,847	0.00%
265	Affordable Housing In-Lieu Fee	795,389	427,626	464,763	369,211	-13.66%	366,711	-0.68%
267	Public Art Administration	129,166	9,813	52,079	3,165	-67.75%	3,037	-4.04%
268	Public Art Acquisition	415,138	33,715	165,700	10,195	-69.76%	9,686	-4.99%
269	Parking In-Lieu	18	571	9	50	-91.24%	50	0.00%
272	Riparian Mitigation Site Maintenance	3,689	1,601	1,565	600	-62.52%	600	0.00%
280	Asset Forfeiture	18,920	30,613	34,052	1,000	-96.73%	1,000	0.00%
281	Abandoned Vehicle Abatement	29,948	40,917	30,890	40,135	-1.91%	40,135	0.00%
285	PEG Media	39,159	16,948	16,818	4,258	-74.88%	4,258	0.00%
286	Parks Advertising	3,076	20,211	1,815	1,244	-93.84%	1,274	2.41%
293	Measure J	1,141,537	980,539	1,051,355	934,360	-4.71%	953,060	2.00%
302	City Low Income Housing	673	292	290	74	-74.66%	74	0.00%
6xx	Landscape and Lighting Assessment Districts	9,914,078	9,669,658	9,685,889	24,347,534	151.79%	23,683,962	-2.73%
<b>Total Special Revenue Funds</b>		<b>58,311,962</b>	<b>42,660,117</b>	<b>32,231,908</b>	<b>53,526,031</b>	<b>25.47%</b>	<b>54,577,118</b>	<b>1.96%</b>



## FUND REVENUE SUMMARY (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>DEBT SERVICE FUNDS</b>								
<i>City Debt Obligations</i>								
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 1,457,306	\$ 2,151,599	\$ 2,146,117	\$ 2,059,120	-4.30%	\$ 2,055,683	-0.17%
448	General Obligation Bonds Series 2002	539,086	543,291	515,687	570,805	5.06%	600,080	5.13%
461	2019 Civic Center Project Lease Revenue Refunding Bonds	27,349,253	5,278,703	3,157,925	3,196,742	-39.44%	3,192,340	-0.14%
466	2015 Lease Financing	791,900	792,585	792,535	792,229	-0.04%	795,661	0.43%
	<b>Total City Debt Obligations</b>	<u>30,137,545</u>	<u>8,766,178</u>	<u>6,612,264</u>	<u>6,618,896</u>	<u>-24.50%</u>	<u>6,643,764</u>	<u>0.38%</u>
<i>Assessment Districts</i>								
435	2018A Refinance	3,938,819	3,930,126	3,925,646	3,922,119	-0.20%	3,924,904	0.07%
436	2014 A & B Refinance	7,174,960	7,172,308	7,180,770	7,175,430	0.04%	7,185,044	0.13%
437	2012A Refinance	1,321,443	1,305,931	1,301,030	1,303,076	-0.22%	1,310,687	0.58%
438	Capital Improvement Financing Program 2003-1	1,288,316	1,281,782	1,266,874	1,257,700	-1.88%	1,257,422	-0.02%
439	Capital Improvement Financing Program 2002-1	1,233,665	1,229,945	1,215,110	1,203,533	-2.15%	1,203,177	-0.03%
441	Capital Improvement Financing Program 94-1	2,847,286	2,845,942	2,794,926	2,763,435	-2.90%	2,769,584	0.22%
442	Capital Improvement Financing Program 98-1	717,233	714,486	703,194	700,806	-1.91%	703,039	0.32%
443	Capital Improvement Financing Program 99-1	658,478	648,684	638,925	638,370	-1.59%	643,934	0.87%
444	Capital Improvement Financing Program 2000-01	943,934	1,222,557	934,592	932,761	-23.70%	933,126	0.04%
449	Capital Improvement Financing Program 2004-1	1,597,656	1,593,302	1,574,957	1,560,843	-2.04%	1,561,840	0.06%
460	Randy Way Assessment District	61,797	58,280	57,792	56,849	-2.46%	60,763	6.88%
462	2006 A & B Refinance	125	0	55	50	100.00%	0	-100.00%
463	Capital Improvement Financing Program 2006-1	1,106,908	1,119,564	1,099,919	1,109,478	-0.90%	1,107,248	-0.20%
464	Capital Improvement Financing Program 2005-1	2,612,231	2,631,682	2,587,299	2,590,113	-1.58%	2,595,678	0.21%
465	96R Assessment District	5,135	2,401	2,206	559	-76.72%	559	0.00%
	<b>Total Assessment Districts</b>	<u>25,507,986</u>	<u>25,756,990</u>	<u>25,283,295</u>	<u>25,215,122</u>	<u>-2.10%</u>	<u>25,257,005</u>	<u>0.17%</u>
	<b>Total Debt Service Funds</b>	<u>55,645,531</u>	<u>34,523,168</u>	<u>31,895,559</u>	<u>31,834,018</u>	<u>-7.79%</u>	<u>31,900,769</u>	<u>0.21%</u>



## FUND REVENUE SUMMARY (Continued)

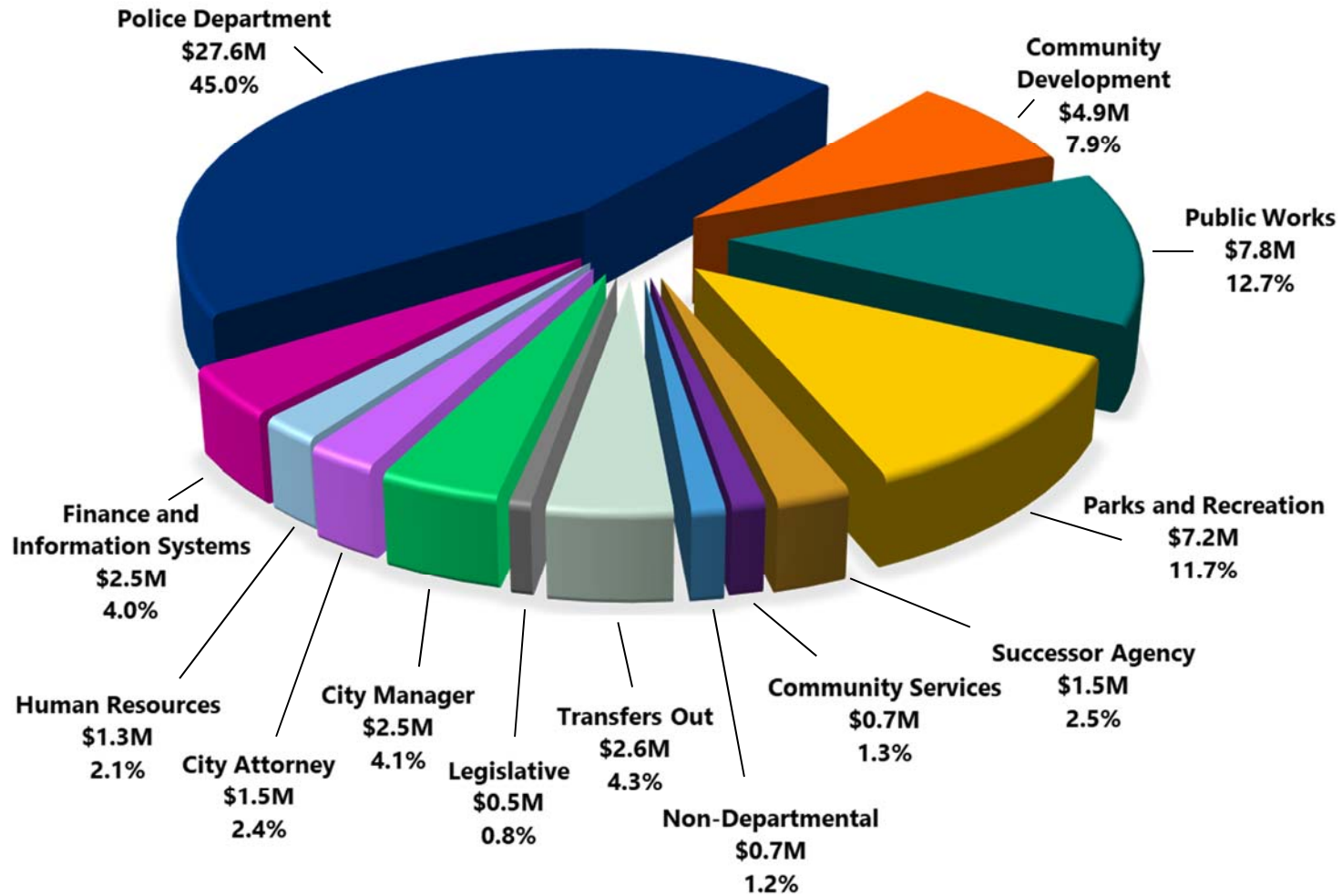
Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>CAPITAL PROJECT FUNDS</b>								
336	Roadway Improvements	\$ 6,740,634	\$ 6,017,754	\$ 3,727,470	\$ 4,346,352	-27.77%	\$ 1,013,853	-76.67%
337	Community Facilities Improvements	1,516,790	1,067,510	808,802	10,820,881	913.66%	693,500	-93.59%
352	Parks and Trails Improvements	840,509	720,228	692,325	422,984	-41.27%	874,714	106.80%
366	2015 Lease Financing	0	0	0	0	0.00%	0	0.00%
380	Civic Center Capital Improvement Financing Program	1,336,509	1,191,972	1,193,176	1,177,567	-1.21%	1,166,922	-0.90%
381	City Capital Improvement Financing Program	523,725	472,470	491,715	806,437	70.69%	508,476	-36.95%
392	Capital Infrastructure	857,324	10,320	2,459,540	39,163	279.49%	35,378	-9.66%
393	Vineyards Projects	513,266	266,802	318,966	176,996	-33.66%	163,900	-7.40%
394	Vineyards Event Center Projects	221,654	17,493	45,858	0	-100.00%	0	0.00%
542	Solid Waste Improvements	477,845	0	0	0	0.00%	0	0.00%
562	Water Improvements	10,342,835	9,330,662	8,401,673	5,518,927	-40.85%	2,438,927	-55.81%
592	Wastewater Improvements	4,598,686	24,881,149	4,933,777	34,246,000	37.64%	28,900,050	-15.61%
	<b>Total Capital Project Funds</b>	<u>27,969,777</u>	<u>43,976,360</u>	<u>23,073,302</u>	<u>57,555,307</u>	<u>30.88%</u>	<u>35,795,720</u>	<u>-37.81%</u>
	<b>TOTAL FUNDS</b>	<u>\$ 303,965,479</u>	<u>\$ 256,614,959</u>	<u>\$ 222,053,405</u>	<u>\$ 279,700,602</u>	<u>9.00%</u>	<u>\$ 263,765,538</u>	<u>-5.70%</u>



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## FY 2020/21 GENERAL FUND EXPENDITURE SUMMARY

**\$61.3 Million**





## GENERAL FUND EXPENDITURE SUMMARY

	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
Legislative	\$ 478,036	\$ 513,644	\$ 476,132	\$ 456,516	-11.12%	\$ 467,184	2.34%
City Manager	1,834,631	3,099,875	2,273,028	2,526,367	-18.50%	2,358,017	-6.66%
City Attorney	1,212,444	1,561,572	1,390,222	1,483,197	-5.02%	1,538,781	3.75%
Human Resources	1,054,171	1,298,849	1,159,111	1,278,711	-1.55%	1,304,420	2.01%
Finance and Information Systems	2,050,157	2,577,215	2,263,428	2,470,528	-4.14%	2,556,536	3.48%
Community Development	4,419,383	5,093,557	4,521,067	4,854,512	-4.69%	5,107,612	5.21%
Parks and Recreation	6,631,620	7,729,522	6,737,060	7,183,447	-7.06%	7,528,940	4.81%
Police Department	23,195,092	27,878,876	24,839,764	27,569,418	-1.11%	28,404,352	3.03%
Public Works	7,374,430	8,069,805	7,566,769	7,768,961	-3.73%	8,107,906	4.36%
Successor Agency	1,376,919	1,535,783	1,460,783	1,548,920	0.86%	1,638,691	5.80%
Community Services	822,038	1,107,494	966,092	768,285	-30.63%	801,521	4.33%
Non-Departmental	757,189	2,181,177	865,598	752,853	-65.48%	769,531	2.22%
Transfers Out	4,244,222	1,949,312	1,949,312	2,601,690	33.47%	2,676,330	2.87%
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 55,450,332</b>	<b>\$ 64,596,681</b>	<b>\$ 56,468,366</b>	<b>\$ 61,263,405</b>		<b>\$ 63,259,821</b>	
<b>Annual Percentage Change</b>			1.84%	-5.16%		3.26%	





## GENERAL FUND SCHEDULE OF INTERFUND TRANSFERS OUT

To Fund	Purpose	2019/20 Projected	2020/21 Budget	2021/22 Budget
<b>Transfers Out</b>				
Citywide Park Assessment District	Park Maintenance	\$ 899,312	\$ 0	\$ 0
Community Facilities Improvements	City Hall Automatic Transfer Switch	100,000	0	0
Community Facilities Improvements	Community Build-Out Plan	100,000	0	0
Community Facilities Improvements	Zoning Ordinance Update	200,000	0	0
City Rentals Fund	City Rentals Subsidy	0	140,000	140,000
Parks and LLAD Transfers	Contribution to Citywide Parks and LLADs	0	1,792,190	1,846,745
Parks and LLAD Replacement	Park Replacement	650,000	669,500	689,585
	<b>Total Transfers Out</b>	<b>\$ 1,949,312</b>	<b>\$ 2,601,690</b>	<b>\$ 2,676,330</b>



## GENERAL FUND EXPENDITURES BY CATEGORY

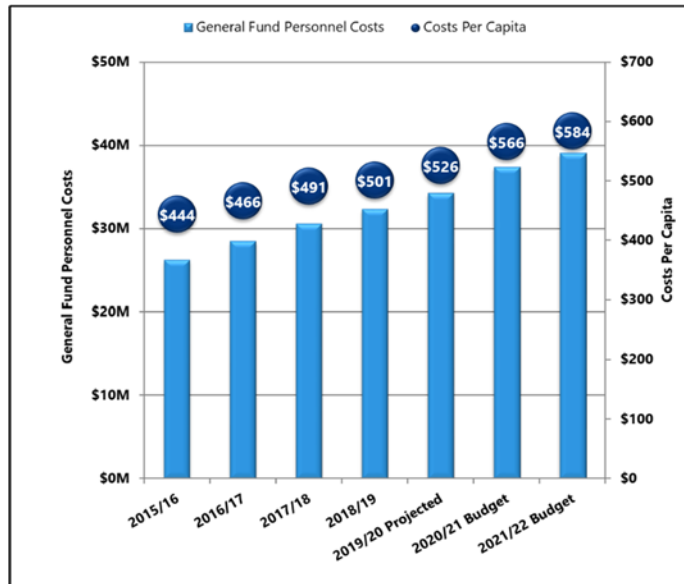
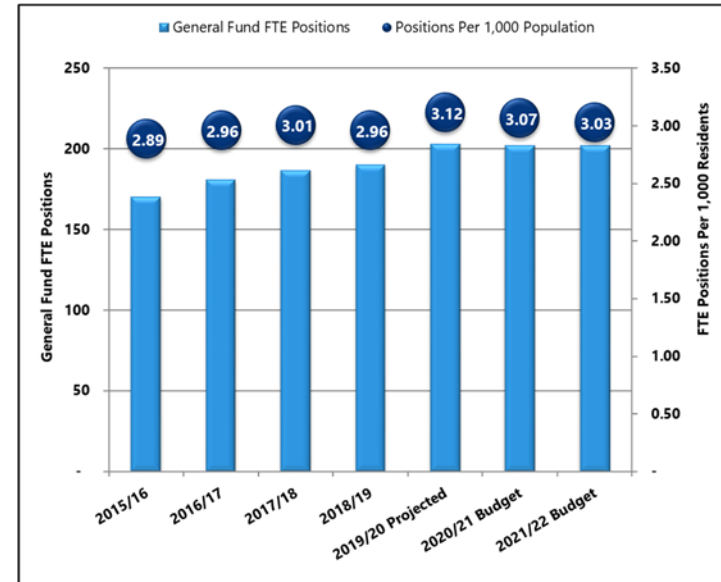
	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	% Change	2021/22 Budget	% Change
<b>Personnel Services</b>	\$ 32,256,743	\$ 37,639,425	\$ 34,221,992	\$ 37,334,351	-0.81%	\$ 39,003,930	4.47%
<b>Supplies and Services</b>	7,699,813	12,602,507	8,408,667	9,176,168	-27.19%	9,207,414	0.34%
<b>Internal Services</b>	9,823,136	10,612,467	10,178,975	10,471,273	-1.33%	10,701,051	2.19%
<b>Capital Outlay</b>	1,426,418	1,792,970	1,709,420	1,679,923	-6.31%	1,671,096	-0.53%
<b>SUBTOTAL GENERAL FUND OPERATIONS</b>	<b>51,206,110</b>	<b>62,647,369</b>	<b>54,519,054</b>	<b>58,661,715</b>	-6.36%	<b>60,583,491</b>	3.28%
Transfers Out	4,244,222	1,949,312	1,949,312	2,601,690	33.47%	2,676,330	2.87%
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 55,450,332</b>	<b>\$ 64,596,681</b>	<b>\$ 56,468,366</b>	<b>\$ 61,263,405</b>		<b>\$ 63,259,821</b>	
<b>Annual Percentage Change</b>			1.84%	-5.16%		3.26%	
<b>Total General Fund Budgeted Full-Time Employees</b>	190.55	203.05	203.05	202.39		202.39	
<b>Total General Fund Elected and Appointed Positions</b>	40.00	40.00	40.00	40.00		40.00	

## GENERAL FUND EXPENDITURES

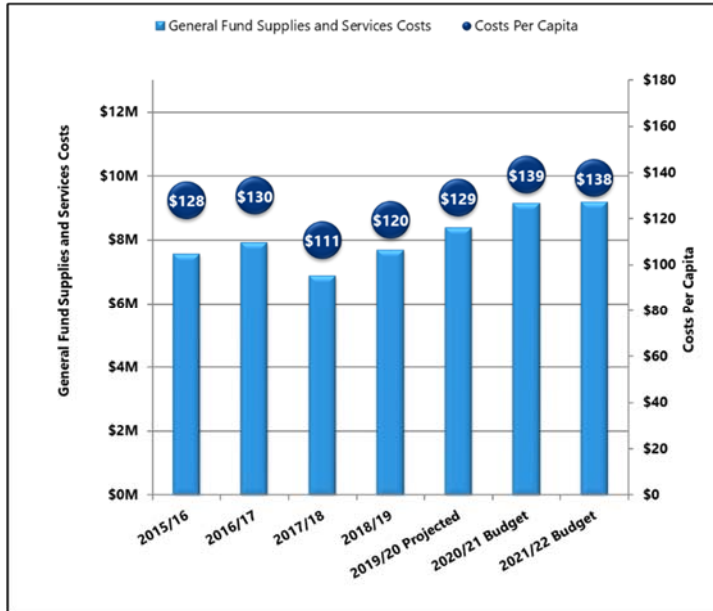
### Personnel Services

Personnel expenditures comprise the majority of General Fund appropriations, representing approximately 61.0% of General Fund total expenses. This total excludes transfers of \$2.3 million for retiree medical benefits which, when included, increases the percentage to 64.8%. The total budgeted expenditures for FY 2020/21 are \$37.3 million, which is a 1.0% decrease from the FY 2019/20 budget of \$37.6 million. This decrease is due to seven staff vacancies not being budgeted to be filled, as well as three additional vacancies being delayed in FY 2020/21. In FY 2021/22, personnel expenditures increase to \$39.0 million, or 4.5%, as only five of the vacancies will remain unfunded and pension and health costs are expected to rise.

As illustrated in the chart, personnel costs have been increasing over the past several years. In FY 2016/17, at City Council's direction, the City established a Police Dispatch Center in Brentwood. The Dispatch Center operates on a 24-



hour basis and required the addition of 12 full-time dispatch operations positions, increasing personnel costs in FY 2016/17 and FY 2017/18. Additionally, new positions were added in FY 2018/19 and FY 2019/20. Three positions were added in FY 2018/19 to increase service levels in Community Development, Parks and Recreation and the City Attorney departments. In FY 2019/20, ten additional positions were authorized, one in Parks and Recreation, and nine to increase public safety services. Two positions were added to increase staffing in the Dispatch Center to enhance 24/7 coverage and increase training opportunities. Three Community Service Officer positions were added to perform duties allowing officers to focus on core public safety duties. Finally, five Police Officer positions were added to form a new 5<sup>th</sup> geographic beat in the City. Before any officers could be hired, the COVID-19 crisis hit. The negative impacts on revenues of the crisis drove the decision not to fill the new positions in this two-year budget period. Personnel expenditures are projected to be \$566 per capita for FY 2020/21 and \$584 per capita for FY 2021/22.

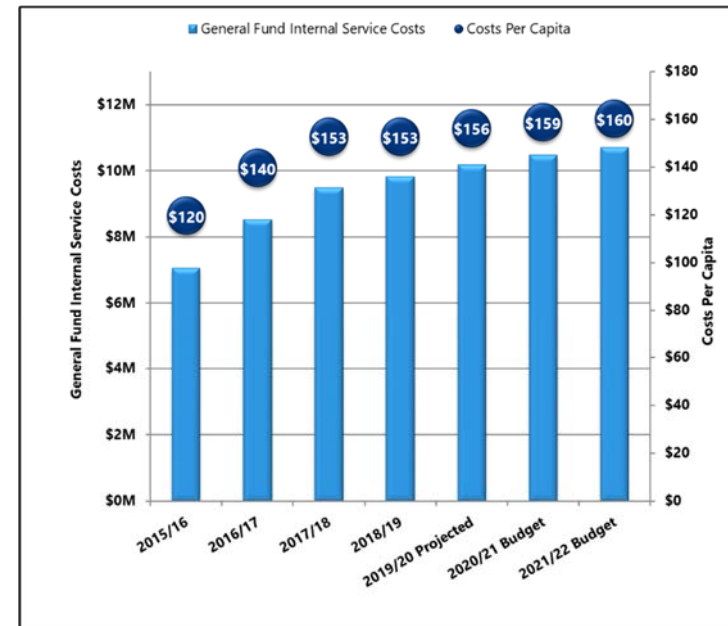


**Supplies and Services**

Supplies and services expenditures are decreasing from \$12.6 million in the FY 2019/20 budget to \$9.2 million in the FY 2020/21 budget. Supplies and services related to on-going City operations are budgeted to decrease by \$1.4 million (or 13%) in FY 2020/21 due mainly to a reduction in contractual services, contributions to the county for extra library hours and legal services. The remainder of the reduction is due to a decrease in Strategic Plan initiative budgets from the prior year of \$2.0 million. The expenditure budget for supplies and services does not increase in FY 2021/22, as increases in contractual services costs are offset by decreases in Strategic Plan initiative budgets.

**Internal Services**

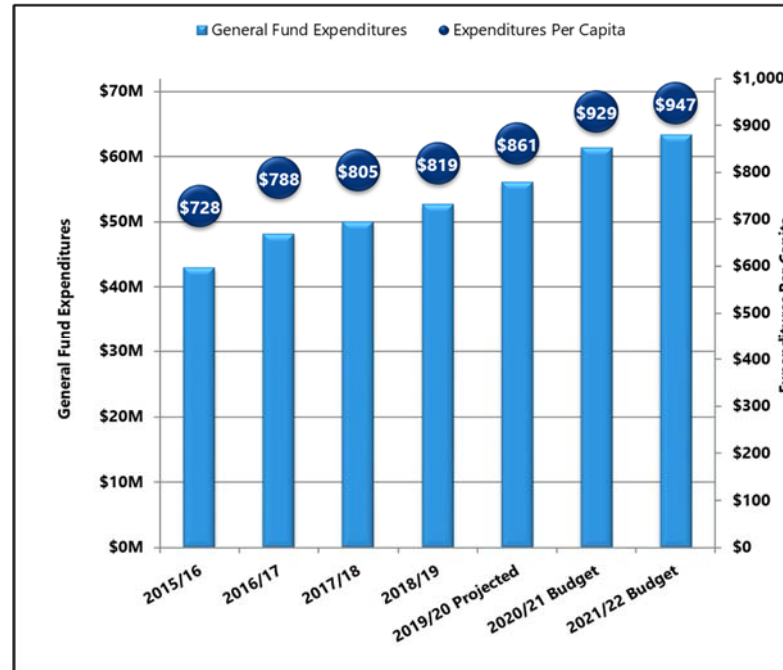
Internal Service costs of \$10.5 million, budgeted for FY 2020/21, is a decrease of 1.3% from the FY 2019/20 budget of \$10.6 million. This decrease is from a combination of increases in insurance coverage costs, offset by decreases in the contributions for retiree medical benefits based on the City's actuarial determined contribution. In FY 2021/22, internal service costs will increase 2.2% mainly due to support for information services and insurance coverage costs.



