

City of Pleasanton, CA

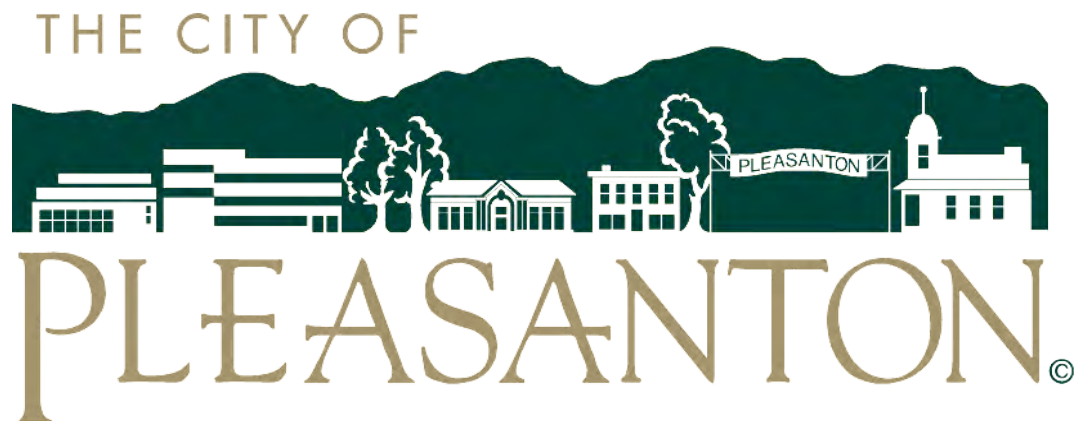
FY2021/22 - FY2022/23

Operating Budget



CITY OF PLEASANTON, CALIFORNIA OPERATING BUDGET

FY 2021/22 – FY 2022/23



City Council

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Nelson Fialho, City Manager

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City Manager's Budget Message

FY 2021/22 - FY 2022/23 Operating Budget



City Manager's Budget Message

Nelson Fialho
City Manager

Honorable Mayor and City Councilmembers,

It is my pleasure to present the FY 2021/22 and FY 2022/23 Operating Budget (Budget) for the City of Pleasanton. This Budget represents the City's two-year financial plan for delivering City services in a fiscally responsible manner consistent with the priorities, goals, and objectives adopted by the City Council. As described in more detail in the Strategic Goals section following the City Manager's Budget Message, the Budget and 4-year Capital Improvement Program (CIP) provide funding for projects and programs consistent with the City's strategic goals reflected in the following City Council's recently adopted Two-year Work Plan:

- COVID-19 Response and Recovery
- Bernal Property
- General Plan
- Fiscal Sustainability
- Affordable Housing
- Traffic Circulation
- Economic Development
- Youth Programs
- Public Safety
- Quality of Life
- Environmental Awareness
- City Services
- Organizational Success

Overall, the General Fund Budget anticipates modest revenue growth that will enable the City to continue to provide valuable services to the community while allocating between \$2.5 and \$5 million each annually to the City's CIP and Repair and Replacement funds that furthers investments in the City's infrastructure and facilities and maintains reserves at levels consistent with the City's policy all of which are the City's primary priorities when developing the budget. However, staff does not anticipate General Fund revenues to recover to their pre-COVID levels within the next two years. Fortunately, the American Rescue Plan allocates approximately \$8.5 million to the City of Pleasanton that can be used to off-set revenue losses incurred as a result of the COVID-19 related restrictions. The General Fund budget allocates that \$8.5 million equally between the two fiscal years.

While the financial stability of the City is relatively sound for the next two fiscal years, there are a couple of trends that could adversely affect the City's fiscal health in subsequent years. For example, it is unclear when business travel and therefore the City's Transient Occupancy Taxes (TOT) that were \$6.5 million pre-pandemic and expected to be approximately \$2.1 million in FY 2020/21 will recover to pre-pandemic levels. The City's increasing pension expenses through FY 2029/30 are also putting pressure

on the City's ability to balance future budgets. Finally, recreation revenues are not budgeted to recover to pre-pandemic levels because it is unclear whether residents will participate in recreation programs to the extent they had participated before the pandemic. As described in more detail below, the City has plans to address these fiscal challenges both in terms of economic development and a plan to address revenue losses should the City's revenues take more than two years to fully recover.

Following is an overview of the City's Budget, the City's financial challenges, Pleasanton's economy, and City Council priorities reflected in the Budget.

FY 2021/22 and FY 2022/23 Citywide Budget

The FY 2021/22 expenditure budget totals \$223.5 million including General Fund, Enterprise Funds, Special Revenue Funds, CIP Funds¹, Repair and Replacement Funds, Internal Services Funds, and Trust Funds. The FY 2022/23 budget totals \$221.9 million.