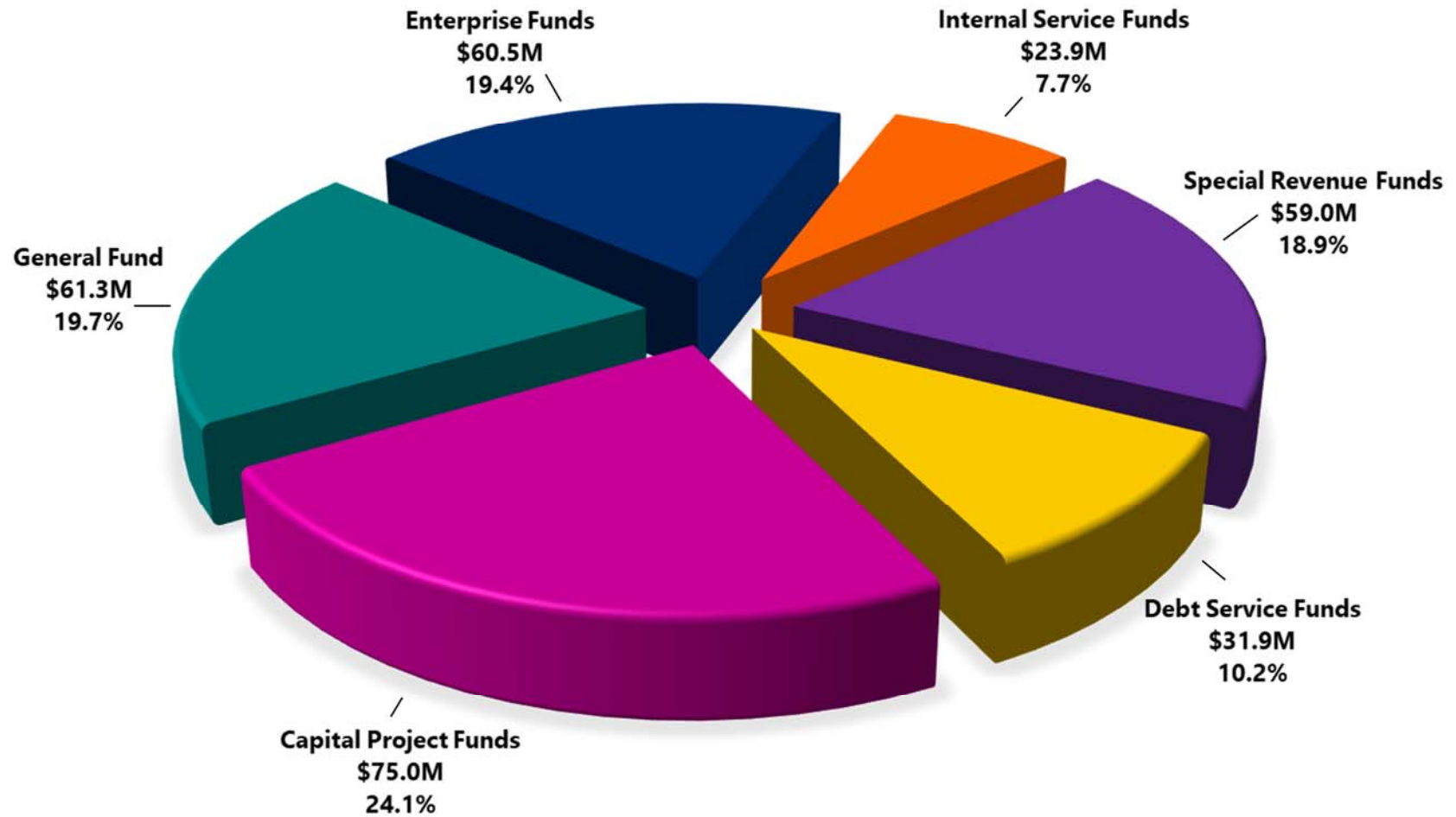
**Total General Fund Expenditures**

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 decrease from the FY 2019/20 budget of \$986 to \$929 per capita in FY 2020/21. This decrease is mainly due to the decrease in expenditures for Strategic Initiatives.



## FY 2020/21 CITYWIDE EXPENDITURES BY FUND TYPE \$311.6 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 97. The expenditure decrease in the Enterprise Funds in both FY 2020/21 and FY 2021/22 is mainly due to the reduction in capital project funding for water projects.

Internal Service Fund expenditures increased in FY 2020/21 due primarily to increases as a result of accounting methodology changes for the Parks and LLAD Replacement fund. This increase was offset by lower equipment replacement expenditures. Internal Service Fund expenditures increase in FY 2021/22 due to the timing of the need for equipment replacement expenditures and budget stabilization transfers.

Special Revenue Funds include the Citywide Park Assessment District and Landscape and Lighting Assessment Districts. These funds are showing large expenditure increases in FY 2020/21 due to an accounting methodology change. These expenditure increases are offset within each fund by revenue increases resulting from the same methodology change. In addition, grant funds and development impact fee funds are considered Special Revenue Funds. Development impact fee funds are used to pay for capital projects for infrastructure needed as a result of growth and development. One key project being funded by development impact fees in FY 2020/21 is the ECCFPD Administration and Fire Station project. Capital projects receiving grant funding in FY 2020/21 include the Citywide Non-Potable Water Distribution System and Brentwood Various Streets and Roads Preservation project and, in FY 2021/22, the Wastewater Treatment Plant Expansion - Phase II project is slated to receive grant funding.

Expenditures in the Capital Project 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 2020/21 budget includes \$9.3 million for the Priority Area 1 Infrastructure Improvements project and \$11.6 million for various water improvement projects. FY 2020/21 and FY 2021/22 expenditures for the Wastewater Treatment Plant Expansion - Phase II project are budgeted at \$30.1 million and \$28.1 million, respectively.

	FY 2018/19 Actual	FY 2019/20 Projected	FY 2020/21 Budget	FY 2021/22 Budget
General Fund	\$ 55,450,332	\$ 56,468,366	\$ 61,263,405	\$ 63,259,821
Enterprise Funds	62,847,495	62,735,117	60,543,256	59,884,768
Internal Service Funds	28,604,790	22,952,773	23,851,994	26,339,311
Special Revenue Funds	55,105,366	40,208,957	58,979,951	53,329,447
Debt Service Funds	59,091,363	31,870,650	31,894,090	31,932,948
Capital Project Funds	38,318,034	13,998,582	75,024,053	43,159,555
<b>Total Expenditures</b>	<b>\$ 299,417,380</b>	<b>\$ 228,234,445</b>	<b>\$ 311,556,749</b>	<b>\$ 277,905,850</b>



## EXPENDITURE SUMMARY BY FUND

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>GENERAL FUND</b>								
100	General Fund	\$ 55,450,332	\$ 64,596,681	\$ 56,468,366	\$ 61,263,405	-5.16%	\$ 63,259,821	3.26%
	<b>Total General Fund</b>	<u>55,450,332</u>	<u>64,596,681</u>	<u>56,468,366</u>	<u>61,263,405</u>	<u>-5.16%</u>	<u>63,259,821</u>	<u>3.26%</u>
<b>ENTERPRISE FUNDS</b>								
540,543	Solid Waste Enterprise	13,580,646	13,949,624	13,647,530	14,677,054	5.21%	15,257,825	3.96%
560,563	Water Enterprise	30,975,869	31,826,973	31,386,208	29,890,977	-6.08%	27,988,626	-6.36%
590,593	Wastewater Enterprise	16,953,805	20,399,886	16,307,464	14,361,124	-29.60%	15,012,573	4.54%
501	City Rentals Enterprise	581,419	601,646	594,090	553,130	-8.06%	517,823	-6.38%
510,511,513	Housing Enterprise	755,756	904,717	799,825	1,060,971	17.27%	1,107,921	4.43%
	<b>Total Enterprise Funds</b>	<u>62,847,495</u>	<u>67,682,846</u>	<u>62,735,117</u>	<u>60,543,256</u>	<u>-10.55%</u>	<u>59,884,768</u>	<u>-1.09%</u>
<b>INTERNAL SERVICE FUNDS</b>								
701	Information Services	2,407,144	2,934,377	2,547,538	3,400,959	15.90%	3,388,065	-0.38%
702	Equipment Replacement	1,607,424	4,632,147	4,614,712	3,782,691	-18.34%	4,438,283	17.33%
703	Information Systems Replacement	617,954	1,731,132	1,632,997	591,577	-65.83%	717,072	21.21%
704	Facilities Replacement	409,359	1,022,145	794,179	1,138,087	11.34%	1,340,012	17.74%
705	Tuition	22,400	32,837	26,537	32,902	0.20%	32,987	0.26%
706	Fleet Maintenance Services	1,787,068	1,844,747	1,803,232	1,870,549	1.40%	1,908,680	2.04%
707	Facilities Maintenance Services	2,252,394	2,420,929	2,260,497	1,949,681	-19.47%	1,999,513	2.56%
708	Parks and LLAD Replacement	1,562,810	1,578,274	1,465,405	2,412,202	52.84%	2,303,887	-4.49%
709	Insurance	1,361,235	1,595,765	1,533,140	1,944,256	21.84%	2,033,736	4.60%
710	Pension/OPEB Obligation	16,577,002	9,640,129	6,274,536	6,729,090	-30.20%	8,177,076	21.52%
	<b>Total Internal Service Funds</b>	<u>28,604,790</u>	<u>27,432,482</u>	<u>22,952,773</u>	<u>23,851,994</u>	<u>-13.05%</u>	<u>26,339,311</u>	<u>10.43%</u>





## EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>SPECIAL REVENUE FUNDS</b>								
203-209	Gas Tax	\$ 2,247,587	\$ 2,689,182	\$ 1,645,740	\$ 3,468,415	28.98%	\$ 2,464,486	-28.94%
214	SB1186 Disability Access	4,930	18,930	12,500	19,950	5.39%	19,950	0.00%
216	Police Grants	210,033	281,335	281,235	281,270	-0.02%	281,270	0.00%
217	Grants	1,987,274	3,501,527	3,402,476	3,325,650	-5.02%	4,006,000	20.46%
219	Economic Development Grant	166,801	245,320	119,551	281,291	14.66%	233,722	-16.91%
220	Infrastructure Improvements	45	6,500	6,500	0	-100.00%	0	0.00%
230	Citywide Park Assessment District	3,207,886	3,519,558	3,416,228	5,662,825	60.90%	5,910,085	4.37%
231	Community Facilities District #2	617,548	627,600	626,785	657,498	4.76%	667,147	1.47%
232	Community Facilities District #3	15,804,166	2,656,895	1,928,464	2,329,229	-12.33%	2,530,236	8.63%
233,235	Community Facilities District #4	6,009,928	2,850,748	2,670,477	2,919,352	2.41%	2,981,528	2.13%
234	Community Facilities District #5	2,210,081	1,758,806	1,699,673	2,112,130	20.09%	2,043,217	-3.26%
250	Water Development Impact Fee	3,378,983	1,548,873	1,469,365	1,798,416	16.11%	1,497,649	-16.72%
251	Roadway Development Impact Fee	4,853,491	5,307,691	4,923,963	991,524	-81.32%	1,447,515	45.99%
252	Parks and Trails Development Impact Fee	982,918	891,629	860,221	365,386	-59.02%	306,822	-16.03%
255	Wastewater Development Impact Fee	3,139,675	7,349,534	3,170,081	1,549,116	-78.92%	2,261,560	45.99%
256	Community Facilities Development Impact Fee	289,006	238,088	225,045	222,017	-6.75%	221,270	-0.34%
257	Fire Development Impact Fee	5,434	8,345	4,751	6,136,848	73439.22%	505,093	-91.77%
261	Development Impact Fee Administration	500,572	476,697	475,875	426,423	-10.55%	351,475	-17.58%
262	Agriculture Land Administration	37,178	51,063	35,952	49,940	-2.20%	51,014	2.15%
263	Agriculture Land Acquisition	22,903	305,832	1,711	301,351	-1.47%	21,755	-92.78%
264	First-Time Homebuyer	15,106	136,151	36,163	136,193	0.03%	136,193	0.00%
265	Affordable Housing In-Lieu Fee	551,790	519,092	459,996	671,518	29.36%	692,002	3.05%
267	Public Art Administration	681	537	537	694	29.24%	672	-3.17%
268	Public Art Acquisition	25,454	36,445	36,445	2,895	-92.06%	2,914	0.66%
269	Parking In-Lieu	0	50	0	0	-100.00%	0	0.00%
272	Riparian Mitigation Site Maintenance	1,017	1,601	1,601	1,625	1.50%	1,625	0.00%
280	Asset Forfeiture	1,527	30,152	30,152	203	-99.33%	50,203	24630.54%
281	Abandoned Vehicle Abatement	24	40,050	50	30,050	-24.97%	30,050	0.00%
285	PEG Media	806	5,916	856	5,878	-0.64%	5,878	0.00%
286	Parks Advertising	9,216	19,065	9,550	9,835	-48.41%	10,130	3.00%
293	Measure J	1,125,973	1,009,265	458,750	908,950	-9.94%	1,009,150	11.02%
302	City Low Income Housing	18	50	50	50	0.00%	50	0.00%
6xx	Landscape and Lighting Assessment Districts	7,697,315	12,173,514	12,198,214	24,313,429	99.72%	23,588,786	-2.98%
<b>Total Special Revenue Funds</b>		<b>55,105,366</b>	<b>48,306,041</b>	<b>40,208,957</b>	<b>58,979,951</b>	<b>22.10%</b>	<b>53,329,447</b>	<b>-9.58%</b>



## EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>DEBT SERVICE FUNDS</b>								
<b>City Debt Obligations</b>								
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 2,134,872	\$ 2,166,093	\$ 2,166,048	\$ 2,098,417	-3.12%	\$ 2,066,143	-1.54%
448	General Obligation Bonds Series 2002	520,276	546,791	546,791	576,855	5.50%	606,080	5.07%
461	2019 Civic Center Project Lease Revenue Refunding Bonds	31,014,516	5,273,485	3,154,311	3,196,688	-39.38%	3,192,285	-0.14%
466	2015 Lease Financing	791,900	792,582	792,532	792,175	-0.05%	795,607	0.43%
	<b>Total City Debt Obligations</b>	<b>34,461,564</b>	<b>8,778,951</b>	<b>6,659,682</b>	<b>6,664,135</b>	<b>-24.09%</b>	<b>6,660,115</b>	<b>-0.06%</b>
<b>Assessment Districts</b>								
435	2018 A Refinance	3,436,413	3,963,552	3,958,602	3,948,129	-0.39%	3,951,467	0.08%
436	2014 A & B Refinance	7,151,545	7,187,166	7,185,152	7,175,379	-0.16%	7,184,994	0.13%
437	2012 A Refinance	1,321,781	1,316,565	1,311,565	1,312,591	-0.30%	1,320,593	0.61%
438	Capital Improvement Financing Program 2003-1	1,254,365	1,259,163	1,250,803	1,254,778	-0.35%	1,255,583	0.06%
439	Capital Improvement Financing Program 2002-1	1,203,743	1,204,519	1,198,380	1,200,286	-0.35%	1,201,372	0.09%
441	Capital Improvement Financing Program 94-1	2,746,391	2,773,909	2,766,103	2,758,685	-0.55%	2,764,834	0.22%
442	Capital Improvement Financing Program 98-1	691,760	702,107	692,726	699,626	-0.35%	701,859	0.32%
443	Capital Improvement Financing Program 99-1	638,749	641,112	632,166	637,310	-0.59%	642,874	0.87%
444	Capital Improvement Financing Program 2000-01	917,177	940,297	924,587	931,226	-0.96%	931,591	0.04%
449	Capital Improvement Financing Program 2004-1	1,553,573	1,564,514	1,554,794	1,558,579	-0.38%	1,559,576	0.06%
460	Randy Way Assessment District	57,907	57,932	56,938	56,426	-2.60%	60,340	6.94%
462	2006 A & B Refinance	1	0	0	2,525	100.00%	0	-100.00%
463	Capital Improvement Financing Program 2006-1	1,095,442	1,100,597	1,099,370	1,107,738	0.65%	1,105,508	-0.20%
464	Capital Improvement Financing Program 2005-1	2,560,786	2,582,552	2,579,632	2,586,064	0.14%	2,591,629	0.22%
465	96R Assessment District	166	629	150	613	-2.54%	613	0.00%
	<b>Total Assessment Districts</b>	<b>24,629,799</b>	<b>25,294,614</b>	<b>25,210,968</b>	<b>25,229,955</b>	<b>-0.26%</b>	<b>25,272,833</b>	<b>0.17%</b>
	<b>Total Debt Service Funds</b>	<b>59,091,363</b>	<b>34,073,565</b>	<b>31,870,650</b>	<b>31,894,090</b>	<b>-6.40%</b>	<b>31,932,948</b>	<b>0.12%</b>



## EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	Budget % Change	2021/22 Budget	Budget % Change
<b>CAPITAL PROJECT FUNDS</b>								
336	Roadway Improvements	\$ 3,117,523	\$ 11,463,323	\$ 6,479,170	\$ 11,614,852	1.32%	\$ 2,013,853	-82.66%
337	Community Facilities Improvements	6,913,597	6,516,182	1,001,258	7,643,240	17.30%	6,771,835	-11.40%
352	Parks and Trails Improvements	1,097,083	1,070,228	564,317	768,270	-28.21%	870,000	13.24%
366	2015 Lease Financing	427,363	0	0	0	0.00%	0	0.00%
380	Civic Center Capital Improvement Financing Program	3,667,033	1,353,791	1,186,609	1,183,841	-12.55%	1,173,341	-0.89%
381	City Capital Improvement Financing Program	402,410	499,099	499,098	536,171	7.43%	715,236	33.40%
392	Capital Infrastructure	509,786	204,858	204,858	3,104,755	1415.56%	10,211	-99.67%
393	Vineyards Projects	83,368	8,673	6,511	4,106,680	47250.17%	3,118	-99.92%
394	Vineyards Event Center Projects	4,181	9,183	9,183	200,515	2083.55%	530	-99.74%
542	Solid Waste Improvements	1,077,274	0	0	0	0.00%	0	0.00%
562	Water Improvements	10,310,898	11,568,994	967,781	11,619,729	0.44%	2,701,431	-76.75%
592	Wastewater Improvements	10,707,518	24,881,149	3,079,797	34,246,000	37.64%	28,900,000	-15.61%
	<b>Total Capital Project Funds</b>	<u>38,318,034</u>	<u>57,575,480</u>	<u>13,998,582</u>	<u>75,024,053</u>	<u>30.31%</u>	<u>43,159,555</u>	<u>-42.47%</u>
<b>TOTAL FUNDS</b>		<u>\$ 299,417,380</u>	<u>\$ 299,667,095</u>	<u>\$ 228,234,445</u>	<u>\$ 311,556,749</u>	<u>3.97%</u>	<u>\$ 277,905,850</u>	<u>-10.80%</u>



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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 25, 2020, City Council adopted the Strategic Plan for FY 2020/21 and FY 2021/22 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 2020/21 and FY 2021/22. Please refer to the Strategic Plan section, beginning on page 27, for information on the focus areas and Goals.

The table below represents the performance budgets funding sources, by City department, for FY 2020/21 as well as the associated full-time employees (FTEs).

Department	2019/20 Fund Type				Total	Full-Time Employees
	General Fund	Enterprise	Special Revenue	Internal Service		
Legislative	\$ 456,516	\$ 0	\$ 0	\$ 0	\$ 456,516	0.50
City Manager	2,526,367	0	0	0	2,526,367	7.50
City Attorney	1,483,197	0	0	0	1,483,197	5.00
Community Development	4,854,512	695,468	0	0	5,549,980	22.00
Finance and Information Systems	2,470,528	2,966,084	0	3,400,959	8,837,571	31.00
Human Resources	1,278,711	0	0	0	1,278,711	4.25
Parks and Recreation	7,183,447	0	2,849,452	0	10,032,899	27.00
Police	27,569,418	0	0	0	27,569,418	105.00
Public Works	7,768,961	53,059,386	0	2,934,002	63,762,349	112.75
<b>Total</b>	<b>\$ 55,591,657</b>	<b>\$ 56,720,938</b>	<b>\$ 2,849,452</b>	<b>\$ 6,334,961</b>	<b>\$ 121,497,008</b>	<b>315.00</b>
<b>Full-Time Employees</b>	<b>200.89</b>	<b>83.38</b>	<b>8.37</b>	<b>22.36</b>	<b>315.00</b>	

## LEGISLATIVE



**Mayor**

Robert Taylor  
*Term Expires  
November 2020*



**Vice Mayor**

Joel R. Bryant  
*Term Expires  
November 2022*



**Council Member**

Karen Rarey  
*Term Expires  
November 2020*



**Council Member**

Johnny Rodriguez  
*Term Expires  
November 2022*



**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 by district. 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

<b>Expenditures by Division</b>		<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Division #	Division Name	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>	<b>Budget</b>
<b>General Fund</b>						
100-1201	<b>City Council</b>	\$ 432,004	\$ 459,110	\$ 432,895	\$ <b>414,614</b>	\$ <b>425,057</b>
100-1414	<b>BNC</b>	1,999	2,000	2,000	<b>2,000</b>	<b>2,000</b>
100-2202	<b>Planning Commission</b>	33,502	37,619	32,516	<b>24,758</b>	<b>24,807</b>
100-5106	<b>Park and Recreation Commission</b>	6,901	9,875	6,475	<b>9,954</b>	<b>9,978</b>
100-5107	<b>Youth Commission</b>	3,139	4,400	1,760	<b>4,531</b>	<b>4,663</b>
100-5109	<b>Arts Commission</b>	491	640	486	<b>659</b>	<b>679</b>
	<b>Total</b>	<u>\$ 478,036</u>	<u>\$ 513,644</u>	<u>\$ 476,132</u>	<u>\$ <b>456,516</b></u>	<u>\$ <b>467,184</b></u>
	<b>Annual Percentage Change</b>			-0.40%	<b>-11.12%</b>	<b>2.34%</b>



### LEGISLATIVE

Expenditures by Category	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
<b>Personnel Services</b>	\$ 234,277	\$ 247,787	\$ 236,277	\$ 234,887	\$ 239,571
<b>Supplies and Services</b>	72,422	77,592	67,040	84,405	86,460
<b>Internal Services</b>	171,337	188,265	172,815	137,224	141,153
<b>Total</b>	<u>\$ 478,036</u>	<u>\$ 513,644</u>	<u>\$ 476,132</u>	<u>\$ 456,516</u>	<u>\$ 467,184</u>
<b>Total Budgeted Full-Time Employees</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>

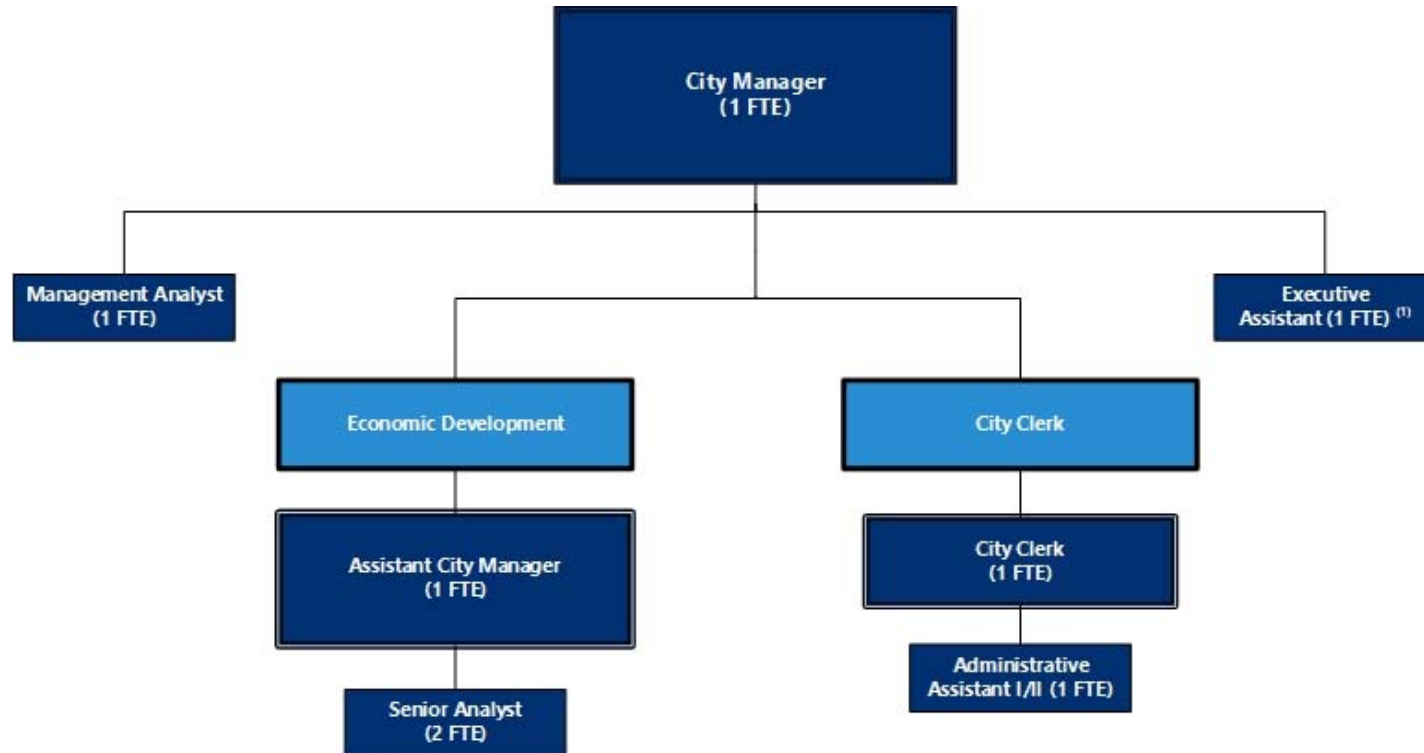
### Expenditure Analysis

- Personnel** No FTE changes.
- Supplies and Services** The increase in the Supplies and Services budget, for both FY 2020/21 and FY 2021/22, is due to increases in publications and dues.
- Internal Services** Decreases in Internal Services costs are due primarily to decreases in the cost of OPEB benefits.



## 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 Department includes the Economic Development and City Clerk divisions.

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 2020/21 – FY 2021/22 Strategic Initiatives

<b>Goal</b>	<b>Strategic Initiatives</b>	<b>FY 2020/21 Target</b>	<b>FY 2021/22 Target</b>
3.1.a.	Update the Downtown Specific Plan and Create a Development Strategy	25%	100%
3.1.b.	Establish an Enhanced Infrastructure Financing District for Downtown	25%	100%
3.1.c.	Create a vision for the Downtown of the future	50%	100%
3.1.e.	Expand Beautification Program for Downtown	100%	-
3.2.a.	Update Brentwood Blvd. Specific Plan and create a comprehensive infrastructure plan	25%	100%
3.2.b.	Establish an Enhanced Infrastructure Financing District for Brentwood Blvd.	50%	100%
3.3.a.	Develop and Implement an Economic Development Incentive Policy and Programs	50%	100%
3.4.a.	Continue implementing Downtown Main Street	100%	-
3.5.	Implement the Economic Development Action Plan	50%	100%



## CITY MANAGER

### DEPARTMENT BUDGET SUMMARY

Expenditures by Division	2018/19	2019/20	2019/20	2020/21	2021/22
Division #    Division Name	Actual	Budget	Projected	Budget	Budget
<b>General Fund</b>					
100-1202 <b>City Manager</b>	\$ 751,409	\$ 897,086	\$ 863,960	\$ 938,467	\$ 947,045
100-1204 <b>Economic Development</b>	630,557	1,733,622	976,974	1,058,459	937,967
100-1205 <b>City Clerk</b>	452,665	469,167	432,094	529,441	473,005
<b>Total</b>	\$ 1,834,631	\$ 3,099,875	\$ 2,273,028	\$ 2,526,367	\$ 2,358,017
<b>Annual Percentage Change</b>			23.90%	-18.50%	-6.66%

Expenditures by Category	2018/19	2019/20	2019/20	2020/21	2021/22
	Actual	Budget	Projected	Budget	Budget
<b>Personnel Services</b>	\$ 1,214,608	\$ 1,648,097	\$ 1,554,546	\$ 1,602,011	\$ 1,692,932
<b>Supplies and Services</b>	316,918	1,119,488	411,419	615,241	348,152
<b>Internal Services</b>	300,891	326,331	305,263	306,836	314,654
<b>Capital Outlay and Transfers Out</b>	2,214	5,959	1,800	2,279	2,279
<b>Total</b>	\$ 1,834,631	\$ 3,099,875	\$ 2,273,028	\$ 2,526,367	\$ 2,358,017
<b>Total Budgeted Full-Time Employees</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>

## CITY MANAGER

### Expenditure Analysis

<b>Personnel</b>	No FTE changes.
<b>Supplies and Services</b>	The decrease in Supplies and Services budget, for both FY 2020/21 and FY 2021/22, is due to decreases in Strategic Plan initiative costs.
<b>Internal Services</b>	The Internal Services budget is decreasing by approximately 6% in FY 2020/21 due to decreases in the cost of OPEB benefits offset by higher insurance and information services costs.

## CITY MANAGER

### FY 2018/19 - FY 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
2.4.a.	Contract with ECCFPD for a two-person squad vehicle  <i>A two-person squad would be a transitional step that could respond to medical calls until funding for a full engine company was assured. Conversations regarding the concept of adding a two-person squad to the service area took place, but it was ultimately decided by the Fire District that they needed reasonably assured long-term funding prior to instigating the squad.</i>	50%	-	100%	-
2.4.b.	Construct a new fire station at the City's Shady Willow property  <i>The specifications for the station have been developed and the Public Works Department is developing a Request for Qualifications for a design build architect. The Community Development Department has begun the process to change the General Plan and zoning to allow the use.</i>	30%	-	100%	15%
3.1.a.	Create a Vision for the Downtown of the Future  <i>This initiative will be carried over to the FY 2020/21 – FY 2021/22 Strategic Plan and will be implemented after 3.2.a. is complete.</i>	50%	-	100%	-
3.1.b.	Implement a Parking Management Plan  <i>Downtown Parking Management Plan complete with short-term solutions implemented. See 3.5.a. for mid-term solutions.</i>	50%	50%	100%	100%
3.1.c.	Expand Beautification Program for Downtown  <i>This initiative will be carried over to the FY 2020/21 – FY 2021/22 Strategic Plan. Outdoor Dining Furniture Program, Mural Program, and Downtown Holiday Decoration Program have commenced. Façade Improvement Grant Program and other beautification programs forthcoming.</i>	50%	50%	100%	75%

## CITY MANAGER

### FY 2018/19 – FY 2019/20 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
3.2.a.	Continue Implementing the Downtown Main Street <i>Downtown Brentwood Coalition and staff are working on CA Main Street accreditation; this initiative will be carried over to the FY 2020/21 – FY 2021/22 Strategic Plan.</i>	50%	50%	100%	75%
3.3.a.	Business Development Center <i>This initiative will be carried over to the FY 2020/21 – FY 2021/22 Strategic Plan.</i>	100%	25%	-	50%
3.3.b.	Full-scale Hospital <i>We have contacted major health care providers and they are not interested in upgrading to a full scale hospital or expanding into Brentwood at this time.</i>	50%	-	100%	-
3.3.c.	Visitors and Tourism Bureau <i>This initiative will be carried over to the FY 2020/21 – FY 2021/22 Strategic Plan. Staff is working with Chamber and Downtown Brentwood Coalition for joint participation.</i>	-	-	100%	25%
3.3.d.	Citywide Restaurant Association <i>Staff is encouraging the Chamber of Commerce to address this initiative.</i>	50%	-	100%	-
3.3.e.	Next Generation Business Park <i>The Innovation Center @ Brentwood (formerly PA-1 Specific Plan area) has been completed and will be the roadmap for facilitation of a Business Park.</i>	25%	25%	100%	100%
3.3.f.	Economic Development Gardening <i>This is part of Economic Development's regular course of business.</i>	-	-	100%	-

## CITY MANAGER

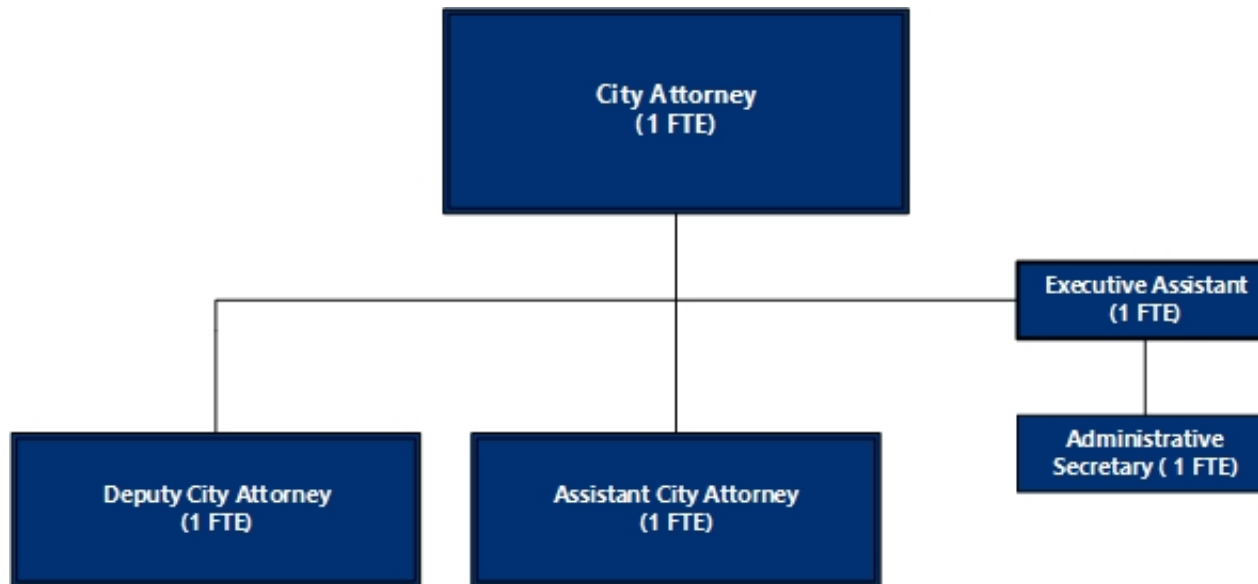
### FY 2018/19 – FY 2019/20 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
3.3.g.	Farm to Fork Program <i>This initiative will be rolled into Agricultural Enterprise-related projects/programs.</i>	50%	-	100%	-
3.3.h.	Economic Development "Corridor of Opportunity" <i>Northern Waterfront Plan is complete; joint marketing effort is in development.</i>	25%	25%	100%	100%
3.4.a.	Create marketing materials tailored to specific sectors <i>Given the lack of built inventory, this effort is premature. Economic Development outreach and marketing is with developers and potential developer/owners. The sector targeted marketing will be considered when appropriate inventory is in development.</i>	25%	-	100%	-
3.4.b.	Develop an Agriculture Business Program <i>Agriculture Business Program was approved and funded. Multiple projects and programs continue via the Agriculture Business Program.</i>	50%	50%	100%	100%
3.4.c.	Pursue opportunities to financially leverage public investment <i>This initiative will be carried over to the FY 2020/21 – FY 2021/22 Strategic Plan. Staff will continue to work on creating financial incentives and opportunities to leverage public investment.</i>	50%	-	100%	10%
3.5.a.	Design and install new wayfinding and pedestrian signage <i>Preliminary designs were created. Architect has been secured for final design and construction documents.</i>	-	-	100%	50%



## CITY ATTORNEY

5 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	2018/19	2019/20	2019/20	2020/21	2021/22
Division #    Division Name	Actual	Budget	Projected	Budget	Budget

**General Fund**

100-1203	<b>City Attorney</b>	\$ 1,212,444	\$ 1,561,572	\$ 1,390,222	\$ 1,483,197	\$ 1,538,781
	<b>Total</b>	<u>\$ 1,212,444</u>	<u>\$ 1,561,572</u>	<u>\$ 1,390,222</u>	<u>\$ 1,483,197</u>	<u>\$ 1,538,781</u>

<b>Annual Percentage Change</b>	14.66%	-5.02%	3.75%
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Expenditures by Category	2018/19	2019/20	2019/20	2020/21	2021/22
	Actual	Budget	Projected	Budget	Budget

Personnel Services	\$ 853,377	\$ 1,055,435	\$ 993,661	\$ 1,095,239	\$ 1,128,401
Supplies and Services	197,875	327,746	219,303	184,376	201,578
Internal Services	161,192	174,791	174,743	203,582	208,802
Capital Outlay and Transfers Out	0	3,600	2,515	0	0
<b>Total</b>	<u>\$ 1,212,444</u>	<u>\$ 1,561,572</u>	<u>\$ 1,390,222</u>	<u>\$ 1,483,197</u>	<u>\$ 1,538,781</u>

<b>Total Budgeted Full-Time Employees</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>
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## CITY ATTORNEY

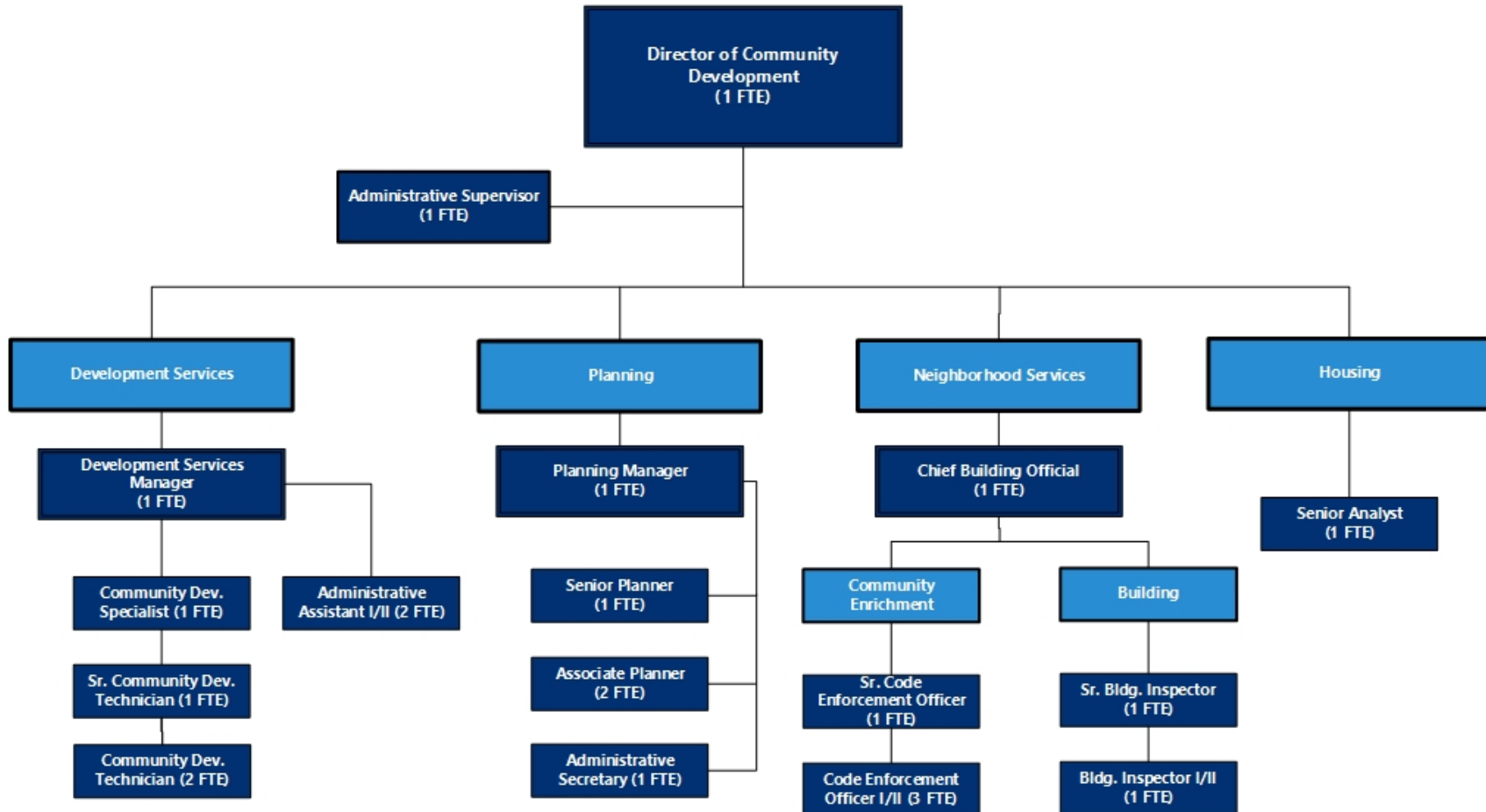
### Expenditure Analysis

<b>Personnel</b>	No FTE changes.
<b>Supplies and Services</b>	Decreases in FY 2020/21 Supplies and Services are primarily associated with an anticipated reduction in outside legal costs. The FY 2021/22 increase is primarily due to cost increases for legal support of the Strategic Plan.
<b>Internal Services</b>	Increases in Internal Services costs are primarily due to higher insurance and information services costs offset by decreases in the cost of OPEB benefits.



## COMMUNITY DEVELOPMENT

22 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 2020/21 – FY 2021/22 Strategic Initiatives

Goal	Strategic Initiatives	FY 2020/21	FY 2021/22
		Target	Target
4.1.a.	Update the City's Housing Element, including: an evaluation of the 2015 Housing Element; assessment of housing needs, resources, constraints; approval of an updated Regional Housing Needs Allocation; and adoption of housing goals, policies and actions	25%	75%





## COMMUNITY DEVELOPMENT

### DEPARTMENT BUDGET SUMMARY

<b>Expenditures by Division</b>		<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
<b>General Fund</b>						
100-2101	<b>Building</b>	\$ 2,395,027	\$ 2,784,658	\$ 2,494,031	\$ 2,555,923	\$ 2,737,014
100-2102	<b>Community Enrichment</b>	667,175	747,274	662,506	818,643	856,938
100-2201	<b>Planning</b>	1,357,181	1,561,625	1,364,530	1,479,946	1,513,660
<b>Enterprise Funds</b>						
510-5010	<b>Housing Administration</b>	484,715	615,181	521,157	695,468	715,637
	<b>Total</b>	<u>\$ 4,904,098</u>	<u>\$ 5,708,738</u>	<u>\$ 5,042,224</u>	<u>\$ 5,549,980</u>	<u>\$ 5,823,249</u>

Annual Percentage Change: 2.82%      -2.78%      4.92%

<b>Expenditures by Category</b>		<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
		Actual	Budget	Projected	Budget	Budget
	<b>Personnel Services</b>	\$ 3,191,997	\$ 3,771,865	\$ 3,505,127	\$ 3,806,104	\$ 3,987,693
	<b>Supplies and Services</b>	738,673	1,001,083	654,129	835,271	905,392
	<b>Internal Services</b>	967,864	930,168	882,363	902,483	924,042
	<b>Capital Outlay and Transfers Out</b>	5,564	5,622	605	6,122	6,122
	<b>Total</b>	<u>\$ 4,904,098</u>	<u>\$ 5,708,738</u>	<u>\$ 5,042,224</u>	<u>\$ 5,549,980</u>	<u>\$ 5,823,249</u>

**Total Budgeted Full-Time Employees**      22.00      22.00      22.00      22.00      22.00



## COMMUNITY DEVELOPMENT

### Expenditure Analysis

<b>Personnel</b>	No FTE changes.
<b>Supplies and Services</b>	The decrease in FY 2020/21 Supplies and Services is due primarily to lower contractual services costs anticipated from lower levels of development activity; with a subsequent increase in contractual services budgets for FY 2021/22 due to an anticipated increased level of activity.
<b>Internal Services</b>	Decreases in Internal Services budget is due to decreases in the cost of OPEB benefits offset by higher insurance costs.



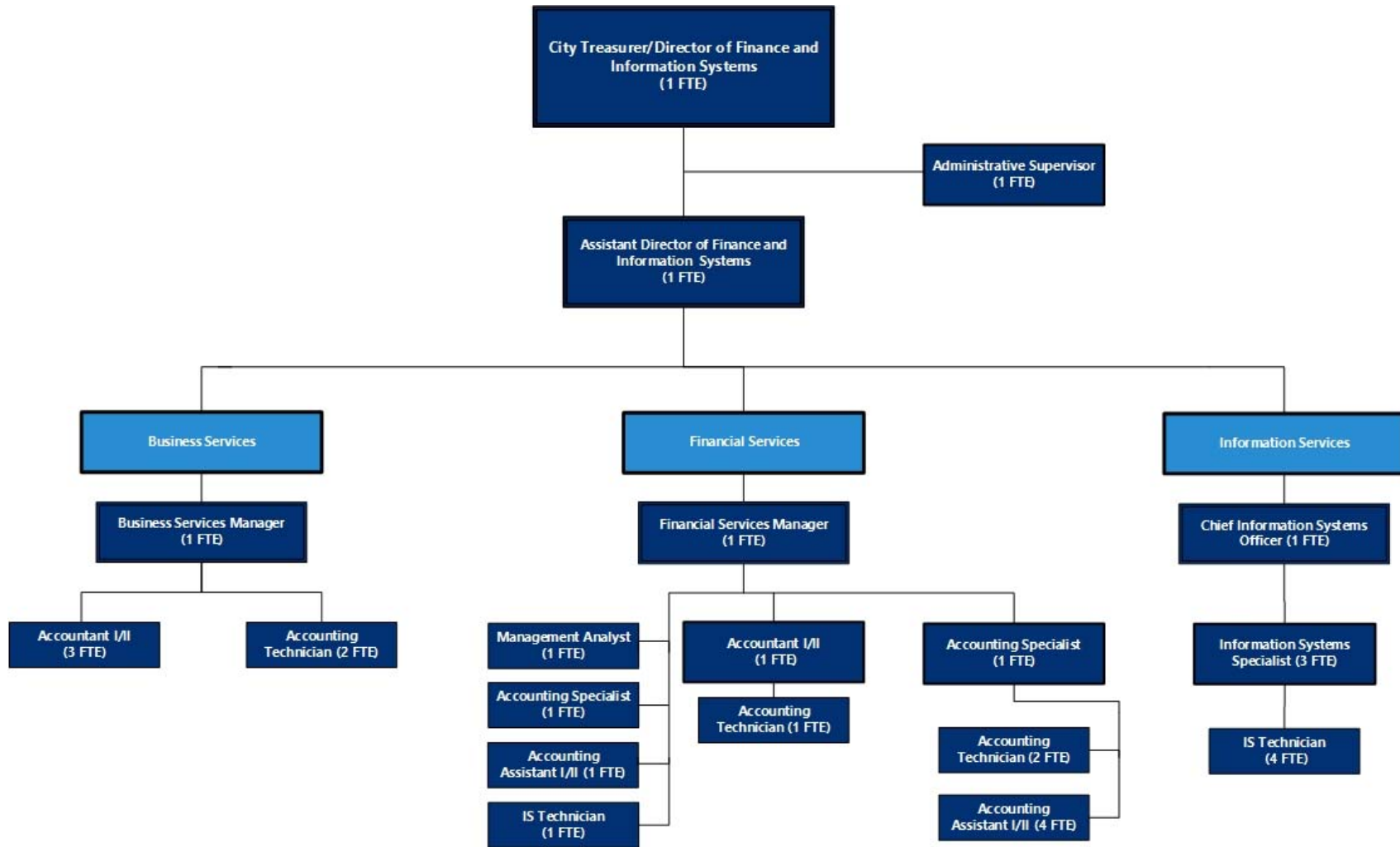
## COMMUNITY DEVELOPMENT

### FY 2018/19 – FY 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
4.1.a.	Complete the community build-out plan for the phasing of future development <i>Suspended</i>	100%	100%	-	-
4.1.b.	Work with school districts to prepare a framework for collaborative planning for future school sites <i>Completed</i>	40%	-	100%	100%
4.1.c.	Prepare a Zoning Ordinance comprehensive update <i>Consultant selection in process.</i>	50%	-	100%	-
4.1.d.	Prepare Annual General Plan status report card <i>To be presented to Council in May 2020.</i>	100%	-	100%	100%

## FINANCE AND INFORMATION SYSTEMS

31 FTEs



## FINANCE AND INFORMATION SYSTEMS

### Mission Statement

*Provides timely and accurate fiscal information and a full range of technology-based resources and services in support of city officials, departments and the community.*

The Finance and Information Systems Department oversees the financial aspects 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; Budget in Brief; Capital Improvement Program; Cash Management; Combined Community Facilities District Report; Comprehensive Annual Financial Report (CAFR); Debt Service; Development Impact Fee Report; Financial Dashboard; General Fund Fiscal Model; Grant Tracking; Independent Financial Audit; Investments; 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 2020/21 – FY 2021/22 Strategic Initiatives

Goal	Strategic Initiatives	FY 2020/21	FY 2021/22
		Target	Target
6.2.b.	Develop Information Technology Master Plan	50%	100%





## FINANCE AND INFORMATION SYSTEMS

### DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2018/19	2019/20	2019/20	2020/21	2021/22
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
<b>General Fund</b>						
100-1303	<b>Business Services</b>	\$ 1,103,529	\$ 1,427,066	\$ 1,256,521	\$ 1,325,469	\$ 1,374,389
100-1304	<b>Financial Services</b>	946,628	1,150,149	1,006,907	1,145,059	1,182,147
<b>Enterprise Funds</b>						
540-5302	<b>Solid Waste Utility Billing</b>	891,662	1,005,282	949,677	977,527	1,004,671
560-5502	<b>Water Utility Billing</b>	910,562	1,058,618	1,007,370	1,024,371	1,053,270
590-5802	<b>Wastewater Utility Billing</b>	840,241	965,660	914,939	964,186	990,943
<b>Internal Service Fund</b>						
701-7101	<b>Information Services</b>	2,407,144	2,934,377	2,547,538	3,400,959	3,388,065
	<b>Total</b>	\$ 7,099,766	\$ 8,541,152	\$ 7,682,952	\$ 8,837,571	\$ 8,993,485

Annual Percentage Change 8.21% 3.47% 1.76%

Expenditures by Category	2018/19	2019/20	2019/20	2020/21	2021/22
	Actual	Budget	Projected	Budget	Budget
<b>Personnel Services</b>	\$ 3,748,281	\$ 5,304,655	\$ 4,901,887	\$ 5,177,717	\$ 5,369,540
<b>Supplies and Services</b>	1,190,359	1,915,802	1,550,002	2,458,772	2,397,192
<b>Internal Services</b>	2,158,882	1,320,695	1,230,800	1,195,982	1,221,653
<b>Capital Outlay and Transfers Out</b>	2,244	0	263	5,100	5,100
<b>Total</b>	\$ 7,099,766	\$ 8,541,152	\$ 7,682,952	\$ 8,837,571	\$ 8,993,485

**Total Budgeted Full-Time Employees** **31.00** **31.00** **31.00** **31.00** **31.00**

## FINANCE AND INFORMATION SYSTEMS

### Expenditure Analysis

<b>Personnel</b>	No FTE changes.
<b>Supplies and Services</b>	The FY 2020/21 increase in Supplies and Services is primarily due to a realignment in budgeting for Information Services contractual services. This includes a corresponding decrease in Information Systems Replacement citywide.
<b>Internal Services</b>	Decreases in Internal Services budget is due to decreases in the cost of OPEB benefits offset by higher insurance costs.