Fund Category	FY 2019/20 Actuals	FY 2020/21 Mid-Year	FY 2021/22 Projected	% of Budget	FY 2022/23 Projected	% of Budget
General Fund	\$113,806,097	\$116,726,474	\$125,466,340	64.3%	\$133,565,354	64.9%
Enterprise Funds	44,600,257	50,141,394	52,965,858	27.1%	55,208,134	26.8%
Internal Services Funds	13,898,023	16,844,232	13,495,711	6.9%	14,320,442	7.0%
Special Revenue Funds	2,157,301	4,911,932	3,125,802	1.6%	2,715,388	1.3%
CIP Funds	17,216,637	73,223,165	28,360,000	20.0%	16,005,000	12.7%
Trust Funds	25,105	40,780	40,780	0.0%	40,780	0.0%
Totals	\$191,703,419	\$261,887,976	\$223,454,491	100.0%	\$221,855,098	100.0%

General Fund FY 2021/22 and FY 2022/23 Operating Revenues and Expenditures

As described in the table below, the General Fund budget is balanced in FY 2021/22 and FY 2022/23.

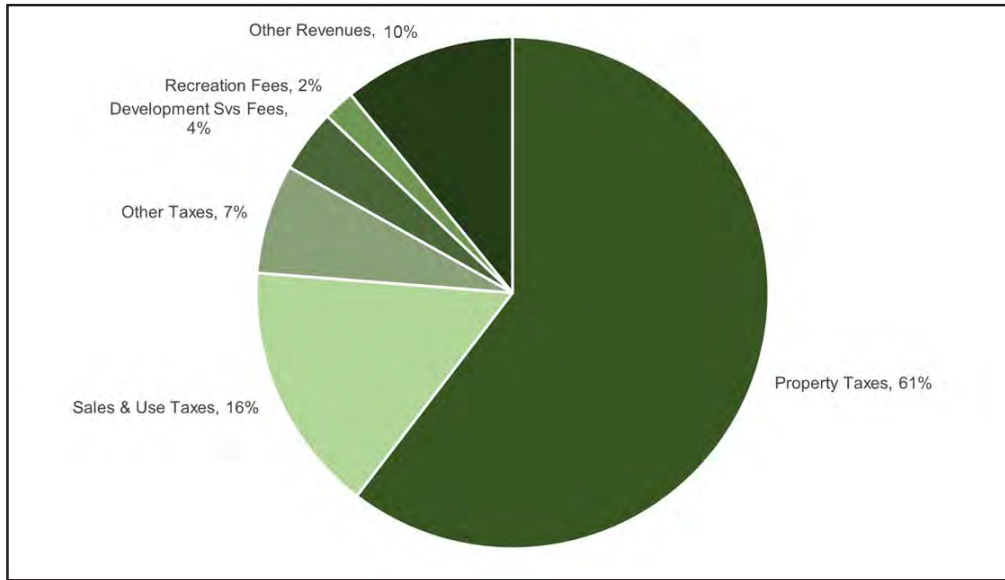
	FY 2019/20 Actuals	FY 2020/21 Mid-Year	FY 2021/22 Projected	FY 2022/23 Projected
Revenues	\$124,353,299	\$121,940,015	\$131,641,838	\$137,089,323
Use of Crisis Response Program Reserve	–	–	400,000	400,000
Net Transfers	(6,987,676)	(6,443,540)	(6,575,498)	(3,923,969)
Expenditures	(113,806,097)	(116,726,474)	(125,466,340)	(133,565,354)
Difference	\$3,559,526	(\$1,230,000)	–	–

Total General Fund revenues are estimated to be \$131.6 million in FY 2021/22, an increase of \$9.7 million or seven percent from the FY 2020/21 Mid-year budget. The primary increase in revenues is property taxes (\$2.5 million) and other revenues (\$2.9 million). There are also revenues that are decreasing, Development Services fees (\$0.3 million). As described in the chart below, 84 percent of General

¹ FY 2020/21 Midyear CIP Funds represents all available CIP project budgets as of March 31, 2021.