## FINANCE AND INFORMATION SYSTEMS

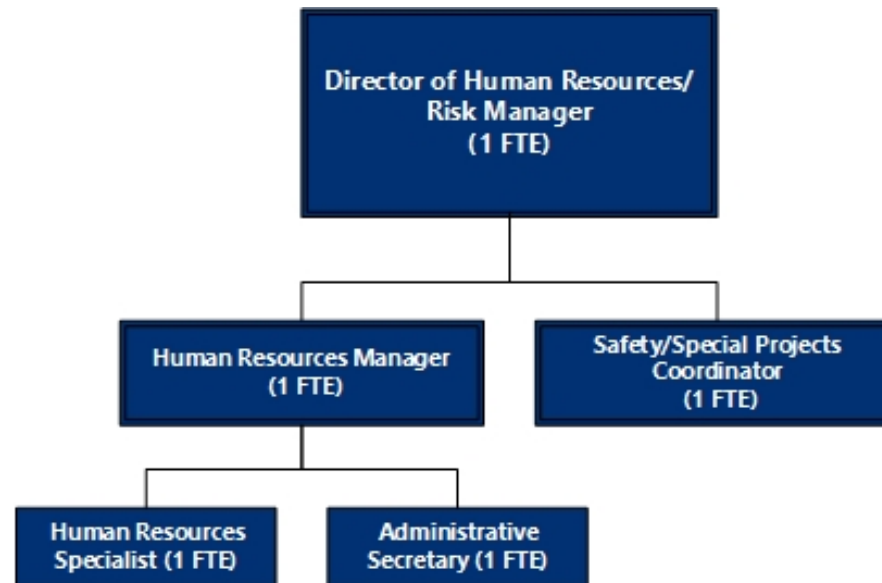
### FY 2018/19 – FY 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
6.2.a.	Develop Information Technology Master Plan	10%	-	100%	10%
	<p><i>This initiative will be carried over to the FY 2020/21 – FY 2021/22 Strategic Plan as item 6.2.b. An Information Technology Master Plan request for proposal was prepared and issued to select a consultant to assist in the development of the plan. The request for proposal included an overall technology master plan, along with separate components for geographic information system and fiber optic plans. Proposals have been received and the selection process is underway.</i></p>				



## HUMAN RESOURCES

5 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 2020/21 – FY 2021/22 Strategic Initiatives

Goal	Strategic Initiatives	FY 2020/21	FY 2021/22
		Target	Target
6.1.a.	Develop a Diversity and Inclusion Program	50%	100%
6.1.b.	Develop an Internship Program for local government	50%	100%





## HUMAN RESOURCES

### DEPARTMENT BUDGET SUMMARY

<b>Expenditures by Division</b>		<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Division #</b>	<b>Division Name</b>	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>	<b>Budget</b>

**General Fund**

100-1206	<b>Human Resources</b>	\$ 1,054,171	\$ 1,298,849	\$ 1,159,111	\$ 1,278,711	\$ 1,304,420
	<b>Total</b>	\$ 1,054,171	\$ 1,298,849	\$ 1,159,111	\$ 1,278,711	\$ 1,304,420

**Annual Percentage Change** 9.95% -1.55% 2.01%

<b>Expenditures by Category</b>		<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
		<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>	<b>Budget</b>

	<b>Personnel Services</b>	\$ 737,600	\$ 810,773	\$ 790,780	\$ 840,477	\$ 865,282
	<b>Supplies and Services</b>	154,108	314,545	203,239	266,669	263,300
	<b>Internal Services</b>	160,061	173,531	165,092	171,565	175,838
	<b>Capital Outlay and Transfers Out</b>	2,402	0	0	0	0
	<b>Total</b>	\$ 1,054,171	\$ 1,298,849	\$ 1,159,111	\$ 1,278,711	\$ 1,304,420

**Total Budgeted Full-Time Employees** 4.25 4.25 4.25 4.25 4.25

## HUMAN RESOURCES

### Expenditure Analysis

<b>Personnel</b>	No FTE changes.
<b>Supplies and Services</b>	The FY 2020/21 decrease in Supplies and Services is primarily due to the completion of Strategic Plan initiatives in the prior year.
<b>Internal Services</b>	The Internal Services budgets are showing no significant changes. Decreases in the cost of OPEB benefits are being offset by higher insurance costs.

## HUMAN RESOURCES

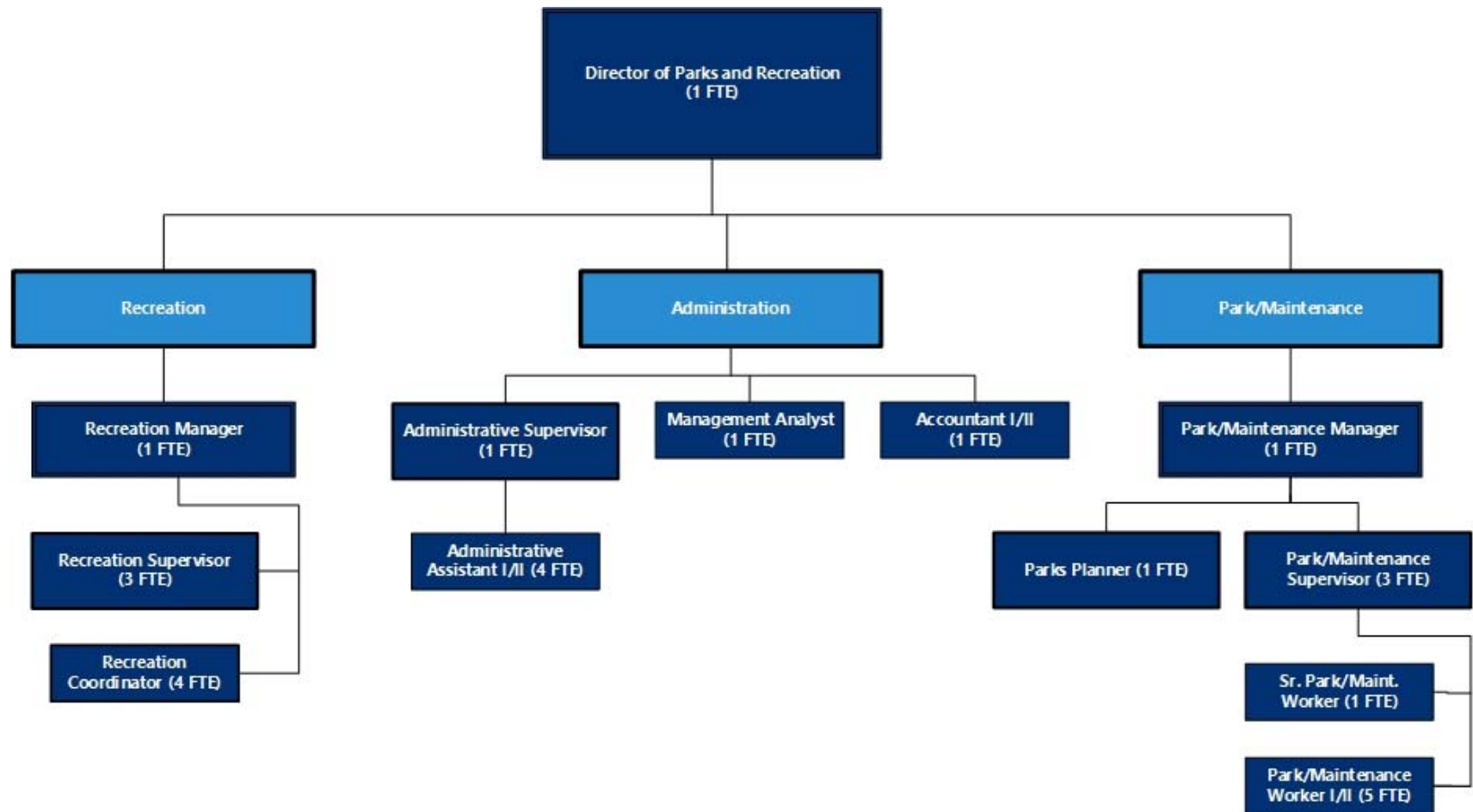
### FY 2018/19 – FY 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
6.1.a.	<p>Implement the Career Passport Program</p> <p><i>Implemented a Career Passport Program to create a continuous learning environment, enrich the employee career experience, and build a diverse talent of leaders.</i></p>	50%	100%	-	-
6.1.b.	<p>Develop a New Employee Orientation Program</p> <p><i>Implemented New Employee Orientation to introduce new employees to essential city operations, increase staff engagement and networking across disciplines and departments, and set the employee up for success day one.</i></p>	100%	100%	-	-
6.1.c.	<p>Develop an Internship Program for local government</p> <p><i>Continue researching opportunities to develop partnerships with schools, colleges, and universities that will provide meaningful learning experiences for students and expose them to local government careers.</i></p>	50%	-	100%	-



## PARKS AND RECREATION

27 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 251 developed acres of parkland, 98 award winning parks and facilities, 19.22 miles of beautiful trails and 63 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; Park Planning and Development; Lighting and Landscape Assessment District Management; 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 2020/21 – FY 2021/22 Strategic Initiatives

<b>Goal</b>	<b>Strategic Initiatives</b>	<b>FY 2020/21 Target</b>	<b>FY 2021/22 Target</b>
5.1.e.	Install 9 hole disc golf course at Creekside Park	100%	-
5.3.	Develop plan to implement long-term high priority Parks and Recreation Master Plan projects	50%	100%
5.4.a.	Construct the Vineyards Amphitheater	25%	50%



## PARKS AND RECREATION

### DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2018/19	2019/20	2019/20	2020/21	2021/22
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
<b>General Fund</b>						
100-5101	<b>Parks and Recreation Administration</b>	\$ 2,213,288	\$ 2,601,808	\$ 2,441,044	\$ 2,471,593	\$ 2,587,177
100-5102	<b>City Pool</b>	966,339	1,059,806	862,925	1,053,577	1,095,652
100-5108	<b>Parks Planning</b>	133,392	146,941	144,208	170,683	181,327
100-5110	<b>Community Center</b>	795,314	828,941	785,921	747,707	761,496
100-5111	<b>Senior Programs</b>	257,335	280,683	264,217	370,569	393,536
100-5112	<b>Brentwood Senior Activity Center</b>	314,320	338,838	313,361	394,553	360,699
100-62xx	<b>Sports Programs</b>	267,837	368,989	243,316	364,189	399,844
100-63xx	<b>Recreation Programs</b>	386,080	513,508	338,154	486,985	564,918
100-1602	<b>Landscape Operations</b>	1,297,715	1,590,008	1,343,914	1,123,591	1,184,291
<b>Special Revenue Fund</b>						
230-2501	<b>Citywide Park Assessment District</b>	1,436,861	1,404,245	1,300,915	2,849,452	3,000,318
<b>Internal Service Fund</b>						
707-7701	<b>Facilities Maintenance - Parks</b>	1,060,323	1,140,491	1,018,191	0	0
	<b>Total</b>	\$ 9,128,804	\$ 10,274,258	\$ 9,056,166	\$ 10,032,899	\$ 10,529,258

## PARKS AND RECREATION

Expenditures by Category	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
Personnel Services	\$ 4,151,383	\$ 4,952,091	\$ 4,426,144	\$ 4,863,144	\$ 5,162,499
Supplies and Services	2,459,665	3,029,154	2,391,635	3,007,184	3,211,229
Internal Services	2,501,364	2,250,236	2,202,243	2,119,571	2,155,530
Capital Outlay and Transfers Out	16,392	42,777	36,144	43,000	0
<b>Total</b>	<b>\$ 9,128,804</b>	<b>\$ 10,274,258</b>	<b>\$ 9,056,166</b>	<b>\$ 10,032,899</b>	<b>\$ 10,529,258</b>
<b>Total Budgeted Full-Time Employees</b>	<b>26.00</b>	<b>27.00</b>	<b>27.00</b>	<b>27.00</b>	<b>27.00</b>



## PARKS AND RECREATION

### Expenditure Analysis

<b>Personnel</b>	The increase in personnel from FY 2018/19 includes the addition of a Parks and Recreation Coordinator in FY 2019/20 in response to a growing interest by participants in recreation programs due to growth in population.
<b>Supplies and Services</b>	The FY 2020/21 Supplies and Services budget is decreasing slightly due to a reduction in contractual services for programs, as a result of the COVID-19 pandemic impacts, and purchased water for landscape operations. The FY 2021/22 Supplies and Services budget for all divisions is increasing within contractual services.
<b>Internal Services</b>	Decreases in Internal Services budget is due to decreases in the cost of OPEB benefits offset by higher insurance and information services costs.
<b>Capital Outlay and Transfers Out</b>	FY 2020/21 budget is for window coverings at the Brentwood Senior Activity Center.

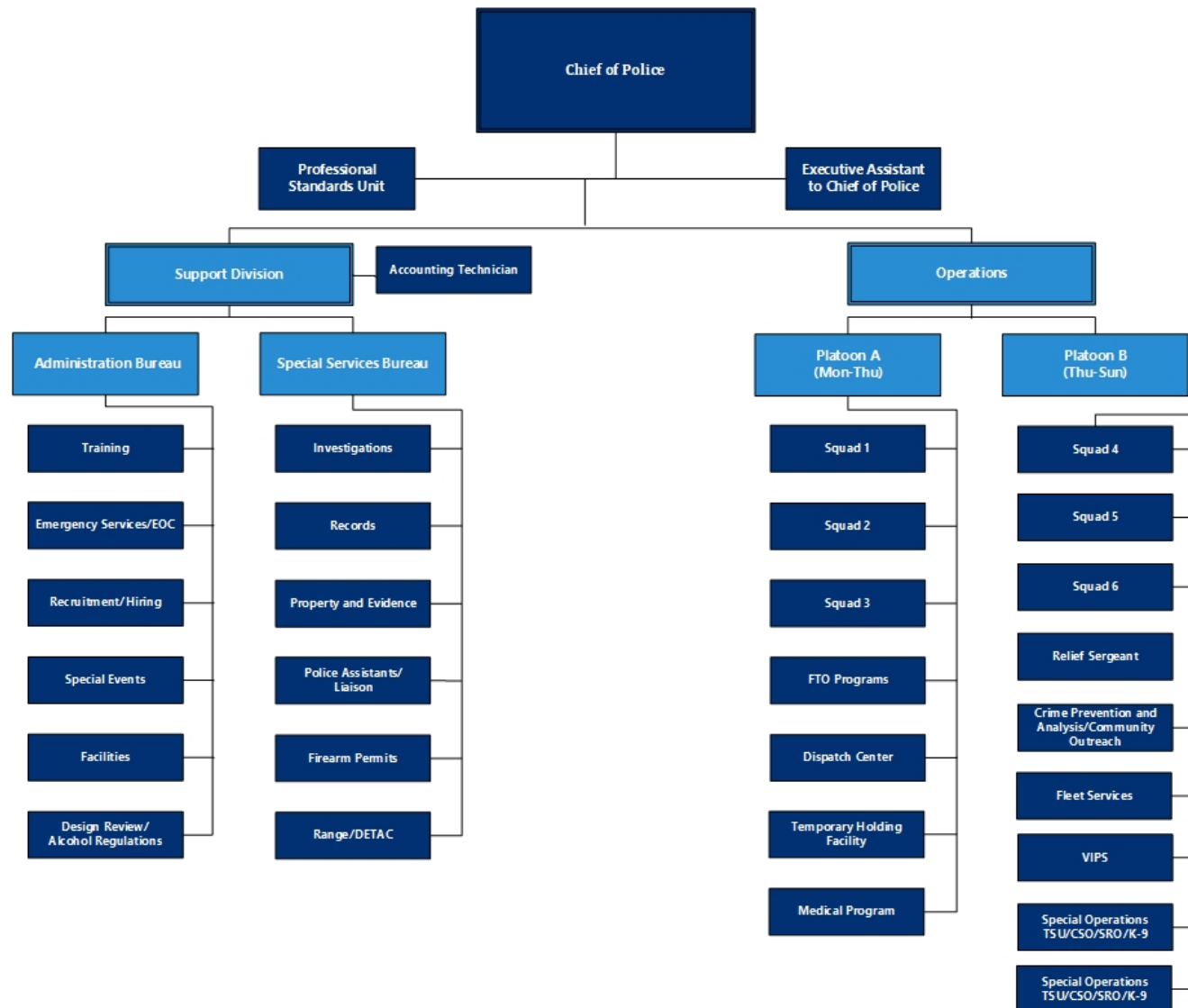
## PARKS AND RECREATION

### FY 2018/19 – FY 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
5.1.a.	<p>Begin implementation phase of the updated Parks, Trails and Recreation Master Plan</p> <p><i>The updated Parks, Trails and Recreation Master Plan was adopted by City Council in February 2019.</i></p>	100%	75%	-	100%
5.1.b.	<p>Update the Park and Trail Development Fee to incorporate community recreation facilities as prioritized in the Master Plan</p> <p><i>In process with planned completion in 2020.</i></p>	100%	10%	100%	100%
5.1.c.	<p>Consider amphitheater feasibility study recommendations for possible implementation</p> <p><i>Feasibility Study completed in August 2019.</i></p>	100%	50%	-	100%
5.2.a.	<p>Update the Joint Use Facilities Agreements with the school districts</p> <p><i>This is an ongoing process and will carry into the next Strategic Plan cycle.</i></p>	20%	20%	100%	20%
5.2.b.	<p>Identify partners to expand recreation/cultural arts programming opportunities</p> <p><i>This is an ongoing initiative to leverage City resources through partnerships with community partners and private/public partnerships.</i></p>	20%	20%	100%	100%

# POLICE

105 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 71 police officers, 20 civilian support staff and 14 dispatch personnel. In addition to permanent full-time staff, there are 2 part time police assistant positions 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 2020/21 – FY 2021/22 Strategic Initiatives

<b>Goal</b>	<b>Strategic Initiatives</b>	<b>FY 2020/21 Target</b>	<b>FY 2021/22 Target</b>
2.3.a.	Identify police services operational enhancements, including staffing, equipment and technology, required to serve a population estimated to reach 81,000	50%	100%
2.3.b.	Review the need to increase visibility and operational effectiveness with potential construction of a police sub-station in the northern part of the City	50%	100%





## POLICE

### DEPARTMENT BUDGET SUMMARY

<b>Expenditures by Division</b>		<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<i>Division #</i>	<i>Division Name</i>	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>	<b>Budget</b>
<b>General Fund</b>						
100-1501	<b>Police Department</b>	\$ 20,714,395	\$ 24,593,207	\$ 21,979,135	\$ 23,932,541	\$ 24,710,789
100-1511	<b>Police Dispatch Center</b>	2,480,697	3,285,669	2,860,629	3,636,877	3,693,563
	<b>Total</b>	<u>\$ 23,195,092</u>	<u>\$ 27,878,876</u>	<u>\$ 24,839,764</u>	<u>\$ 27,569,418</u>	<u>\$ 28,404,352</u>
	<b>Annual Percentage Change</b>			7.09%	-1.11%	3.03%
<b>Expenditures by Category</b>		<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
		<b>Actual</b>	<b>Budget</b>	<b>Projected</b>	<b>Budget</b>	<b>Budget</b>
	<b>Personnel Services</b>	\$ 17,029,884	\$ 20,184,078	\$ 17,962,085	\$ 20,054,684	\$ 20,868,228
	<b>Supplies and Services</b>	1,647,642	2,687,100	2,150,732	2,564,598	2,521,799
	<b>Internal Services</b>	4,506,238	4,893,642	4,686,630	4,878,089	4,991,921
	<b>Capital Outlay and Transfers Out</b>	11,328	114,056	40,317	72,047	22,404
	<b>Total</b>	<u>\$ 23,195,092</u>	<u>\$ 27,878,876</u>	<u>\$ 24,839,764</u>	<u>\$ 27,569,418</u>	<u>\$ 28,404,352</u>
	<b>Total Budgeted Full-Time Employees</b>	<b>95.00</b>	<b>105.00</b>	<b>105.00</b>	<b>105.00</b>	<b>105.00</b>

## POLICE

### Expenditure Analysis

<b>Personnel</b>	The increase in FY 2019/20 FTEs includes the addition of 3 Community Services Officers, 2 Police Dispatchers and 5 Police Officers. The 5 new Police Officer positions were added, but were not budgeted to be filled in FY 2020/21 and FY 2021/22 due to the financial impacts of the COVID-19 pandemic.
<b>Supplies and Services</b>	Excluding Strategic initiative costs, the FY 2020/21 Supplies and Services budget decreased by approximately \$41,000. This is comprised of a decrease of approximately \$149,000 primarily for crime lab fees and training, which is being offset by an increase of approximately \$100,000 in special services due to video redacting software, body worn camera software and scheduling software.
<b>Internal Services</b>	The Internal Services budgets are showing no significant changes. Decreases in the cost of OPEB benefits are being offset by higher insurance costs.
<b>Capital Outlay and Transfers Out</b>	FY 2020/21 includes a one-time cost of \$55,000 for police radio upgrades.

## POLICE

### FY 2018/19 – FY 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
2.1.a.	<p>Conduct one emergency/disaster table top exercise that involves the activation of the Emergency Operations Center (EOC) (facilitated by a consultant)</p> <p><i>In December of 2019 a four training course with a full activation of the EOC took place and included members from each City Department.</i></p>	100%	-	-	100%
2.1.b.	<p>Purchase and utilize Mobile Vehicle Barriers at special events</p> <p><i>The Mobile Vehicle Barriers were purchased in FY 2018/19. Staff was trained on proper set up and take down and they have now been deployed at multiple events in our downtown area.</i></p>	100%	50%	-	100%
2.2.a.	<p>Analyze intersections and install latest traffic safety devices</p> <p><i>Several major roadways were slurry sealed and speed limits were painted on the street. Six moving radar signs and two LED stop signs have been ordered and placed strategically throughout the city.</i></p>	100%	50%	-	100%
2.2.b.	<p>Conduct two community traffic safety presentations</p> <p><i>The Traffic Safety Unit conducted multiple traffic safety presentations at Liberty High School and safety presentations were also given to the Brentwood Rotary Club, Downtown Coalition and Sons in Retirement.</i></p>	50%	-	100%	100%
2.2.c.	<p>Conduct six traffic enforcement saturation details</p> <p><i>Two Pedestrian enforcement details were conducted along with six traffic enforcement saturation details.</i></p>	50%	-	100%	100%
2.3.a.	<p>Certify four additional officers as CPR/First Aid/AED Instructors</p> <p><i>Four additional staff members have been certified to teach CPR/First Aid and AED trainings.</i></p>	100%	100%	-	-

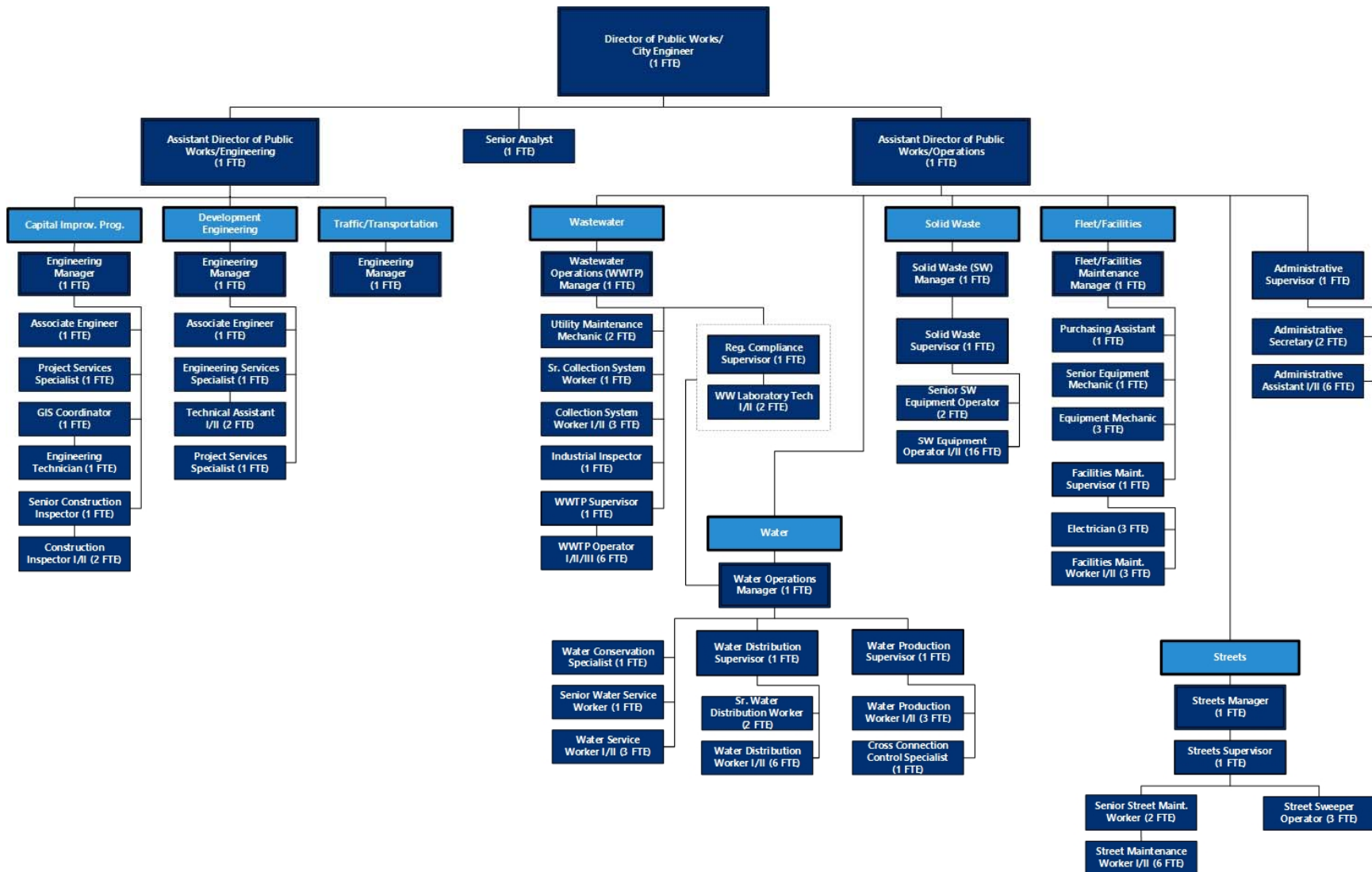
## POLICE

### FY 2018/19 – FY 2019/20 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
2.3.b.	<p>Conduct four community CPR/First Aid/AED classes, to include a public education component regarding prescription drug abuse</p> <p><i>Five classes were held at multiple locations within our City. Locations included, The Trilogy Community, Police Department, Community Center, Summerset II and the Senior Center.</i></p>	50%	-	100%	100%
2.3.c.	<p>Conduct CPR/First Aid/ AED classes for members of Brentwood Commissions</p> <p><i>Invitations were sent out for to the City Council and Planning Commission members to attend a training held on February 16, 2019.</i></p>	100%	100%	-	-
2.3.d.	<p>Purchase and distribute smoke detectors</p> <p><i>In May of 2019, nine staff trained with the American Red Cross and members of the fire department to complete two installation of smoke alarm events in our City. An additional 200 smoke alarms were purchased for distribution to residents of Brentwood.</i></p>	-	-	100%	100%
2.3.e.	<p>Equip patrol vehicles with improved fire extinguisher capability</p> <p><i>All patrol vehicles were equipped with an additional fire extinguisher.</i></p>	100%	100%	-	-

# PUBLIC WORKS

112 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 implementation, Private Land Developments review, and management of the City's Traffic and Transportation network. 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 Inspection; Private Land Development Plan Review; Grading and Encroachment Permits; Stormwater 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 2020/21 – FY 2021/22 Strategic Initiatives

<b>Goal</b>	<b>Strategic Initiatives</b>	<b>FY 2020/21 Target</b>	<b>FY 2021/22 Target</b>
1.1.a.	Improve local roadways such as Sand Creek Road, Brentwood Boulevard, and Lone Tree Way	50%	100%
1.1.b.	Improve regional transportation corridors, such as State Route 4, Vasco Road, and access to Byron Airport	50%	100%
1.2.a.	Secure funding and start construction of the Wastewater Treatment Plant Expansion - Phase II project	50%	100%



## PUBLIC WORKS

### DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2018/19	2019/20	2019/20	2020/21	2021/22
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
<b>General Fund</b>						
100-1603	<b>Streets</b>	\$ 3,914,338	\$ 4,281,791	\$ 4,053,134	\$ 4,084,076	\$ 4,315,473
100-2301	<b>Engineering Division</b>	1,815,104	1,950,053	1,844,438	1,956,973	2,016,707
100-2303	<b>Transportation</b>	474,062	529,161	495,087	532,873	545,483
100-3601	<b>CIP Administration</b>	1,170,926	1,308,800	1,174,110	1,195,039	1,230,243
<b>Enterprise Funds</b>						
540-5301	<b>Solid Waste Operations</b>	11,163,322	11,003,139	10,769,193	11,406,157	11,834,542
540-5303	<b>Solid Waste Transfer Station</b>	1,524,223	1,739,988	1,727,445	2,091,525	2,216,744
560-5501	<b>Water Operations</b>	24,798,054	24,192,586	23,810,353	27,008,026	25,268,570
560-5504	<b>Water Non-Potable</b>	429,222	490,068	488,738	538,030	554,250
590-5801	<b>Wastewater Operations</b>	12,222,712	16,818,963	12,847,706	11,754,289	12,398,232
590-5803	<b>Wastewater Lateral Maintenance</b>	180,679	273,049	254,375	261,359	273,856
<b>Internal Service Fund</b>						
706-7601	<b>Fleet Maintenance Services</b>	1,787,068	1,844,747	1,803,232	1,870,549	1,908,680
707-7702	<b>Facilities Maintenance - Public Works</b>	1,134,669	1,141,831	1,104,867	1,063,453	1,081,387
	<b>Total</b>	\$ 60,614,379	\$ 65,574,176	\$ 60,372,678	\$ 63,762,349	\$ 63,644,167

<b>Annual Percentage Change</b>	-0.40%	-2.76%	-0.19%
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## PUBLIC WORKS

Expenditures by Category	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	2021/22 Budget
<b>Personnel Services</b>	\$ 13,461,405	\$ 17,639,867	\$ 16,645,041	<b>\$ 17,313,533</b>	<b>\$ 18,300,658</b>
<b>Supplies and Services</b>	28,559,355	31,223,249	30,624,476	<b>33,261,244</b>	<b>33,854,983</b>
<b>Internal Services</b>	9,464,175	6,794,320	6,505,030	<b>7,030,791</b>	<b>7,192,387</b>
<b>Capital Outlay and Transfers Out</b>	9,129,444	9,916,740	6,598,131	<b>6,156,781</b>	<b>4,296,139</b>
<b>Total</b>	<u>\$ 60,614,379</u>	<u>\$ 65,574,176</u>	<u>\$ 60,372,678</u>	<u><b>\$ 63,762,349</b></u>	<u><b>\$ 63,644,167</b></u>
 <b>Total Budgeted Full-Time Employees</b>	 <b>110.75</b>	 <b>112.75</b>	 <b>112.75</b>	 <b>112.75</b>	 <b>112.75</b>



## PUBLIC WORKS

### Expenditure Analysis

**Personnel**

The increase in personnel from FY 2018/19 includes the addition of an Administrative Assistant position and Water Production Worker position. These positions were approved through the staffing plan in September 2018.

**Supplies and Services**

Supplies and Services budget increased by 6% in FY 2020/21. Overall, the increase is due to the rising costs of goods and services. Additionally, the following also contributed to the increase:

- 1) Increase in costs for permits/fees/tolls totaled more than \$759,000. This is related to increases in recycling processing costs as well as due to increases in population;
- 2) Operating and maintenance costs for the Brentwood Water Treatment Plant increased over \$418,000;
- 3) Sludge removal costs increased approximately \$269,000 due to increases in disposal fees and new contract rates and
- 4) Maintenance and upgrade costs for Randall Bold Water Treatment Plant increased approximately \$184,000.

Supplies and Services budget increased by less than 2% for FY 2021/22, an expected inflationary increase.

**Internal Services**

Increases in Internal Services costs are primarily due higher insurance and fleet maintenance costs offset by decreases in the cost of OPEB benefits.

**Capital Outlay and Transfers Out**

Capital Outlay and Transfers Out decreased by 35% in FY 2020/21, primarily due to decreasing loan principal expense.

Capital Outlay and Transfers Out decreased by 30% in FY 2021/22. The decrease is primarily due to a decline in funding of water capital projects.

## PUBLIC WORKS

### FY 2018/19 – FY 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
1.1.a.	<p>Leverage funding from Measure RR (BART) in development of the Multimodal Transit Center within the Innovation Center @ Brentwood (formerly PA-1 Specific Plan area). Ensure that the Transit Center will accommodate a variety of transportation modes, including autonomous vehicles</p> <p><i>Council approved supporting CCTA's proposed 2020 sales tax measure to help fund a variety of regional transportation projects.</i></p>	50%	50%	100%	100%
1.1.b.	<p>Ensure that Innovation Center @ Brentwood will be well-positioned as a future Planned Development Area, and that the Innovation Center @ Brentwood properties will be "shovel-ready" for economic development</p> <p><i>Infrastructure necessary to support the Innovation Center @ Brentwood is currently in design.</i></p>	50%	50%	100%	100%
1.2.a.	<p>Ensure water supply resiliency by supporting local and regional projects, such as the Los Vaqueros Reservoir Expansion Project and non-potable water storage projects</p> <p><i>A joint letter of support was sent in November 2019 to request federal participation and funding for the Los Vaqueros Reservoir Expansion Project.</i></p>	50%	50%	100%	100%
1.2.b.	<p>Continue to promote the beneficial use of recycled water, including for agricultural purposes</p> <p><i>Construction is nearing completion for the Non-potable Water Storage Tank. The next phase of non-potable infrastructure is currently in design.</i></p>	50%	50%	100%	100%

## PUBLIC WORKS

### FY 2018/19 – FY 2019/20 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2018/19		FY 2019/20	
		Target	Actual	Target	Actual
1.3.a.	<p>Coordinate the design and construction of roadway improvements, including bike lanes, with stakeholders to induce the development of the Innovation Center @ Brentwood per the City's General Plan and the Innovation Center @ Brentwood Specific Plan</p> <p><i>Infrastructure necessary to support the Innovation Center @ Brentwood is currently in design.</i></p>	50%	50%	100%	100%
1.3.b.	<p>Effectively utilize SB 1 funding for the long-term maintenance and improvements of City roadways</p> <p><i>SB1 funding is effectively being used for the City's annual Pavement Management Program.</i></p>	50%	50%	100%	100%





**RESOLUTION NO. 2020-85**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENTWOOD AMENDING THE 2019/20 OPERATING BUDGET; ADOPTING THE 2020/21 – 2021/22 OPERATING BUDGET; AND AMENDING THE 2019/20 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 2020/21 – 2021/22 Operating Budget was presented to the City Council for review, direction and comment on May 26, 2020; 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 26, 2020; 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 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 2019/20 Operating Budget as detailed in Exhibit A; and
2. Amends the 2019/20 fund balance restrictions and commitments in the General Fund, as detailed in Exhibit A; and
3. Adopts the revenues and appropriations as detailed in the 2020/21 - 2021/22 Operating Budget.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Brentwood at a regular meeting held on the 23<sup>rd</sup> day of June, 2020 by the following vote:

**AYES:** Bryant, Rarey, Rodriquez, Staton, Taylor  
**NOES:** None  
**ABSENT:** None  
**RECUSE:** None

*Robert Taylor*  
Robert Taylor  
Mayor

ATTEST:

*Margaret Wimberly*  
Margaret Wimberly, MMC  
City Clerk

RESOLUTION NO. 2020-85 (Continued)

Exhibit A				
Appropriation Amendments to the 2019/20 Operating Budget of the City of Brentwood and Amendments to the 2019/20 General Fund Fund Balance Restrictions and Commitments				
Fiscal Year 2019/20 Budget Amendments				
Fund Name	Revenue	Increase (Decrease)		Net Effect on Fund
		Expenditure		
<b>Other Funds:</b>				
Fire Development Impact Fee		\$ 19,500	\$	(19,500)
Asset Forfeiture		66,903		(66,903)
Landscape and Lighting Assessment Districts (LLAD)	-	11,700		(11,700)
<b>Sub-Total Enterprise and Other Funds</b>	<b>-</b>	<b>98,103</b>		<b>(98,103)</b>
<b>Total 2019/20 Adjustment</b>	<b>\$ -</b>	<b>\$ 98,103</b>	<b>\$</b>	<b>(98,103)</b>
General Fund - Fund Balance Restrictions and Commitments				
	FY 2018/19		FY 2019/20	
	Final	Original	Current	Amended
<b>Restricted:</b>				
RDA Escrow Reserve	\$ 95,930	\$ 95,620	\$ 95,930	\$ 95,930
<b>Committed:</b>				
General Plan Update	400,000	500,000	500,000	500,000
The Hive Business Café	200,000	-	-	-
Brentwood Blvd Improvements	678,000	678,000	678,000	678,000
Future Strategic Initiatives	2,062,821	93,303	93,303	214,235
Police Department 5th Beat	-	-	-	2,500,000
Successor Agency Payment Plan	8,930,885	7,712,923	7,712,923	7,712,923
Total Committed	12,271,706	8,984,226	8,984,226	11,605,158
<b>Total Restricted and Committed</b>	<b>\$ 12,367,636</b>	<b>\$ 9,079,846</b>	<b>\$ 9,080,156</b>	<b>\$ 11,701,088</b>



**RESOLUTION NO. 2020-61**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENTWOOD ADOPTING THE 2020/21 PROPOSITION 4 APPROPRIATION LIMIT USING THE CHANGE IN THE STATE PER CAPITA INCOME OF 3.73% AS THE COST-OF-LIVING FACTOR AND THE CHANGE IN CITY POPULATION FACTOR OF 1.17% 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 3.73% 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 1.17% for the City population for the prior calendar year, and;

**WHEREAS**, On May 28, 2019 the City Council approved Resolution No. 2019-60 adopting the 2019/20 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, 2021.

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Brentwood, adopt the Appropriations Limit for the City of Brentwood for fiscal year ending June 30, 2021 of \$93,742,037, using the change in State per capita income of **3.73%** as the cost-of-living factor and the change in the City population factor of **1.17%** to calculate the Limit.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Brentwood at a regular meeting held on the 26<sup>th</sup> day of May 2020 by the following vote:

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

Robert Taylor

Robert Taylor  
Mayor

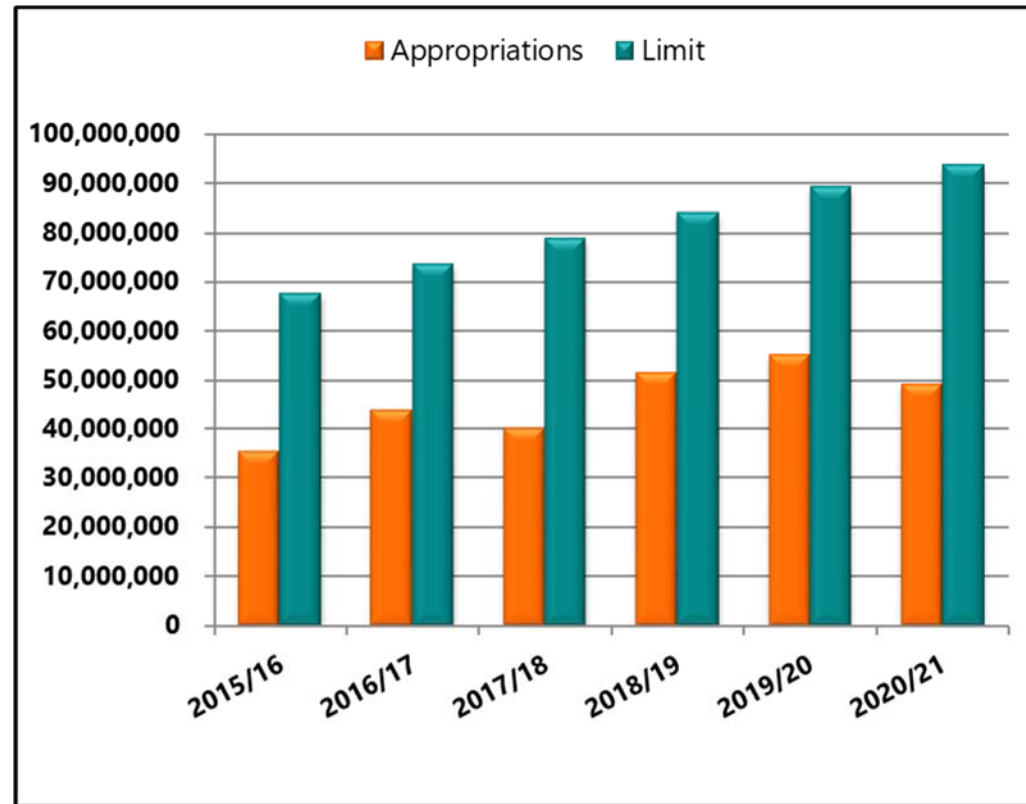
ATTEST:

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 2020/21 has been calculated to be \$93,742,037. 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 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 2020/21

Appropriations Limit for Fiscal Year 2019/20	<u>\$ 89,326,076</u>
City Population in January 2019	64,365
City Population in January 2020	65,118
<b>Percentage Increase in Population - City of Brentwood</b>	<b>1.17%</b>
Percentage Increase - Contra Costa County	0.26%
<b>California Per Capita Personal Income</b>	<b>3.73%</b>
Change in non-residential new construction	0.54%
Factor to be applied to Prior Year (1 + Population Factor) x (1 + Per Capita Factor)	<b>1.049436410</b>
Appropriations Limit for Fiscal Year 2020/21	<u>\$ 93,742,037</u>



## PERSONNEL SUMMARY BY DEPARTMENT

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<b><u>Legislative</u></b>				
Executive Assistant	0.50	0.50	0.50	0.50
<b>Legislative FTE Total</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>
<b><u>City Manager</u></b>				
<i>City Manager</i>				
City Manager	1.00	1.00	1.00	1.00
Assistant City Manager	0.50	0.50	0.50	0.50
Executive Assistant	0.50	0.50	0.50	0.50
Management Analyst	1.00	1.00	1.00	1.00
<b>City Manager FTE Total</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
<i>Economic Development</i>				
Assistant City Manager	0.50	0.50	0.50	0.50
Senior Analyst	2.00	2.00	2.00	2.00
<b>Economic Development FTE Total</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>
<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
<b>City Clerk FTE Total</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>
<b>City Manager FTE Total</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>
<b><u>City Attorney</u></b>				
City Attorney	1.00	1.00	1.00	1.00
Assistant City Attorney	1.00	1.00	1.00	1.00
Deputy 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
<b>City Attorney FTE Total</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<b>Community Development</b>				
<i>Building</i>				
Director of Community Development	0.38	0.38	0.34	0.34
Accounting Assistant I/II	0.48	0.00	0.00	0.00
Administrative Assistant I/II	0.48	0.96	0.96	0.96
Administrative Supervisor	0.40	0.40	0.34	0.34
Building Inspector I/II	1.00	1.00	1.00	1.00
Chief Building Official	0.95	0.95	0.80	0.80
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	1.00	1.00	1.00	1.00
Senior Analyst	0.10	0.10	0.10	0.10
Senior Building Inspector	1.00	1.00	1.00	1.00
Senior Technician	1.00	1.00	1.00	1.00
<b>Building FTE Total</b>	<b>9.64</b>	<b>9.64</b>	<b>9.39</b>	<b>9.39</b>
 <i>Community Enrichment</i>				
Code Enforcement Officer I/II	3.00	3.00	3.00	3.00
Senior Code Enforcement Officer	1.00	1.00	1.00	1.00
<b>Community Enrichment FTE Total</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>
 <i>Planning</i>				
Director of Community Development	0.37	0.37	0.33	0.33
Accounting Assistant I/II	0.47	0.00	0.00	0.00
Administrative Assistant I/II	0.47	0.94	0.94	0.94
Administrative Secretary	1.00	1.00	1.00	1.00
Administrative Supervisor	0.40	0.40	0.33	0.33
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
<b>Planning FTE Total</b>	<b>6.81</b>	<b>6.81</b>	<b>6.70</b>	<b>6.70</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<i>Housing Administration</i>				
Director of Community Development	0.25	0.25	0.33	0.33
Accounting Assistant I/II	0.05	0.00	0.00	0.00
Administrative Assistant I/II	0.05	0.10	0.10	0.10
Administrative Supervisor	0.20	0.20	0.33	0.33
Chief Building Official	0.05	0.05	0.20	0.20
Senior Analyst	0.90	0.90	0.90	0.90
Planning Manager	0.05	0.05	0.05	0.05
<b>Housing Administration FTE Total</b>	<b>1.55</b>	<b>1.55</b>	<b>1.91</b>	<b>1.91</b>
<b>Community Development FTE Total</b>	<b>22.00</b>	<b>22.00</b>	<b>22.00</b>	<b>22.00</b>
<b><u>Finance and Information Systems</u></b>				
<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	2.45	2.45	2.45	2.45
Accounting Manager	0.85	0.85	0.85	0.85
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
<b>Business Services FTE Total</b>	<b>5.65</b>	<b>5.65</b>	<b>5.65</b>	<b>5.65</b>
<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	0.70	0.70
Administrative Supervisor	0.20	0.20	0.20	0.20
Management Analyst	0.70	0.70	0.70	0.70
<b>Financial Services FTE Total</b>	<b>5.05</b>	<b>5.05</b>	<b>5.35</b>	<b>5.35</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<i>Information 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
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
<b>Information Services FTE Total</b>	<b>10.65</b>	<b>10.65</b>	<b>10.65</b>	<b>10.65</b>
<i>Solid Waste Utility Billing</i>				
Director of Finance and Information Systems	0.10	0.10	0.08	0.08
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	0.81	0.81
Administrative Supervisor	0.10	0.10	0.10	0.10
Information Systems Technician	0.05	0.05	0.05	0.05
<b>Solid Waste Utility Billing FTE Total</b>	<b>3.24</b>	<b>3.24</b>	<b>3.12</b>	<b>3.12</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<i>Water Utility Billing</i>				
Director of Finance and Information Systems	0.10	0.10	0.08	0.08
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	0.83	0.83
Administrative Supervisor	0.10	0.10	0.10	0.10
Information Systems Technician	0.05	0.05	0.05	0.05
<b>Water Utility Billing FTE Total</b>	<b>3.29</b>	<b>3.29</b>	<b>3.17</b>	<b>3.17</b>
<i>Wastewater Utility Billing</i>				
Director of Finance and Information Systems	0.05	0.05	0.09	0.09
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	0.81	0.81
Administrative Supervisor	0.10	0.10	0.10	0.10
Information Systems Technician	0.05	0.05	0.05	0.05
<b>Wastewater Utility Billing FTE Total</b>	<b>3.12</b>	<b>3.12</b>	<b>3.06</b>	<b>3.06</b>
<b>Finance and Information Systems FTE Total</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>	<b>31.00</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<b>Human Resources</b>				
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
Safety/Special Projects Coordinator	0.25	0.25	0.25	0.25
<b>Human Resources FTE Total</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>	<b>4.25</b>
<b>Parks and Recreation</b>				
<i>Parks and 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 Planner	0.00	0.85	0.85	0.85
Parks Planning Technician	0.85	0.00	0.00	0.00
Recreation Coordinator	3.00	4.00	3.25	3.25
Recreation Manager	1.00	1.00	1.00	1.00
Recreation Supervisor	2.00	2.00	2.00	2.00
<b>Parks and Recreation Administration FTE Total</b>	<b>12.85</b>	<b>13.85</b>	<b>13.10</b>	<b>13.10</b>
<i>CIP Administration</i>				
Parks Planner	0.00	0.15	0.15	0.15
Parks Planning Technician	0.15	0.00	0.00	0.00
<b>CIP Administration FTE Total</b>	<b>0.15</b>	<b>0.15</b>	<b>0.15</b>	<b>0.15</b>
<i>City Pool</i>				
Administrative Assistant I/II	0.25	0.25	0.00	0.00
Park/Maintenance Supervisor	0.25	0.25	0.25	0.25
Park/Maintenance Worker I/II	0.00	0.00	0.20	0.20
Recreation Coordinator	0.00	0.00	0.25	0.25
<b>City Pool FTE Total</b>	<b>0.50</b>	<b>0.50</b>	<b>0.70</b>	<b>0.70</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 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	0.50	0.50
Park/Maintenance Manager	0.34	0.34	0.67	0.67
Park/Maintenance Supervisor	0.65	0.65	1.65	1.65
Park/Maintenance Worker I/II	2.70	2.70	4.50	4.50
Senior Park/Maintenance Worker	0.70	0.70	0.70	0.70
<b>Citywide Park Assessment District FTE Total</b>	<b>4.99</b>	<b>4.99</b>	<b>8.37</b>	<b>8.37</b>
<i>Senior Programs</i>				
Recreation Coordinator	0.00	0.00	0.50	0.50
Recreation Supervisor	1.00	1.00	1.00	1.00
<b>Senior Programs FTE Total</b>	<b>1.00</b>	<b>1.00</b>	<b>1.50</b>	<b>1.50</b>
<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	0.50	0.50
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
<b>Landscape Operations FTE Total</b>	<b>2.93</b>	<b>2.93</b>	<b>3.18</b>	<b>3.18</b>
<i>Facilities Maintenance Services</i>				
Administrative Assistant I/II	0.25	0.25	0.00	0.00
Park/Maintenance Manager	0.33	0.33	0.00	0.00
Park/Maintenance Supervisor	1.00	1.00	0.00	0.00
Park/Maintenance Worker I/II	2.00	2.00	0.00	0.00
<b>Facilities Maintenance Services FTE Total</b>	<b>3.58</b>	<b>3.58</b>	<b>0.00</b>	<b>0.00</b>
<b>Parks and Recreation FTE Total</b>	<b>26.00</b>	<b>27.00</b>	<b>27.00</b>	<b>27.00</b>





## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<b>Police</b>				
<i>Police Department</i>				
Police Chief	0.98	0.98	0.85	0.85
Accounting Technician	0.85	0.85	0.75	0.75
Administrative Assistant I/II	1.00	1.00	1.00	1.00
Community Service Officer I/II	4.00	7.00	7.00	7.00
Executive Assistant	0.99	0.99	0.90	0.90
Police Captain	1.95	1.95	1.70	1.70
Police Lieutenant	3.70	3.70	3.70	3.70
Police Officer	32.00	37.00	37.00	37.00
Police Officer - Special Assignment	17.00	17.00	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	2.95	2.95	2.95	2.95
<b>Police Department FTE Total</b>	<b>82.42</b>	<b>90.42</b>	<b>89.85</b>	<b>89.85</b>
<i>Police Dispatch Center</i>				
Police Chief	0.02	0.02	0.15	0.15
Accounting Technician	0.15	0.15	0.25	0.25
Executive Assistant	0.01	0.01	0.10	0.10
Police Captain	0.05	0.05	0.30	0.30
Police Lieutenant	0.30	0.30	0.30	0.30
Police Officer - Special Assignment	0.05	0.05	0.05	0.05
Dispatch Supervisor	2.00	2.00	2.00	2.00
Dispatcher I/II	10.00	12.00	12.00	12.00
<b>Police Dispatch Center FTE Total</b>	<b>12.58</b>	<b>14.58</b>	<b>15.15</b>	<b>15.15</b>
<b>Police FTE Total</b>	<b>95.00</b>	<b>105.00</b>	<b>105.00</b>	<b>105.00</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<b>Public Works</b>				
<i>Streets</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	0.15	0.15	0.15	0.15
Senior Street Maintenance Worker	2.00	2.00	2.00	2.00
Street Maintenance Worker I/II	6.00	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
<b>Streets FTE Total</b>	<b>15.81</b>	<b>15.81</b>	<b>15.81</b>	<b>15.81</b>
<i>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 Secretary	0.30	0.30	0.30	0.30
Associate Engineer	0.70	0.70	0.70	0.70
Construction Inspector I/II	1.30	1.30	1.30	1.30
Engineering Manager	0.00	0.50	0.50	0.50
Engineering Technician	0.70	0.70	0.70	0.70
Project Services Specialist	1.87	1.87	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	0.50	0.00	0.00	0.00
Technical Assistant I/II	0.85	0.85	0.85	0.85
<b>Engineering FTE Total</b>	<b>7.51</b>	<b>7.51</b>	<b>7.51</b>	<b>7.51</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<i>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
Engineering Manager	1.00	1.00	1.00	1.00
Senior Analyst	0.10	0.10	0.10	0.10
<b>Transportation FTE Total</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>	<b>1.20</b>
<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	0.70	0.70	0.70	0.70
Associate Engineer	1.30	1.30	0.90	0.90
Construction Inspector I/II	0.50	0.50	0.50	0.50
Engineering Manager	0.20	0.70	0.50	0.50
Engineering Technician	0.30	0.30	0.30	0.30
Project Services Specialist	0.60	0.60	0.60	0.60
Senior Analyst	0.05	0.05	0.05	0.05
Senior Construction Inspector	0.20	0.20	0.20	0.20
Senior Engineer	0.50	0.00	0.00	0.00
Technical Assistant I/II	0.15	0.15	0.15	0.15
<b>CIP Administration FTE Total</b>	<b>5.00</b>	<b>5.00</b>	<b>4.40</b>	<b>4.40</b>
<i>City Pool</i>				
Facilities Maintenance Worker I/II	0.20	0.20	0.00	0.00
<b>City Pool FTE Total</b>	<b>0.20</b>	<b>0.20</b>	<b>0.00</b>	<b>0.00</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 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	3.60	3.60	3.60
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	0.12	0.12	0.12	0.12
Senior Analyst	0.20	0.20	0.20	0.20
Senior Solid Waste Equipment Operator	1.80	1.80	0.80	0.80
Solid Waste Equipment Operator I/II	15.00	15.00	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
<b>Solid Waste Operations FTE Total</b>	<b>22.31</b>	<b>23.31</b>	<b>22.31</b>	<b>22.31</b>
<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	0.03	0.03	0.03	0.03
Senior Solid Waste Equipment Operator	0.20	0.20	1.20	1.20
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
<b>Solid Waste Transfer Station FTE Total</b>	<b>2.16</b>	<b>2.16</b>	<b>3.16</b>	<b>3.16</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 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
Associate Engineer	0.00	0.00	0.20	0.20
Cross Connection Control Specialist	1.00	1.00	1.00	1.00
Electrician	1.00	1.00	1.00	1.00
Engineering Manager	0.40	0.40	0.50	0.50
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	0.15	0.15	0.15	0.15
Senior Analyst	0.20	0.20	0.20	0.20
Senior Water Distribution Worker	2.00	2.00	2.00	2.00
Senior Water Service Worker	1.00	1.00	1.00	1.00
Wastewater Lab Technician I/II	1.00	1.00	1.00	1.00
Water Distribution Supervisor	1.00	1.00	1.00	1.00
Water Distribution Worker I/II	6.00	6.00	6.00	6.00
Water Operations Manager	1.00	1.00	1.00	1.00
Water Production Supervisor	1.00	1.00	1.00	1.00
Water Production Worker I/II	2.00	3.00	3.00	3.00
Water Service Worker I/II	3.00	3.00	3.00	3.00
<b>Water Operations FTE Total</b>	<b>23.45</b>	<b>24.45</b>	<b>24.75</b>	<b>24.75</b>
<i>Water Non-Potable</i>				
Water Conservation Specialist	0.70	0.70	0.70	0.70
<b>Water Non-Potable FTE Total</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 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 Secretary	1.00	1.00	1.00	1.00
Administrative Supervisor	0.20	0.20	0.20	0.20
Associate Engineer	0.00	0.00	0.20	0.20
Collection Systems Worker I/II	2.00	2.00	2.00	2.00
Construction Inspector I/II	0.20	0.20	0.20	0.20
Electrician	1.00	1.00	1.00	1.00
Engineering Manager	0.40	0.40	0.50	0.50
Industrial Inspector	1.00	1.00	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	0.15	0.15	0.15	0.15
Senior Analyst	0.20	0.20	0.20	0.20
Senior Collection Systems Worker	1.00	1.00	1.00	1.00
Utilities Maintenance Mechanic	2.00	2.00	2.00	2.00
Wastewater Lab Technician I/II	1.00	1.00	1.00	1.00
Wastewater Operations Manager	1.00	1.00	1.00	1.00
Wastewater Treatment Operator I/II/III	6.00	6.00	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
<b>Wastewater Operations FTE Total</b>	<b>19.90</b>	<b>19.90</b>	<b>20.20</b>	<b>20.20</b>
<i>Wastewater Lateral Maintenance</i>				
Collection Systems Worker I/II	1.00	1.00	1.00	1.00
<b>Wastewater Lateral Maintenance FTE Total</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 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	3.00	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	0.07	0.07	0.07	0.07
Senior Equipment Mechanic	1.00	1.00	1.00	1.00
<b><i>Fleet Maintenance Services FTE Total</i></b>	<b>5.63</b>	<b>5.63</b>	<b>5.63</b>	<b>5.63</b>
<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	2.80	2.80	3.00	3.00
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	0.08	0.08	0.08	0.08
<b><i>Facilities Maintenance Services FTE Total</i></b>	<b>4.88</b>	<b>4.88</b>	<b>5.08</b>	<b>5.08</b>
<i>Information Services</i>				
GIS Coordinator	1.00	1.00	1.00	1.00
<b><i>Information Services FTE Total</i></b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Public Works FTE Total</b>	<b>110.75</b>	<b>112.75</b>	<b>112.75</b>	<b>112.75</b>



## PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2018/19 Authorized	2019/20 Authorized	2020/21 Budget	2021/22 Budget
<b><u>Regular Part-Time</u></b>				
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
<b>Regular Part-Time FTE Total</b>	1.50	1.50	1.50	1.50
<b><u>Legislative - Elected and Appointed Employees</u></b>				
<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
<b>Legislative - Elected and Appointed Total</b>	<b>40.00</b>	<b>40.00</b>	<b>40.00</b>	<b>40.00</b>
<b>TOTAL AUTHORIZED FULL-TIME EMPLOYEES</b>	<b>302.00</b>	<b>315.00</b>	<b>315.00</b>	<b>315.00</b>
<b>TOTAL REGULAR PART-TIME</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>
<b>TOTAL ELECTED AND APPOINTED EMPLOYEES</b>	<b>40.00</b>	<b>40.00</b>	<b>40.00</b>	<b>40.00</b>
<b>GRAND TOTALS</b>	<b>343.50</b>	<b>356.50</b>	<b>356.50</b>	<b>356.50</b>





## FUND EXPENDITURE SUMMARY BY DIVISION

Fund #	Fund Name	2018/19		2019/20		2020/21		2021/22	
		Actual	Budget	Projected	Budget	% Change	Budget	% Change	
<b>100 - GENERAL FUND</b>									
100-1101	General Fund Transfers	\$ 4,244,222	\$ 1,949,312	\$ 1,949,312	\$ 2,601,690	33.47%	\$ 2,676,330	2.87%	
100-1201	City Council	432,004	459,110	432,895	414,614	-9.69%	425,057	2.52%	
100-1202	City Manager	751,409	897,086	863,960	938,467	4.61%	947,045	0.91%	
100-1203	City Attorney	1,212,444	1,561,572	1,390,222	1,483,197	-5.02%	1,538,781	3.75%	
100-1204	Economic Development	630,557	1,733,622	976,974	1,058,459	-38.95%	937,967	-11.38%	
100-1205	City Clerk	452,665	469,167	432,094	529,441	12.85%	473,005	-10.66%	
100-1206	Human Resources	1,054,171	1,298,849	1,159,111	1,278,711	-1.55%	1,304,420	2.01%	
100-1303	Business Services	1,103,529	1,427,066	1,256,521	1,325,469	-7.12%	1,374,389	3.69%	
100-1304	Financial Services	946,628	1,150,149	1,006,907	1,145,059	-0.44%	1,182,147	3.24%	
100-1305	Successor Agency	1,376,919	1,535,783	1,460,783	1,548,920	0.86%	1,638,691	5.80%	
100-1403	Library	375,552	616,122	474,777	244,601	-60.30%	248,026	1.40%	
100-1409	Women's Club	9,440	9,851	9,794	4,749	-51.79%	4,890	2.97%	
100-1413	Delta Community Services	24,000	24,000	24,000	24,000	0.00%	24,000	0.00%	
100-1414	Brentwood Neighborhood Committee	1,999	2,000	2,000	2,000	0.00%	2,000	0.00%	
100-1417	Senior Nutrition Program	20,000	20,000	20,000	26,000	30.00%	26,000	0.00%	
100-1418	Animal Services	373,046	402,521	402,521	433,935	7.80%	463,605	6.84%	
100-1419	Family Justice Center	20,000	35,000	35,000	35,000	0.00%	35,000	0.00%	
100-1501	Police Department	20,714,395	24,593,207	21,979,135	23,932,541	-2.69%	24,710,789	3.25%	
100-1511	Police Dispatch Center	2,480,697	3,285,669	2,860,629	3,636,877	10.69%	3,693,563	1.56%	
100-1602	Landscape Operations	1,297,715	1,590,008	1,343,914	1,123,591	-29.33%	1,184,291	5.40%	
100-1603	Streets	3,914,338	4,281,791	4,053,134	4,084,076	-4.62%	4,315,473	5.67%	
100-1701	Non-Departmental	757,189	2,181,177	865,598	752,853	-65.48%	769,531	2.22%	
100-2101	Building	2,395,027	2,784,658	2,494,031	2,555,923	-8.21%	2,737,014	7.09%	
100-2102	Community Enrichment	667,175	747,274	662,506	818,643	9.55%	856,938	4.68%	
100-2201	Planning	1,357,181	1,561,625	1,364,530	1,479,946	-5.23%	1,513,660	2.28%	
100-2202	Planning Commission	33,502	37,619	32,516	24,758	-34.19%	24,807	0.20%	
100-2301	Engineering	1,815,104	1,950,053	1,844,438	1,956,973	0.35%	2,016,707	3.05%	
100-2303	Transportation	474,062	529,161	495,087	532,873	0.70%	545,483	2.37%	
100-3601	CIP Administration	1,170,926	1,308,800	1,174,110	1,195,039	-8.69%	1,230,243	2.95%	
100-5101	Parks and Recreation Administration	2,213,288	2,601,808	2,441,044	2,471,593	-5.00%	2,587,177	4.68%	
100-5102	City Pool	966,339	1,059,806	862,925	1,053,577	-0.59%	1,095,652	3.99%	
100-5106	Park and Recreation Commission	6,901	9,875	6,475	9,954	0.80%	9,978	0.24%	
100-5107	Youth Commission	3,139	4,400	1,760	4,531	2.98%	4,663	2.91%	
100-5108	Parks Planning	133,392	146,941	144,208	170,683	16.16%	181,327	6.24%	
100-5109	Art Commission	491	640	486	659	2.97%	679	3.03%	
100-5110	Community Center	795,314	828,941	785,921	747,707	-9.80%	761,496	1.84%	
100-5111	Senior Programs	257,335	280,683	264,217	370,569	32.02%	393,536	6.20%	
100-5112	Brentwood Senior Activity Center	314,320	338,838	313,361	394,553	16.44%	360,699	-8.58%	
100-62xx	Sports Programs	267,837	368,989	243,316	364,189	-1.30%	399,844	9.79%	
100-63xx	Recreation Programs	386,080	513,508	338,154	486,985	-5.17%	564,918	16.00%	
<b>Total General Fund</b>		<b>55,450,332</b>	<b>64,596,681</b>	<b>56,468,366</b>	<b>61,263,405</b>	<b>-5.16%</b>	<b>63,259,821</b>	<b>3.26%</b>	



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	% Change	2021/22 Budget	% Change
<b>ENTERPRISE FUNDS</b>								
<b>540, 543 - Solid Waste</b>								
540-5301	Solid Waste Operations	\$ 11,163,322	\$ 11,003,139	\$ 10,769,193	\$ 11,406,157	3.66%	\$ 11,834,542	3.76%
540-5302	Solid Waste Utility Billing	891,662	1,005,282	949,677	977,527	-2.76%	1,004,671	2.78%
540-5303	Solid Waste Transfer Station	1,524,223	1,739,988	1,727,445	2,091,525	20.20%	2,216,744	5.99%
543-5350	Solid Waste Replacement	1,439	201,215	201,215	201,845	0.31%	201,868	0.01%
	<b>Total Solid Waste</b>	<u>13,580,646</u>	<u>13,949,624</u>	<u>13,647,530</u>	<u>14,677,054</u>	5.21%	<u>15,257,825</u>	3.96%
<b>560, 563 - Water</b>								
560-0001	Water Administration	1,116,065	0	0	0	0.00%	0	0.00%
560-5501	Water Operations	24,798,054	24,192,586	23,810,353	27,008,026	11.64%	25,268,570	-6.44%
560-5502	Water Utility Billing	910,562	1,058,618	1,007,370	1,024,371	-3.24%	1,053,270	2.82%
560-5504	Water Non-Potable	429,222	490,068	488,738	538,030	9.79%	554,250	3.01%
563-5550	Water Replacement	3,721,966	6,085,701	6,079,747	1,320,550	-78.30%	1,112,536	-15.75%
	<b>Total Water</b>	<u>30,975,869</u>	<u>31,826,973</u>	<u>31,386,208</u>	<u>29,890,977</u>	-6.08%	<u>27,988,626</u>	-6.36%
<b>590, 593 - Wastewater</b>								
590-0001	Wastewater Administration	2,139,908	0	0	0	0.00%	0	0.00%
590-5801	Wastewater Operations	12,222,712	16,818,963	12,847,706	11,754,289	-30.11%	12,398,232	5.48%
590-5802	Wastewater Utility Billing	840,241	965,660	914,939	964,186	-0.15%	990,943	2.78%
590-5803	Wastewater Lateral Maintenance	180,679	273,049	254,375	261,359	-4.28%	273,856	4.78%
593-5850	Wastewater Replacement	1,570,265	2,342,214	2,290,444	1,381,290	-41.03%	1,349,542	-2.30%
	<b>Total Wastewater</b>	<u>16,953,805</u>	<u>20,399,886</u>	<u>16,307,464</u>	<u>14,361,124</u>	-29.60%	<u>15,012,573</u>	4.54%
<b>501 - City Rentals</b>								
501-5001	Sand Creek Property Common Area Maintenance	479,367	478,687	474,863	414,407	-13.43%	376,824	-9.07%
501-5002	Sand Creek Property Rental	102,052	122,959	119,227	124,845	1.53%	126,748	1.52%
501-5004	642 Second Street	0	0	0	13,878	100.00%	14,251	2.69%
	<b>Total City Rentals</b>	<u>581,419</u>	<u>601,646</u>	<u>594,090</u>	<u>553,130</u>	-8.06%	<u>517,823</u>	-6.38%
<b>510, 511, 513 - Housing</b>								
510-5010	Housing Administration	484,715	615,181	521,157	695,468	13.05%	715,637	2.90%
511-5100	Housing Rental Units	255,116	214,152	203,295	228,450	6.68%	236,869	3.69%
513-5050	Housing Replacement	15,925	75,384	75,373	137,053	81.81%	155,415	13.40%
	<b>Total Housing</b>	<u>755,756</u>	<u>904,717</u>	<u>799,825</u>	<u>1,060,971</u>	17.27%	<u>1,107,921</u>	4.43%
<b>Total Enterprise Funds</b>		<u>62,847,495</u>	<u>67,682,846</u>	<u>62,735,117</u>	<u>60,543,256</u>	-10.55%	<u>59,884,768</u>	-1.09%



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19		2019/20		2020/21		2021/22		
		Actual	Budget	Actual	Budget	Budget	% Change	Budget	% Change	
<b>INTERNAL SERVICE FUNDS</b>										
701-7101	Information Services	\$ 2,407,144	\$ 2,934,377	\$ 2,547,538	\$ 3,400,959	15.90%	\$ 3,388,065	-0.38%		
702-7201	Equipment Replacement	1,607,424	4,632,147	4,614,712	3,782,691	-18.34%	4,438,283	17.33%		
703-7301	Information Systems Replacement	617,954	1,731,132	1,632,997	591,577	-65.83%	717,072	21.21%		
<b>704 - Facilities Replacement</b>										
704-7400	Facilities Replacement Administration	5,314	332,470	306,121	306,278	-7.88%	631,750	106.27%		
704-7401	City Hall Facilities Replacement	28,065	218,807	64,928	236,163	7.93%	362,532	53.51%		
704-7407	Police Facilities Replacement	119,887	213,135	209,815	96,000	-54.96%	0	-100.00%		
704-7408	City Council Chambers Facilities Replacement	0	0	0	20,000	100.00%	0	-100.00%		
704-7410	648 Second Street Facilities Replacement	0	1,600	0	0	-100.00%	0	0.00%		
704-7417	LMC/Tech Center Replacement	39,537	0	0	0	0.00%	0	0.00%		
704-7418	City Soundwall Replacement	13,840	25,000	22,663	25,000	0.00%	25,000	0.00%		
704-7419	BUSD Joint Use Agreement	80,088	5,630	5,630	169,646	2913.25%	20,730	-87.78%		
704-7420	Fleet Maintenance Facilities Replacement	0	80,000	75,000	50,000	-37.50%	0	-100.00%		
704-7421	Community Center Facilities Replacement	108,928	29,774	29,774	40,000	34.35%	300,000	650.00%		
704-7422	Senior Activity Center Facilities Replacement	13,700	15,729	0	0	-100.00%	0	0.00%		
704-7423	Civic Center Parking Garage Facilities Replacement	0	100,000	80,248	195,000	95.00%	0	-100.00%		
	<b>Total Facilities Replacement</b>	<b>409,359</b>	<b>1,022,145</b>	<b>794,179</b>	<b>1,138,087</b>	<b>11.34%</b>	<b>1,340,012</b>	<b>17.74%</b>		
705-7501	Tuition	22,400	32,837	26,537	32,902	0.20%	32,987	0.26%		
706-7601	Fleet Maintenance Services	1,787,068	1,844,747	1,803,232	1,870,549	1.40%	1,908,680	2.04%		
<b>707 - Facilities Maintenance Services</b>										
707-7701	Facilities Maintenance - Parks	1,060,323	1,140,491	1,018,191	0	-100.00%	0	0.00%		
707-7702	Facilities Maintenance - Public Works	1,134,669	1,141,831	1,104,867	1,063,453	-6.86%	1,081,387	1.69%		
707-7703	Facilities Maintenance - Information Services	57,402	138,607	137,439	30,023	-78.34%	39,847	32.72%		
707-7704	City Hall Facilities Maintenance	0	0	0	201,574	100.00%	206,871	2.63%		
707-7705	Parking Garage Facilities Maintenance	0	0	0	65,642	100.00%	67,390	2.66%		
707-7706	Community Center Facilities Maintenance	0	0	0	109,889	100.00%	112,377	2.26%		
707-7707	Library Facilities Maintenance	0	0	0	60,671	100.00%	62,053	2.28%		
707-7708	Aquatic Complex Facilities Maintenance	0	0	0	64,489	100.00%	66,087	2.48%		
707-7709	Senior Center Facilities Maintenance	0	0	0	63,458	100.00%	65,013	2.45%		
707-7710	Police Department Facilities Maintenance	0	0	0	103,283	100.00%	106,464	3.08%		
707-7711	Dispatch Center Facilities Maintenance	0	0	0	1,000	100.00%	1,030	3.00%		
707-7712	Police Substation Facilities Maintenance	0	0	0	6,214	100.00%	6,400	2.99%		
707-7713	CD Building Facilities Maintenance	0	0	0	7,063	100.00%	7,171	1.53%		
707-7714	LMC/Tech Center Facilities Maintenance	0	0	0	29,911	100.00%	30,608	2.33%		
707-7715	Downtown Fountains Facilities Maintenance	0	0	0	6,545	100.00%	6,741	2.99%		
707-7716	648 Second Street Facilities Maintenance	0	0	0	7,453	100.00%	7,677	3.01%		



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19	2019/20	2019/20	2020/21	% Change	2021/22	% Change
		Actual	Budget	Projected	Budget		Budget	
<b>INTERNAL SERVICE FUNDS (Continued)</b>								
<b>707 - Facilities Maintenance Services (Continued)</b>								
707-7717	Municipal Service Center Facilities Maintenance	\$ 0	\$ 0	\$ 0	\$ 57,717	100.00%	\$ 59,342	2.82%
707-7718	Fleet Maintenance Facilities Maintenance	0	0	0	23,286	100.00%	23,968	2.93%
707-7719	Wastewater Building Facilities Maintenance	0	0	0	27,013	100.00%	27,637	2.31%
707-7720	Solid Waste Transfer Station Facilities Maintenance	0	0	0	20,997	100.00%	21,450	2.16%
	<b>Total Facilities Maintenance Services</b>	<u>2,252,394</u>	<u>2,420,929</u>	<u>2,260,497</u>	<u>1,949,681</u>	<u>-19.47%</u>	<u>1,999,513</u>	<u>2.56%</u>
<b>708 - Parks and LLAD Replacement</b>								
708-7800	Citywide Parks Replacement	1,088,399	1,024,446	1,053,241	722,401	-29.48%	1,032,408	42.91%
708-7801	LLAD Replacement Administration	15,326	163,760	143,011	316,508	93.28%	427,051	34.93%
708-7802	94-1 Brentwood Country Club Replacement	109	0	0	263,443	100.00%	293,787	11.52%
708-7803	95-5 California Spirit and Glory Replacement	0	1,107	1,107	24,667	2128.27%	9,626	-60.98%
708-7804	95-6 Gerry Ranch Replacement	0	0	0	14,750	100.00%	9,996	-32.23%
708-7805	95-2 Hawthorn Replacement	0	1,037	0	11,294	989.10%	0	-100.00%
708-7807	95-8 Garin Ranch Replacement	12,874	3,979	3,979	119,252	2897.03%	115,461	-3.18%
708-7808	97-2 Marsh Creek Replacement	0	0	0	1,018	100.00%	0	-100.00%
708-7809	97-1 Brentwood Lakes Replacement	0	40,266	43,941	35,818	-11.05%	0	-100.00%
708-7811	98-5 Arroyo Seco Replacement	2,346	13,184	13,184	0	-100.00%	0	0.00%
708-7812	98-3 Solana Replacement	0	0	0	8,558	100.00%	11,142	30.19%
708-7813	98-4 Birchwood Estates Replacement	3,600	0	0	0	0.00%	0	0.00%
708-7814	99-3 SPA L Replacement	60,185	29,146	5,022	110,564	279.35%	0	-100.00%
708-7815	99-4 California Grove Replacement	1,855	0	0	17,034	100.00%	0	-100.00%
708-7816	99-5 Deer Creek Replacement	0	0	0	166,680	100.00%	49,405	-70.36%
708-7817	99-6 Trailside Replacement	3,709	0	0	21,744	100.00%	0	-100.00%
708-7818	99-7 Termo Replacement	8,068	39,563	21,102	13,540	-65.78%	7,481	-44.75%
708-7819	99-8 Gerry Property Replacement	2,782	0	0	0	0.00%	0	0.00%
708-7820	99-9 Richmond American Replacement	17,270	0	0	7,368	100.00%	25,484	245.87%
708-7821	00-2 Lyon Woodfield Replacement	1,364	0	0	23,137	100.00%	0	-100.00%
708-7822	00-3 California Orchard Replacement	3,873	0	0	10,537	100.00%	0	-100.00%
708-7823	00-4 Brentwood Park Replacement	23,238	0	0	26,732	100.00%	5,000	-81.30%
708-7824	01-1 Laird Project Replacement	0	1,574	1,574	0	-100.00%	0	0.00%
708-7825	02-2 Oak Street Replacement	73,425	2,000	2,000	0	-100.00%	0	0.00%
708-7826	02-3 Apricot Way Replacement	199,573	0	0	0	0.00%	0	0.00%
708-7827	02-4 Braddock and Logan Replacement	0	0	0	0	0.00%	3,239	100.00%
708-7828	02-5 Sand Creek and Brentwood Blvd Replacement	5,837	0	0	34,427	100.00%	24,942	-27.55%
708-7829	02-6 Balfour and John Muir Replacement	5,019	0	0	6,503	100.00%	0	-100.00%
708-7831	02-8 Lone Tree Arco Replacement	0	0	0	40,836	100.00%	23,221	-43.14%
708-7833	02-10 Lone Tree Center Replacement	0	0	0	6,286	100.00%	0	-100.00%
708-7834	02-11 Lone Tree Plaza Replacement	0	0	0	35,999	100.00%	6,354	-82.35%



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19	2019/20	2019/20	2020/21	% Change	2021/22	% Change
		Actual	Budget	Projected	Budget		Budget	
<b>INTERNAL SERVICE FUNDS (Continued)</b>								
<b>708 - Parks and LLAD Replacement (Continued)</b>								
708-7835	02-12 Sunset Industrial Replacement	\$ 0	\$ 0	\$ 0	\$ 29,902	100.00%	\$ 31,954	6.86%
708-7836	02-13 Stonehaven Replacement	0	0	0	0	0.00%	182	100.00%
708-7837	03-2 Meritage Lone Tree Replacement	11,948	180,140	165,240	96,963	-46.17%	0	-100.00%
708-7838	03-3 Brookdale Court Replacement	4,748	0	0	8,008	100.00%	10,219	27.61%
708-7839	03-4 Tri City Plaza Replacement	0	0	0	3,422	100.00%	0	-100.00%
708-7840	03-5 West Summerset Replacement	9,819	1,000	1,000	3,896	289.60%	0	-100.00%
708-7842	03-7 Garin Ranch Replacement	0	0	0	4,193	100.00%	572	-86.36%
708-7844	04-2 Balfour-Griffith Commercial Replacement	0	0	0	2,546	100.00%	849	-66.65%
708-7846	06-2 Palmilla Replacement	7,443	5,026	5,026	11,221	123.26%	24,536	118.66%
708-7847	06-3 Vineyards Replacement	0	9,288	0	0	-100.00%	0	0.00%
708-7849	06-5 Barrington Replacement	0	5,617	5,617	0	-100.00%	0	0.00%
708-7850	11-1 No. Brentwood Blvd Replacement	0	0	0	30,659	100.00%	6,744	-78.00%
708-7851	14-1 Mission Grove Replacement	0	617	361	3,018	389.14%	0	-100.00%
708-7852	14-2 Ferro-Ronconi Replacement	0	0	0	14,084	100.00%	0	-100.00%
708-7853	15-1 Bella Fiore Replacement	0	0	0	0	0.00%	0	0.00%
708-7854	15-2 Renaissance Estates Replacement	0	0	0	0	0.00%	0	0.00%
708-7855	16-1 Bond Lane Replacement	0	0	0	0	0.00%	0	0.00%
708-7856	16-2 Sellers Replacement	0	0	0	9,916	100.00%	13,868	39.85%
708-7860	19-1 Terrene Replacement	0	0	0	16,719	100.00%	23,959	43.30%
708-7861	19-2 Alvernaz Replacement	0	0	0	3,733	100.00%	2	-99.95%
708-7896	Arterial Landscape Replacement	0	0	0	134,826	100.00%	146,405	8.59%
	<b>Total Parks and LLAD Replacement</b>	<u>1,562,810</u>	<u>1,578,274</u>	<u>1,465,405</u>	<u>2,412,202</u>	<u>52.84%</u>	<u>2,303,887</u>	<u>-4.49%</u>
<b>709 - Insurance</b>								
709-7902	Legal Matters	1,703	63,000	30,000	65,000	3.17%	65,000	0.00%
709-7903	Property and Flood Insurance	1,359,532	1,532,765	1,503,140	1,879,256	22.61%	1,968,736	4.76%
	<b>Total Insurance</b>	<u>1,361,235</u>	<u>1,595,765</u>	<u>1,533,140</u>	<u>1,944,256</u>	<u>21.84%</u>	<u>2,033,736</u>	<u>4.60%</u>
<b>710 - Pension/OPEB Obligation</b>								
710-7110	General Fund Pension/OPEB Obligation	8,490,793	4,887,041	2,222,787	3,309,960	-32.27%	4,692,364	41.76%
710-7901	Citywide Pension/OPEB Obligation	8,086,209	4,753,088	4,051,749	3,419,130	-28.07%	3,484,712	1.92%
	<b>Total Pension/OPEB Obligation</b>	<u>16,577,002</u>	<u>9,640,129</u>	<u>6,274,536</u>	<u>6,729,090</u>	<u>-30.20%</u>	<u>8,177,076</u>	<u>21.52%</u>
<b>Total Internal Service Funds</b>		<u>28,604,790</u>	<u>27,432,482</u>	<u>22,952,773</u>	<u>23,851,994</u>	<u>-13.05%</u>	<u>26,339,311</u>	<u>10.43%</u>



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	% Change	2021/22 Budget	% Change
<b>SPECIAL REVENUE FUNDS</b>								
<b>203-209 - Gas Tax</b>								
203-0001	2105 Highway Users Tax	\$ 348,428	\$ 350,581	\$ 348,581	\$ 311,079	-11.27%	\$ 333,000	7.05%
205-0001	2106 Highway Users Tax	233,873	251,043	251,043	197,283	-21.41%	211,068	6.99%
206-0001	2107 Highway Users Tax	437,035	478,785	437,353	371,561	-22.40%	397,732	7.04%
207-0001	2107.5 Highway Users Tax	7,550	7,550	7,540	7,584	0.45%	7,583	-0.01%
208-0001	2103 Highway Users Tax	380,370	600,242	600,242	479,468	-20.12%	513,280	7.05%
209-0001	2032 Road Maintenance and Rehabilitation Account	840,331	1,000,981	981	2,101,440	109.94%	1,001,823	-52.33%
	<b>Total Gas Tax</b>	<u>2,247,587</u>	<u>2,689,182</u>	<u>1,645,740</u>	<u>3,468,415</u>	28.98%	<u>2,464,486</u>	-28.94%
214-0001	SB1186 Disability Access	4,930	18,930	12,500	19,950	5.39%	19,950	0.00%
<b>216 - Police Grants</b>								
216-0001	Police Grants Administration	257	65,569	65,569	150,270	129.18%	150,270	0.00%
216-15050	Supplemental Law Enforcement Services Fund (SLESF)	108,983	125,000	125,000	125,000	0.00%	125,000	0.00%
216-15180	Every 15 Minutes	6,000	6,000	6,000	6,000	0.00%	6,000	0.00%
216-15190	Neighborhood Watch	0	100	0	0	-100.00%	0	0.00%
216-15220	OTS Selective Traffic Enforcement Program	94,793	84,666	84,666	0	-100.00%	0	0.00%
	<b>Total Police Grants</b>	<u>210,033</u>	<u>281,335</u>	<u>281,235</u>	<u>281,270</u>	-0.02%	<u>281,270</u>	0.00%
<b>217 - Grants</b>								
217-0001	Grant Administration	4	100,050	1,000	150,000	49.93%	150,000	0.00%
217-18111	MTC - Bike/Pedestrian Safety	75,000	0	0	0	0.00%	0	0.00%
217-18170	One Bay Area Grant (OBAG)	0	0	0	628,000	100.00%	0	-100.00%
217-18180	Federal Highway Admin (FHA) Earmark Funds	0	735,000	735,000	0	-100.00%	0	0.00%
217-18190	State Water Resource Control Board (SWRCB)	1,517,812	2,060,934	2,060,934	967,650	-53.05%	3,856,000	298.49%
217-18210	Department of Water Resources/Prop 1 SGWP Grant	394,458	605,543	605,542	970,000	60.19%	0	-100.00%
217-18250	CA HCD/SB2 Planning Grant	0	0	0	310,000	100.00%	0	-100.00%
217-18260	CA HCD/Local Early Action Planning (LEAP) Grant	0	0	0	300,000	100.00%	0	-100.00%
	<b>Total Grants</b>	<u>1,987,274</u>	<u>3,501,527</u>	<u>3,402,476</u>	<u>3,325,650</u>	-5.02%	<u>4,006,000</u>	20.46%
219-xxxx	Economic Development Grant	166,801	245,320	119,551	281,291	14.66%	233,722	-16.91%
220-0001	Infrastructure Improvements	45	6,500	6,500	0	-100.00%	0	0.00%
<b>230 - Citywide Park Assessment District</b>								
230-2501	Citywide Park Administration	1,436,861	1,404,245	1,300,915	2,849,452	102.92%	3,000,318	5.29%
230-2502	Apple Hill Park	36,576	52,106	52,106	29,267	-43.83%	30,168	3.08%
230-2504	Creekside Park	81,925	92,038	92,038	89,553	-2.70%	92,485	3.27%
230-2505	Summerwood Park	65,033	88,755	88,755	64,686	-27.12%	66,825	3.31%
230-2506	Garin Park	44,901	71,884	71,884	48,584	-32.41%	50,151	3.23%



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	% Change	2021/22 Budget	% Change
<b>SPECIAL REVENUE FUNDS (Continued)</b>								
<b>230 - Citywide Park Assessment District (Continued)</b>								
230-2507	Spirit & Glory Park	\$ 28,215	\$ 34,047	\$ 34,047	\$ 24,314	-28.59%	\$ 25,127	3.34%
230-2508	McClarren Park	31,969	38,982	38,982	35,719	-8.37%	36,887	3.27%
230-2509	Veteran Park & Pool	127,495	160,695	160,695	87,616	-45.48%	90,415	3.19%
230-2510	Loma Vista Park	73,168	88,292	88,292	75,175	-14.86%	77,702	3.36%
230-2511	Sunset Park	524,274	594,921	594,921	558,605	-6.10%	580,282	3.88%
230-2512	Marsh Creek Staging	9,524	14,976	14,976	8,896	-40.60%	9,174	3.13%
230-2513	City Park	68,739	71,271	71,271	29,088	-59.19%	29,999	3.13%
230-2514	Curtis Park	4,196	33,494	33,494	1,716	-94.88%	1,771	3.21%
230-2515	Windsor Way Park	6,465	11,046	11,046	3,324	-69.91%	3,438	3.43%
230-2516	Homecoming Park	16,173	23,513	23,513	18,803	-20.03%	19,409	3.22%
230-2517	Marsh Creek Vista Park	8,179	9,319	9,319	6,417	-31.14%	6,632	3.35%
230-2518	California Orchard Park	52,224	64,408	64,408	51,565	-19.94%	53,372	3.50%
230-2519	Miwok Park	129,743	109,277	109,277	146,086	33.68%	151,037	3.39%
230-2520	Summerset Park	92,638	102,917	102,917	79,020	-23.22%	81,520	3.16%
230-2521	Arbor View Park	55,522	71,928	71,928	52,342	-27.23%	54,126	3.41%
230-2522	Lake Park	13,736	18,250	18,250	14,110	-22.68%	14,557	3.17%
230-2523	Balfour-Guthrie Park	66,032	74,999	74,999	65,904	-12.13%	68,189	3.47%
230-2524	Skate Park	7,050	8,981	8,981	1,010	-88.75%	1,040	2.97%
230-2525	Walnut Park	51,422	65,671	65,671	43,876	-33.19%	45,292	3.23%
230-2526	Marsh Creek Trailhead Park (R-Area)	0	0	0	3,149	100.00%	3,246	3.08%
230-2527	Blue Goose Park (03-2)	0	0	0	52,391	100.00%	54,269	3.58%
230-2528	Dakota Park (06-5)	0	0	0	25,903	100.00%	26,809	3.50%
230-2530	Oak Meadow Park	109,554	130,954	130,954	96,521	-26.29%	99,789	3.39%
230-2531	Sand Creek Soccer Park	0	2,000	2,000	2,000	0.00%	2,060	3.00%
230-2533	King Park	66,272	80,589	80,589	50,779	-36.99%	52,433	3.26%
230-2540	R-Area Parks and Trailheads	0	0	0	7,468	100.00%	7,710	3.24%
230-2541	95-8 Garin Ranch Parks	0	0	0	1,764	100.00%	1,825	3.46%
230-2542	97-1 Brentwood Lakes Parks	0	0	0	17,159	100.00%	17,717	3.25%
230-2543	99-7 Termo Parks	0	0	0	57,764	100.00%	59,598	3.17%
230-2544	02-2 Oakstreet Parks	0	0	0	97,278	100.00%	100,585	3.40%
230-2545	02-3 Apricot Way Parks	0	0	0	92,863	100.00%	96,022	3.40%
230-2546	02-13 Stonehaven Parks	0	0	0	3,002	100.00%	3,106	3.46%
230-2547	03-2 Meritage Lone Tree Parks	0	0	0	285,515	100.00%	295,186	3.39%
230-2548	03-3 Brookdale Court Parks	0	0	0	14,133	100.00%	14,577	3.14%
230-2549	03-5 West Summerset Parks	0	0	0	5,916	100.00%	6,126	3.55%
230-2550	06-2 Palmilla Parks	0	0	0	70,337	100.00%	72,733	3.41%
230-2551	06-3 Vineyards Parks	0	0	0	136,428	100.00%	140,787	3.20%
230-2552	06-5 Barrington Parks	0	0	0	27,992	100.00%	28,908	3.27%



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	% Change	2021/22 Budget	% Change
<b>SPECIAL REVENUE FUNDS (Continued)</b>								
<b>230 - Citywide Park Assessment District (Continued)</b>								
230-2553	14-1 Mission Grove Parks	\$ 0	\$ 0	\$ 0	\$ 25,098	100.00%	\$ 25,922	3.28%
230-2554	14-2 Ferro-Ronconi Parks	0	0	0	10,533	100.00%	10,880	3.29%
230-2555	15-1 Bella Fiore Parks	0	0	0	4,067	100.00%	4,203	3.34%
230-2556	16-2 Sellers Parks	0	0	0	20,524	100.00%	21,185	3.22%
230-2557	17-1 Sparrow Parks	0	0	0	14,401	100.00%	14,887	3.37%
230-2558	19-1 Terrene Parks	0	0	0	92,185	100.00%	95,101	3.16%
230-2559	19-2 Alvernaz Parks	0	0	0	62,527	100.00%	64,505	3.16%
	<b>Total Citywide Park Assessment District</b>	<u>3,207,886</u>	<u>3,519,558</u>	<u>3,416,228</u>	<u>5,662,825</u>	<u>60.90%</u>	<u>5,910,085</u>	<u>4.37%</u>
231-0001	Community Facilities District #2	617,548	627,600	626,785	657,498	4.76%	667,147	1.47%
232-0001	Community Facilities District #3	15,804,166	2,656,895	1,928,464	2,329,229	-12.33%	2,530,236	8.63%
<b>233, 235 - Community Facilities District #4</b>								
233-0001	Community Facility District #4 - Services	2,475,506	2,520,050	2,515,811	2,755,115	9.33%	2,814,868	2.17%
235-0001	Community Facilities District #4 - Facilities	3,534,422	330,698	154,666	164,237	-50.34%	166,660	1.48%
	<b>Total Community Facilities District #4</b>	<u>6,009,928</u>	<u>2,850,748</u>	<u>2,670,477</u>	<u>2,919,352</u>	<u>2.41%</u>	<u>2,981,528</u>	<u>2.13%</u>
234-0001	Community Facilities District #5	2,210,081	1,758,806	1,699,673	2,112,130	20.09%	2,043,217	-3.26%
250-0001	Water Development Impact Fee	3,378,983	1,548,873	1,469,365	1,798,416	16.11%	1,497,649	-16.72%
251-0001	Roadway Development Impact Fee	4,853,491	5,307,691	4,923,963	991,524	-81.32%	1,447,515	45.99%
252-0001	Parks and Trails Development Impact Fee	982,918	891,629	860,221	365,386	-59.02%	306,822	-16.03%
255-0001	Wastewater Development Impact Fee	3,139,675	7,349,534	3,170,081	1,549,116	-78.92%	2,261,560	45.99%
256-0001	Community Facilities Development Impact Fee	289,006	238,088	225,045	222,017	-6.75%	221,270	-0.34%
257-0001	Fire Development Impact Fee	5,434	8,345	4,751	6,136,848	73439.22%	505,093	-91.77%
261-0001	Development Impact Fee Administration	500,572	476,697	475,875	426,423	-10.55%	351,475	-17.58%
262-0001	Agriculture Land Administration	37,178	51,063	35,952	49,940	-2.20%	51,014	2.15%
263-0001	Agriculture Land Acquisition	22,903	305,832	1,711	301,351	-1.47%	21,755	-92.78%
264-0001	First-Time Homebuyer	15,106	136,151	36,163	136,193	0.03%	136,193	0.00%
265-0001	Affordable Housing In-Lieu Fee	551,790	519,092	459,996	671,518	29.36%	692,002	3.05%
267-0001	Public Art Administration	681	537	537	694	29.24%	672	-3.17%
268-0001	Public Art Acquisition	25,454	36,445	36,445	2,895	-92.06%	2,914	0.66%
269-0001	Parking In-Lieu	0	50	0	0	-100.00%	0	0.00%
272-0001	Riparian Mitigation Site Maintenance	1,017	1,601	1,601	1,625	1.50%	1,625	0.00%
280-xxxx	Asset Forfeiture	1,527	30,152	30,152	203	-99.33%	50,203	24630.54%
281-0001	Abandoned Vehicle Abatement	24	40,050	50	30,050	-24.97%	30,050	0.00%
285-0001	PEG Media	806	5,916	856	5,878	-0.64%	5,878	0.00%
286-0001	Parks Advertising	9,216	19,065	9,550	9,835	-48.41%	10,130	3.00%
293-0001	Measure J	1,125,973	1,009,265	458,750	908,950	-9.94%	1,009,150	11.02%
302-0001	City Low Income Housing	18	50	50	50	0.00%	50	0.00%





## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	% Change	2021/22 Budget	% Change
<b>SPECIAL REVENUE FUNDS (Continued)</b>								
<b>6xx - Landscape and Lighting Assessment Districts (LLAD)</b>								
600-6101	94-1 Brentwood Country Club	\$ 578,059	\$ 814,137	\$ 814,137	\$ 829,482	1.88%	\$ 861,926	3.91%
601-6101	95-3 Pheasant Run	0	1,155	1,155	8,738	656.54%	9,059	3.67%
602-6101	95-4 Diablo Estates	0	1,171	1,171	7,800	566.10%	8,077	3.55%
603-6101	95-5 California Spirit and Glory	106,857	152,821	152,821	236,258	54.60%	249,174	5.47%
604-6101	95-6 Gerry Ranch	12,092	24,944	24,944	42,970	72.27%	45,325	5.48%
605-6101	95-2 Hawthorn	93,069	108,659	108,659	205,353	88.99%	205,241	-0.05%
606-6101	95-7 SPA D	92,166	113,172	113,172	239,424	111.56%	171,200	-28.50%
607-6101	95-8 Garin Ranch	178,352	259,790	259,790	370,004	42.42%	389,079	5.16%
608-6101	97-2 Marsh Creek	0	1,360	1,360	34,963	2470.81%	36,195	3.52%
609-6101	97-1 Brentwood Lakes	191,105	353,939	353,939	403,306	13.95%	423,757	5.07%
610-6101	97-3 Brentwood Park	0	495	495	34,793	6928.89%	31,828	-8.52%
611-6101	98-5 Arroyo Seco	13,166	29,855	29,855	40,671	36.23%	38,223	-6.02%
612-6101	98-3 Solana	25,072	37,495	37,495	41,721	11.27%	44,064	5.62%
613-6101	98-4 Birchwood Estates	18,574	25,176	25,176	18,068	-28.23%	18,867	4.42%
614-6101	99-3 SPA L	519,213	550,147	550,147	755,108	37.26%	797,119	5.56%
615-6101	99-4 California Grove	15,257	33,754	33,754	49,072	45.38%	51,545	5.04%
616-6101	99-5 Deer Creek	346,091	407,956	407,956	847,327	107.70%	902,371	6.50%
617-6101	99-6 Trailside	11,894	19,393	21,993	45,601	135.14%	47,867	4.97%
618-6101	99-7 Termo	142,161	214,230	214,230	299,784	39.94%	260,139	-13.22%
619-6101	99-8 Gerry Property	51,761	137,598	137,598	51,263	-62.74%	53,657	4.67%
620-6101	99-9 Richmond American	124,595	139,596	139,596	159,441	14.22%	169,345	6.21%
621-6101	00-2 Lyon Woodfield	5,742	14,192	14,192	43,700	207.92%	45,516	4.16%
622-6101	00-3 California Orchard	40,852	75,557	75,557	108,852	44.07%	114,047	4.77%
623-6101	00-4 Brentwood Park	55,387	146,435	150,335	141,936	-3.07%	150,297	5.89%
624-6101	01-1 Laird Project	71,449	79,821	79,821	68,604	-14.05%	71,323	3.96%
625-6101	02-2 Oakstreet	455,649	740,003	740,003	792,710	7.12%	380,709	-51.97%
626-6101	02-3 Apricot Way	982,821	1,242,792	1,242,792	1,160,248	-6.64%	919,316	-20.77%
627-6101	02-4 Braddock and Logan	35,717	44,637	44,637	45,475	1.88%	47,988	5.53%
628-6101	02-5 Sand Creek and Brentwood Blvd	33,642	55,471	57,871	75,969	36.95%	78,672	3.56%
629-6101	02-6 Balfour and John Muir	23,631	56,814	56,814	34,225	-39.76%	35,591	3.99%
630-6101	02-7 San Jose and Sand Creek	43,241	95,640	99,140	86,183	-9.89%	89,117	3.40%
631-6101	02-8 Lone Tree	29	1,099	1,099	41,570	3682.53%	42,931	3.27%
632-6101	02-9 Balfour Plaza	9,342	16,114	16,114	7,479	-53.59%	7,937	6.12%
633-6101	02-10 Lone Tree Center	175	2,591	2,591	15,601	502.12%	16,124	3.35%
634-6101	02-11 Lone Tree Plaza	653	7,442	7,442	45,959	517.56%	47,489	3.33%
635-6101	02-12 Sunset Industrial	26,449	60,650	60,650	83,424	37.55%	88,474	6.05%
636-6101	02-13 Stonehaven	42,474	49,132	49,132	28,925	-41.13%	20,324	-29.74%
637-6101	03-2 Meritage Lone Tree	1,503,304	2,110,353	2,110,353	1,867,901	-11.49%	1,243,655	-33.42%



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19 Actual	2019/20 Budget	2019/20 Projected	2020/21 Budget	% Change	2021/22 Budget	% Change
<b>SPECIAL REVENUE FUNDS (Continued)</b>								
<b>6xx - Landscape and Lighting Assessment Districts (LLAD) (Continued)</b>								
638-6101	03-3 Brookdale Court	\$ 84,439	\$ 263,551	\$ 269,051	\$ 99,469	-62.26%	\$ 74,024	-25.58%
639-6101	03-4 Tri City Plaza	230	2,826	2,826	9,449	234.36%	9,764	3.33%
640-6101	03-5 West Summerset	81,123	157,607	159,507	81,545	-48.26%	57,884	-29.02%
641-6101	03-6 Arbor Village	0	1,150	1,150	20,838	1712.00%	20,853	0.07%
642-6101	03-7 Garin Ranch Commercial	0	750	750	4,769	535.87%	4,931	3.40%
643-6101	03-8 Blackhawk Commercial	0	15,733	15,733	3,106	-80.26%	3,269	5.25%
644-6101	04-2 Balfour-Griffith Commercial	1,849	4,241	4,241	5,377	26.79%	5,564	3.48%
645-6101	05-2 South Brentwood Blvd Commercial	1,205	5,151	5,151	18,209	253.50%	13,787	-24.28%
646-6101	06-2 Palmilla	405,778	657,700	657,700	414,281	-37.01%	408,676	-1.35%
647-6101	06-3 Vineyards	431,537	813,059	813,059	379,174	-53.36%	393,896	3.88%
648-6101	06-4 Villa Amador	33,964	44,527	44,527	26,244	-41.06%	27,161	3.49%
649-6101	06-5 Barrington	501,997	934,405	939,305	458,381	-50.94%	482,205	5.20%
650-6101	11-1 North Brentwood Blvd	11,073	27,049	27,049	36,111	33.50%	37,653	4.27%
651-6101	14-1 Mission Grove	60,486	146,176	146,176	70,625	-51.68%	74,687	5.75%
652-6101	14-2 Ferro-Ronconi	103,625	275,871	275,871	119,374	-56.73%	126,986	6.38%
653-6101	15-1 Bella Fiore	41,553	73,943	73,943	73,040	-1.22%	66,348	-9.16%
654-6101	15-2 Renaissance Estates	5,862	14,285	14,285	11,155	-21.91%	11,827	6.02%
655-6101	16-1 Bond Lane	31,199	84,127	84,127	74,742	-11.16%	79,157	5.91%
656-6101	16-2 Sellers	19,150	95,104	95,104	75,837	-20.26%	80,501	6.15%
657-6101	17-1 Sparrow	26,288	33,046	33,046	40,926	23.85%	26,103	-36.22%
658-6101	17-2 Catchings Ranch	5,891	27,636	27,636	19,083	-30.95%	18,540	-2.85%
659-6101	17-3 Cornerstone Fellowship	25	9,493	9,493	5,634	-40.65%	5,813	3.18%
660-6101	19-1 Terrene	0	236,897	236,897	125,912	-46.85%	134,138	6.53%
661-6101	19-2 Alvernaz	0	23,601	23,601	35,617	50.91%	52,161	46.45%
662-6101	19-3 Citywide	0	0	0	1,959	100.00%	2,022	3.22%
694-6101	Parks and LLAD Transfers	0	0	0	8,315,050	100.00%	8,600,198	3.43%
695-6101	Grant Street Trail	0	0	0	972,949	100.00%	1,003,772	3.17%
696-6101	Arterial Landscaping	0	0	0	3,202,732	100.00%	3,300,186	3.04%
697-6101	Arterial Lighting	0	0	0	241,933	100.00%	253,112	4.62%
<b>Total Landscape and Lighting Assessment Districts</b>		<b>7,697,315</b>	<b>12,173,514</b>	<b>12,198,214</b>	<b>24,313,429</b>	<b>99.72%</b>	<b>23,588,786</b>	<b>-2.98%</b>
<b>Total Special Revenue Funds</b>		<b>55,105,366</b>	<b>48,306,041</b>	<b>40,208,957</b>	<b>58,979,951</b>	<b>22.10%</b>	<b>53,329,447</b>	<b>-9.58%</b>



## FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2018/19		2019/20		2020/21		2021/22	
		Actual	Budget	Projected	Budget	% Change	Budget	% Change	
<b>DEBT SERVICE FUNDS</b>									
<i>City Debt Obligations</i>									
445-0001	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 2,134,872	\$ 2,166,093	\$ 2,166,048	\$ 2,098,417	-3.12%	\$ 2,066,143	-1.54%	
448-0001	General Obligation Bonds Series 2002	520,276	546,791	546,791	576,855	5.50%	606,080	5.07%	
461-0001	2019 Civic Center Project Lease Revenue Refunding Bonds	31,014,516	5,273,485	3,154,311	3,196,688	-39.38%	3,192,285	-0.14%	
466-0001	2015 Lease Financing	791,900	792,582	792,532	792,175	-0.05%	795,607	0.43%	
	<b>Total City Debt Obligations</b>	<b>34,461,564</b>	<b>8,778,951</b>	<b>6,659,682</b>	<b>6,664,135</b>	<b>-24.09%</b>	<b>6,660,115</b>	<b>-0.06%</b>	
<i>Assessment Districts</i>									
435-0001	2018 A Refinance	3,436,413	3,963,552	3,958,602	3,948,129	-0.39%	3,951,467	0.08%	
436-0001	2014 A & B Refinance	7,151,545	7,187,166	7,185,152	7,175,379	-0.16%	7,184,994	0.13%	
437-0001	2012 A Refinance	1,321,781	1,316,565	1,311,565	1,312,591	-0.30%	1,320,593	0.61%	
438-0001	Capital Improvement Financing Program 2003-1	1,254,365	1,259,163	1,250,803	1,254,778	-0.35%	1,255,583	0.06%	
439-0001	Capital Improvement Financing Program 2002-1	1,203,743	1,204,519	1,198,380	1,200,286	-0.35%	1,201,372	0.09%	
441-0001	Capital Improvement Financing Program 94-1	2,746,391	2,773,909	2,766,103	2,758,685	-0.55%	2,764,834	0.22%	
442-0001	Capital Improvement Financing Program 98-1	691,760	702,107	692,726	699,626	-0.35%	701,859	0.32%	
443-0001	Capital Improvement Financing Program 99-1	638,749	641,112	632,166	637,310	-0.59%	642,874	0.87%	
444-0001	Capital Improvement Financing Program 2000-01	917,177	940,297	924,587	931,226	-0.96%	931,591	0.04%	
449-0001	Capital Improvement Financing Program 2004-1	1,553,573	1,564,514	1,554,794	1,558,579	-0.38%	1,559,576	0.06%	
460-0001	Randy Way Assessment District	57,907	57,932	56,938	56,426	-2.60%	60,340	6.94%	
462-0001	2006 A & B Refinance Bonds	1	0	0	2,525	100.00%	0	-100.00%	
463-0001	Capital Improvement Financing Program 2006-1	1,095,442	1,100,597	1,099,370	1,107,738	0.65%	1,105,508	-0.20%	
464-0001	Capital Improvement Financing Program 2005-1	2,560,786	2,582,552	2,579,632	2,586,064	0.14%	2,591,629	0.22%	
465-0001	96R Assessment District	166	629	150	613	-2.54%	613	0.00%	
	<b>Total Assessment Districts</b>	<b>24,629,799</b>	<b>25,294,614</b>	<b>25,210,968</b>	<b>25,229,955</b>	<b>-0.26%</b>	<b>25,272,833</b>	<b>0.17%</b>	
	<b>Total Debt Service Funds</b>	<b>59,091,363</b>	<b>34,073,565</b>	<b>31,870,650</b>	<b>31,894,090</b>	<b>-6.40%</b>	<b>31,932,948</b>	<b>0.12%</b>	
<b>CAPITAL PROJECT FUNDS</b>									
336-xxxx	Roadway Improvements	\$ 3,117,523	\$ 11,463,323	\$ 6,479,170	\$ 11,614,852	1.32%	\$ 2,013,853	-82.66%	
337-xxxx	Community Facility Improvements	6,913,597	6,516,182	1,001,258	7,643,240	17.30%	6,771,835	-11.40%	
352-xxxx	Parks and Trails Improvements	1,097,083	1,070,228	564,317	768,270	-28.21%	870,000	13.24%	
366-0001	2015 Lease Financing Acquisition	427,363	0	0	0	0.00%	0	0.00%	
380-0001	Civic Center Capital Improvement Financing Program	3,667,033	1,353,791	1,186,609	1,183,841	-12.55%	1,173,341	-0.89%	
381-0001	City Capital Improvement Financing Program	402,410	499,099	499,098	536,171	7.43%	715,236	33.40%	
392-0001	Capital Infrastructure	509,786	204,858	204,858	3,104,755	1415.56%	10,211	-99.67%	
393-0001	Vineyards Projects	83,368	8,673	6,511	4,106,680	47250.17%	3,118	-99.92%	
394-0001	Vineyards Event Center Projects	4,181	9,183	9,183	200,515	2083.55%	530	-99.74%	
542-xxxx	Solid Waste Improvements	1,077,274	0	0	0	0.00%	0	0.00%	
562-xxxx	Water Improvements	10,310,898	11,568,994	967,781	11,619,729	0.44%	2,701,431	-76.75%	
592-xxxx	Wastewater Improvements	10,707,518	24,881,149	3,079,797	34,246,000	37.64%	28,900,000	-15.61%	
	<b>Total Capital Project Funds</b>	<b>38,318,034</b>	<b>57,575,480</b>	<b>13,998,582</b>	<b>75,024,053</b>	<b>30.31%</b>	<b>43,159,555</b>	<b>-42.47%</b>	
	<b>TOTAL FUNDS</b>	<b>\$ 299,417,380</b>	<b>299,667,095</b>	<b>\$ 228,234,445</b>	<b>\$ 311,556,749</b>	<b>3.97%</b>	<b>\$ 277,905,850</b>	<b>-10.80%</b>	



## VEHICLE REPLACEMENT SCHEDULE (FUND 702)

Department	Division	Item	2020/21	2021/22
Parks and Recreation	Citywide Parks District	John Deere Tractor	\$ 0	\$ 40,047
Parks and Recreation	Citywide Parks District	Parker Dump Trailer	9,967	0
Parks and Recreation	Citywide Parks District	John Deere Rake	20,477	0
Parks and Recreation	Citywide Parks District	Ford F250 Pick-up	0	30,911
Parks and Recreation	Citywide Parks District	Ford F250 Pick-up	0	30,911
Parks and Recreation	Citywide Parks District	Gem Flatbed	0	15,823
Parks and Recreation	Citywide Parks District	Ford Escape	0	24,460
Parks and Recreation	Parks	Big Tex Trailer	0	7,000
Parks and Recreation	Parks	Ford F250 Pick-up	40,000	0
Police Department	Administration	Chevy Caprice	61,481	0
Police Department	Administration	Jeep Cherokee	44,917	0
Police Department	CSO	Ford F250 Pick-up	0	33,598
Police Department	Investigations	Ford Explorer	0	39,404
Police Department	Patrol	Ford F150 Supercrew	67,260	0
Police Department	Patrol	Ford Interceptor Utility	0	77,133
Police Department	Patrol	Ford Interceptor Utility	0	77,133
Public Works	Administration	Ford F350 Utility	0	29,149
Public Works	Fleet	Gem Coupe	15,823	0
Public Works	Solid Waste	Wittke FL	377,003	0
Public Works	Streets	AZ-MFG. Utility Trailer	6,000	0
Public Works	Streets	Wanco Arrow Board	9,629	0
Public Works	Streets	John Deere 5510 Tractor	52,956	0
Public Works	Streets	Goodwin 6" Trash Pump	0	51,351
Public Works	Streets	Ford F350 Dump	0	80,978
Public Works	Streets	Ford F150 Pick-up	0	44,504
Public Works	Streets	Ford F350 Utility Diesel	48,035	0
Public Works	Streets	Ford F350 Dump	0	41,073
Public Works	Streets	Case Loader	120,000	0
Public Works	Streets	Ford F250 Utility	41,959	0
Public Works	Streets	Ford F150 Pick-up	0	25,000
Public Works	Streets	Sterling 10 Wheel Dump	0	26,407
Public Works	Streets	Leboy Paver	151,763	0
Public Works	Streets	John Deere Backhoe	0	204,276
Public Works	Wastewater	Godwin Pump	54,539	0
Public Works	Wastewater	Godwin Pump	54,539	0
Public Works	Wastewater	Goodwin 3" Trash Pump	31,838	0
Public Works	Wastewater	Goodwin 4" Trash Pump	37,375	0
Public Works	Wastewater	Pioneer 6" Trash Pump	35,668	0
Public Works	Wastewater	Club Car	11,747	0
Public Works	Wastewater	Club Car	11,746	0
Public Works	Wastewater	Vac-Con	0	455,565
Public Works	Wastewater	Gem Flatbed	17,083	0
Public Works	Wastewater	Gem Flatbed	16,394	0
Public Works	Water	Ingersol Rand Compressor	0	4,583
Public Works	Water	MK Concrete Saw	0	24,968
Public Works	Water	Ford F650 Dump Truck	67,011	0
Public Works	Water	International 4700 Water Truck	59,882	0
Public Works	Water	Ford F150 Pick-up	21,826	0
Public Works	Water	Ford F150 Pick-up	30,628	0
Public Works	Water	Ford F650 Utility	0	206,747
Public Works	Water	Ford F250 SD Utility	46,374	0
Public Works	Water	Ford F150 Pick-Up	0	26,879
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
<b>Total Vehicle Replacement</b>			<b>\$ 1,738,920</b>	<b>\$ 1,772,900</b>

## BUDGET POLICIES

### **Budget and Fiscal Policy**

*(Last Amended by City Council: May 26, 2020)*

#### 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, fund balance, reserves, internal service funds, Other Post-Employment Benefit funding, appropriations limitation, capital improvement, human resource management and economic development incentives.

#### 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/Other Post-Employment Benefits (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.

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 and Information Systems staff will increase the budget.

2.8.6 **CIP Project Closure**

When a project is ready to be closed, Finance and Information Systems staff will send the PM a Project Closure Form for their approval. Upon PM approval, Finance and Information Systems staff will: 1) close all open purchase orders; 2) make the necessary entries to return any remaining funds back to the appropriate accounts; and 3) close the project accounts.

2.8.7 **Multi-Year CIP Projects**

When an approved project is designated as a Multi-Year project, the City Manager, or designee, and/or Director of Finance and Information Systems, or designee, has the authority to make CIP and operating budget adjustments, between CIP project budget years. The adjustments made shall result in no change in the total amount appropriated or funded in the CIP budget period, so long as there is adequate funding sources available.

### 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 year-end.

#### 3.2 **Interim Reporting**

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

3.2.1 Departmental online 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 and mid-term 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 for 1) documentation including, but not limited to, Official Statements, Trust Agreements, and final debt service schedules and 2) transfers of loan proceeds to capital projects approved by Council to receive associated funding.
- 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 5.9, 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:

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

- 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 investment expenses related to Council approved investment management agreements of the City's funds.
- 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 payments for repairs when the City will receive reimbursement through an insurance claim.
- 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 subrogation/cost recovery fees when the City will receive reimbursement for damages to City property.
- 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 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.

- 3.3.13 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.
- 3.3.14 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.
- 3.3.15 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 grants awarded to the City when the grant term extends beyond the fiscal year the grant is awarded. The adjustments made will not exceed the total amount of the grant award.
- 3.3.16 When requesting an amendment to the budget, the fiscal impact must include the following information:
  - 3.3.16.1 The total cost of the amendment and basis for the cost estimate.
  - 3.3.16.2 Whether the cost is "one-time" or recurring.
  - 3.3.16.3 Whether or not funds may be transferred from another source and if so, what effect the transfer would have on that source.
  - 3.3.16.4 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.
  - 3.3.16.5 A summary of any revenue offsets that are expected due to the amendment and when they will be received.
  - 3.3.16.6 Whether there will be a future reduction of costs and if so, how long it will take to recover the initial cost.

- 3.3.17 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.
- 3.3.18 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments for any transfer calculated pursuant to the requirements of Section 7.1.1 of this policy.
- 3.3.19 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments for any expenditure to pay down unfunded pension and/or retiree medical benefit obligations require pursuant to Section 7.1.1.2 of this policy.
- 3.3.20 Department Expenditures
- 3.3.20.1 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.
- 3.3.20.2 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.
- 3.3.20.3 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:

4.3.1.1 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, re-zonings, general plan amendments, variances, use permits, etc.).
- 5.4.2 Engineering (public improvement plan checks, inspections, subdivision requirements encroachments, etc.).
- 5.4.3 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 XIID, 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, goal of 75% recovery of 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 Economic Development 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, less any investment fair market value gains, will be allocated as follows:

7.1.1.1 If the Pension/OPEB Obligation Fund unrestricted fund balance is less than \$10,000,000: 100% of the amount identified in Section 7.1.1 of this Policy is transferred to the Pension/OPEB Obligation Fund.

7.1.1.2 If the Pension/OPEB Obligation Fund unrestricted fund balance is greater than \$10,000,000: 50% of the amount identified in Section 7.1.1 of this Policy shall be used to pay down the City's unfunded pension and/or retiree medical benefit obligations, and 50% of the amount identified in Section 7.1.1 of this Policy is transferred to the Pension/OPEB Obligation Fund. The Director of Finance and Information Systems shall determine the distribution of any amounts used to pay down the City's unfunded pension and/or retiree medical obligations.

7.1.1.3 If the City's pension and retiree medical obligations are 100% funded as of the most recent actuarial report, any amount identified in Section 7.1.1 of this Policy shall be transferred to the Pension/OPEB Obligation Fund.

7.1.1.4 The provisions of this section shall not be carried out during a declared emergency from the City's Director of Emergency Services or within 6 months of the expiration of such a declaration. In these circumstances separate City Council approval is required prior to implementing this section.

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 first year of the two-year Strategic Plan period. The fund balance designation is limited to the current two-year Strategic Plan period unspent budget.

7.1.3 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 General Fund.

## 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. 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 major repair costs of existing facilities.

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.

7.8 **Insurance Fund**

The City will maintain an Insurance Fund to provide a funding source for 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.

7.9 **Facilities Maintenance Service 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 and service cost.

7.10 **Fleet Maintenance Services 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.

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.

7.12 **Parks and LLAD Replacement Fund**

The City will maintain a Parks and Landscape and Lighting Assessment Districts (LLAD) Replacement Fund to provide a funding source for replacement needs 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.

## **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 at least 85% of the annual actuarial determined contribution, or a substantially equivalent financial metric as calculated by the City's actuary. Once the City's OPEB trust has reached an 85% funded ratio, the City will maintain funding at a level percentage of payroll until it attains a funded ratio of 100%.

## **9. HUMAN RESOURCE MANAGEMENT**

### **9.1 Regular Staffing**

- 9.1.1 The budget will fully appropriate the resources needed for authorized regular staffing and will limit programs to the regular staffing authorized.
- 9.1.2 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:
- 9.1.2.1 Fill an authorized regular position.
  - 9.1.2.2 Be assigned to an appropriate bargaining unit, or otherwise designated with at-will status.
  - 9.1.2.3 Receive salary and benefits consistent with labor agreements or other compensation plans.
- 9.1.3 To manage the growth of the regular work force and overall staffing costs, the City will follow these procedures:
- 9.1.3.1 The City Council will authorize all regular positions.
  - 9.1.3.2 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.

9.1.3.3 The Human Resources Department will coordinate and oversee the hiring of all regular and limited service employees.

9.1.3.4 All requests for additional regular positions will include evaluations of:

9.1.3.4.1 The necessity, term and expected results of the proposed activity.

9.1.3.4.2 Staffing and materials costs including salary, benefits, equipment, uniform, clerical support and facilities.

9.1.3.4.3 The ability of private industry to provide the proposed service.

9.1.3.4.4 Additional revenues or cost savings, which may be realized.

9.1.3.4.5 The availability of a sustainable revenue source to fund the additional personnel costs.

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

## 9.2 **Police Sworn Position Overstaffing**

9.2.1 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.

9.2.2 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.

9.2.3 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.

9.2.4 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.

### 9.3 **Limited Service**

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

9.3.2 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.

9.3.3 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.

9.3.4 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.

## 10. **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.

#### 10.1 **Sales Tax Sharing Agreements**

- 10.1.1 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.
- 10.1.2 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.
- 10.1.3 Sales tax sharing agreements shall be limited to a maximum of 15 years.
- 10.1.4 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.
- 10.1.5 Annual updates on the status of sales tax sharing agreements shall be provided to the City Council by the parties to the agreements.

## **Capital Financing and Debt Management Policy**

*(Last Amended by City Council: June 25, 2019)*

### **1. CAPITAL FINANCING AND DEBT MANAGEMENT**

#### **1.1 Capital Financing**

1.1.1 The City will consider the use of debt financing only for one-time capital improvement projects and only under the following circumstances.

1.1.1.1 When the project's useful life will exceed the term of the financing.

1.1.1.2 When project revenues or specific resources will be sufficient to service the long-term debt.

1.1.2 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).

1.1.3 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.

1.1.4 The City will use the following criteria to evaluate pay-as-you-go versus long-term financing in funding capital improvements:

1.1.4.1 Factors Favoring Pay-As-You Go Financing:

1.1.4.1.1 Current revenues and adequate fund balances are available or project phasing can be accomplished.

1.1.4.1.2 Existing debt levels adversely affect the City's credit rating.

1.1.4.1.3 Market conditions are unstable or present difficulties in marketing.

1.1.4.2 Factors Favoring Long Term Financing:

- 1.1.4.2.1 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.
- 1.1.4.2.2 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.
- 1.1.4.2.3 Market conditions present favorable interest rates and demand for City financing.
- 1.1.4.2.4 A project is mandated by state or federal requirements, and resources are insufficient or unavailable.
- 1.1.4.2.5 The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.

## 1.2. **Debt Management**

- 1.2.1 The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
- 1.2.2 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.
- 1.2.3 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.
- 1.2.4 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.
- 1.2.5 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.

- 1.2.6 The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- 1.2.7 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).
- 1.2.8 The City will use debt proceeds as a funding source for City Council approved one-time capital improvement projects.
- 1.2.9 Pursuant to Government Code Section 5852.1 "SB 450", for all new obligations issued after January 1, 2018, City Council or Authority reports, either in the Resolution or the staff report, must contain good faith estimates with respect to the obligation. Such good faith estimates may be provided to the City or the Authority by the Municipal Advisor, underwriter or placement agent. Each estimate should be based on the financing plan and current market conditions, including the proposed interest rate prevailing at the time of preparation of the estimate.
- 1.2.10 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.
- 1.2.11 **Variable Rate Debt**
- 1.2.11.1 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:
- 1.2.11.1.1 **High Interest Rate Environment** - Current interest rates are above historic average trends.
- 1.2.11.1.2 **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.
- 1.2.11.1.3 **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.

- 1.2.11.1.4 **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).

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

1.2.12.1 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.

1.2.12.2 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.

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

1.2.13.1 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.



1.2.13.2 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”).

1.2.13.3 **External Advisors and Documentation**

1.2.13.3.1 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.

1.2.13.3.2 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.

1.2.13.3.3 The Responsible Officer and other appropriate Issuer personnel shall maintain compliance with the regulations set forth in Government Code Section 8855 (i), Rule 15(c)2-12 – Securities and Exchange Commission Rule 15(c)2-12, Continuing Disclosure and 8855(k) of the California Government Code (CDIAC Reporting).

The City shall remain in compliance with Rule 15c2-12, promulgated by the Securities and Exchange

Commission under the Securities Exchange Act of 1934, by filing (to the extent required by the applicable continuing disclosure undertaking) its annual financial statements and other financial and operating data for the benefit of its bondholders within nine months of the close of the fiscal year, or by such other annual deadline required in any continuing disclosure agreement or certificate for any debt issue. The City shall maintain a log or file evidencing that all continuing disclosure filings have been made promptly.

A copy of all debt-related records shall be retained at the City's offices. At minimum, these records shall include all official statements, bond legal documents/transcripts, resolutions, trustee statements, leases, and title reports for each City financing (to the extent available). Such records shall be retained while any bonds of an issue are outstanding and during the three-year period following the final maturity or redemption of the bond issue or, if later, while any bonds that refund bonds of that original issue are outstanding and for the three year period following the final maturity or redemption date of the latest refunding bond issue.

- 1.2.13.3.4 One of the City's priorities in the management of debt is to assure that the proceeds of the debt will be directed to the intended use for which the debt has been issued. In furtherance of this priority, the following procedures shall apply:

The Responsible Officer shall retain, for the applicable period a copy of each annual report filed with the California Debt and Investment Advisory Commission ("CDIAC") pursuant to Section 8855(k) of the California Government Code concerning (1) debt authorized during the applicable reporting period (whether issued or not), (2) debt outstanding during the reporting period, and (3) the use during the reporting period of proceeds of issued debt.

In connection with the preparation of each annual report to be filed with CDIAC pursuant to Section

8855(k) of the California Government Code, the Responsible Officer shall keep a record of the original intended use for which the debt has been issued, and indicate whether the proceeds spent during the applicable one-year reporting period for such annual report comport with the intended use (at the time of original issuance or as modified pursuant to the following sentence).

If a change in intended use has been authorized subsequent to the original issuance of the debt, the Finance Division shall indicate in the record when the change in use was authorized and whether the City Council, City Manager, or another City official has authorized the change in intended use. The Responsible Officer or designee shall report apparent deviations from the intended use in debt proceeds to the City Manager for further discussion, and if the City Manager determines appropriate in consultation with legal counsel (which may be bond counsel, if applicable, or the City Attorney), to the City Council.

1.2.13.4 **Role of the Issuer as Bond Issuer**

1.2.13.4.1 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.

1.2.13.4.2 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.

1.2.13.5 **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.) The use of bond proceeds and their investments must be monitored to ensure compliance with all arbitrage rebate requirements of the

Internal Revenue Code and related Internal Revenue Service regulations, in keeping with the covenants of the City and/or related entity in the tax certificate for any federally tax-exempt financing. The Responsible Officer shall ensure that all bond proceeds and investments are tracked in a manner which facilitates accurate calculation; and, if a rebate payment is due, such payment is made in a timely manner.

1.2.13.5.1 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.

1.2.13.5.2 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.

1.2.13.5.3 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.

1.2.13.5.4 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.

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

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

- 1.2.13.6.1 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.
- 1.2.13.6.2 Maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds.
- 1.2.13.6.3 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.
- 1.2.13.6.4 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.
- 1.2.13.6.5 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.

If the debt has been issued to finance a capital project and the project timeline or scope of project has changed in a way that all or a portion of the debt proceeds cannot be expended on the original project, the Finance Director shall consult with the City Manager and legal counsel (which may be bond counsel, if applicable, or the City Attorney) as to available alternatives for the expenditure of the

remaining debt proceeds (including prepayment of the debt).

1.2.13.7 **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:

1.2.13.7.1 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.

1.2.13.7.2 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.

1.2.13.7.3 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.

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

## 1.2.14 **Debt Capacity**

1.2.14.1 **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.

1.2.14.2 **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.

1.2.15 **Land-Based Financings**

- 1.2.15.1 **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.
- 1.2.15.2 **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.
- 1.2.15.3 **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.
- 1.2.15.4 **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.
- 1.2.15.5 **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.
- 1.2.15.6 **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.

- 1.2.15.7 **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%.
- 1.2.15.8 **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.
- 1.2.15.9 **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.
- 12.15.10 **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.
- 1.2.15.11 **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.
- 1.2.16 **Conduit Financings**
- 1.2.16.1 The City will consider requests for conduit financing on a case-by-case basis using the following criteria:
- 1.2.16.1.1 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.
- 1.2.16.1.2 There is a clearly articulated public purpose in providing the conduit financing.
- 1.2.16.1.3 The applicant is capable of achieving this public purpose.



1.2.16.2 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.

1.2.16.3 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.

#### 1.2.17 **Refinancing Outstanding Debt**

1.2.17.1 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:

1.2.17.1.1 **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.

1.2.17.1.2 **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.

- 1.2.17.1.3 **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.
- 1.2.17.1.4 **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.
- 1.2.17.1.5 **Arbitrage** The City shall take all necessary steps to optimize escrows and to avoid negative arbitrage on any refunding.

### 1.3 **Financing Team Selection**

#### 1.3.1 **Selection of Bond Counsel**

- 1.3.1.1 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.

1.3.1.2 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.

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

1.3.2 **Selection of Disclosure Counsel**

1.3.2.1 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.

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

1.3.3 **Selection of Municipal Advisor**

1.3.3.1 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.

1.3.3.2 Municipal Advisor compensation shall be negotiated on a case-by-case basis.

## **Investment Policy**

*(Last Amended by City Council: June 25, 2019)*

### **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" long-term or "A-1" short-term, the 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. Purchases of supranationals may not exceed 30% of the City's investment portfolio.

7.17 **Asset-Backed Securities:** Mortgage pass-through securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable pass-through certificates, and consumer receivable-backed bonds. Securities eligible for investment under this subdivision 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 and have a maximum remaining maturity of five years or less. 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. Internal Controls**

The City Treasurer/Director of Finance and Information Systems is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the City are protected from loss, theft, fraud or misuse.

**12. Performance Standards**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The City will measure the portfolio's performance against a market benchmark that is commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

**13. 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.

**14. 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.

**15. Glossary of Terms**

**15.1 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 or 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.

### **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

**MG** – Millions of Gallons

**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 and road maintenance, rehabilitation and other roadway projects allowed under the code.
- 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 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 2019 Civic Center Project Lease Revenue Refunding Bonds Debt Service** – This fund accounts for debt service transactions relating to the 2009 Civic Center Project Lease Revenue Bonds.
- 462 2006 A & B Refinance Bonds Debt Service** – This fund accounts for CIFP tax assessment receipt and debt service payments of CIFP Infrastructure Revenue Bonds.
- 463 Capital Improvement Financing Program 2006-1 Debt Service** – This fund accounts for CIFP tax assessment receipt and debt service payments of CIFP Infrastructure Revenue Bonds.
- 464 Capital Improvement Financing Program 2005-1 Debt Service** – This fund accounts for CIFP Tax assessments receipts and debt service payments on CIFP Infrastructure Revenue Bonds.
- 465 96R Assessment District Debt Service** – This fund accounts for CIFP Tax assessment receipts and debt service payments on CIFP Infrastructure Revenue Bonds.
- 466 2015 Lease Financing Debt Service** – This fund accounts for debt service transactions related to the 2015 Lease Financing.
- 501 City Rentals Enterprise** – This fund accounts for all the City facilities rented and maintained through this fund.
- 510 Housing Enterprise** – This fund accounts for the administration of the Housing Enterprise which includes the Housing rental units, Affordable Housing and the First-Time Homebuyers program.
- 511 Housing Rental Trust** – This fund accounts for the operation and maintenance of the Housing rental units.
- 513 Housing Replacement** – This fund accounts for revenues and expenditures associated with the replacement of housing 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.