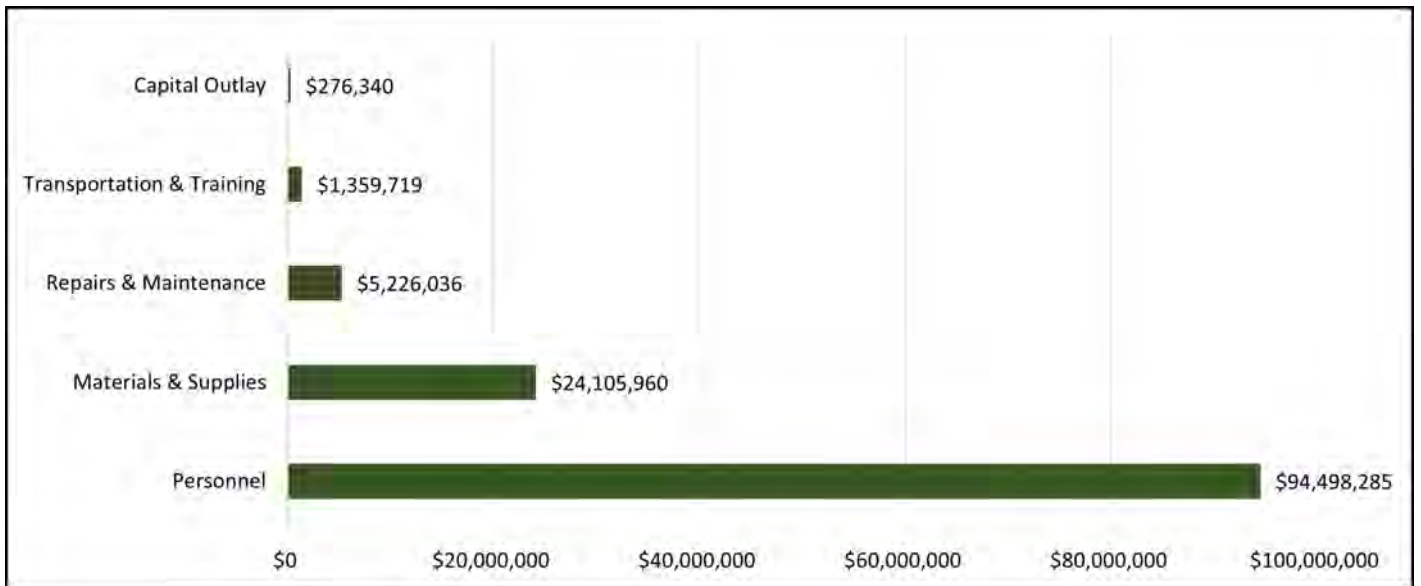
Fund revenues is derived from taxes including property tax, sales tax, Transient Occupancy Tax (TOT), and Business License². The balance of General Fund revenues come from fees for services, fines, interest earnings, and inter-fund charges.

FY 2021/22 Projected General Fund Revenues



Total General Fund expenditures are \$125.5 million in FY 2021/22 or \$8.7 million more than the FY 2020/21 Mid-year budget. Of the \$8.7 million increase, \$5.6 million or 64 percent is for Personnel expenses that consists of (1) full staffing³ (2) annual wage increases, (3) a new Battalion Chief position, (4) increased temporary salaries in the Library and Recreation Department to reinstate programs reduced or eliminated during the pandemic, and (5) increased pension contributions.

FY 2021/22 General Fund Expenditures



² TOT and Business License taxes are included in the Other Taxes category.

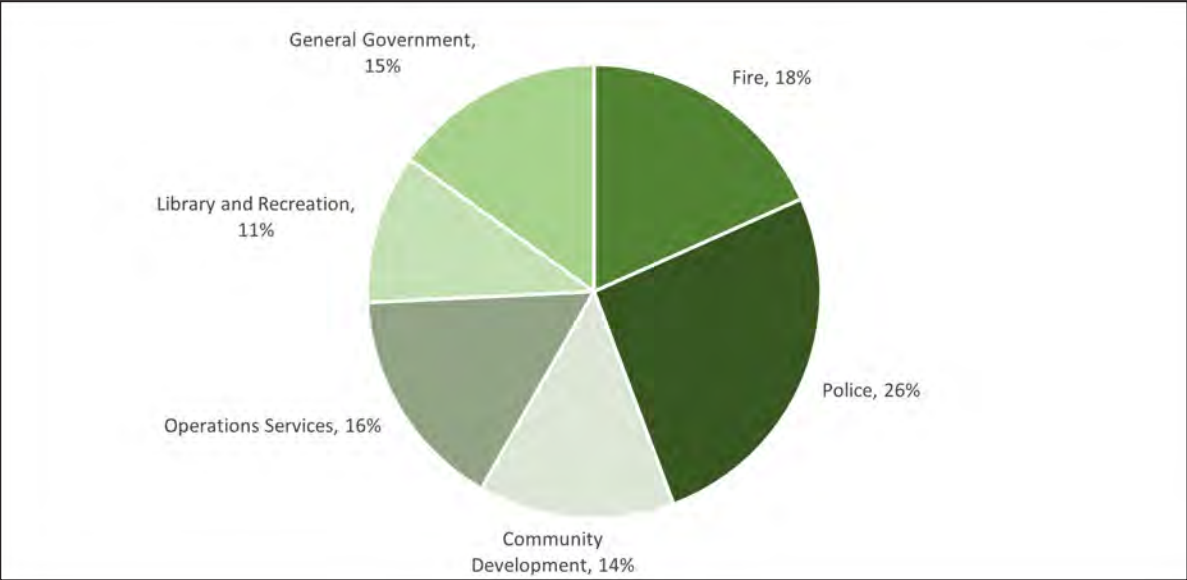
³ The FY 2020/21 Mid-year General Fund budget includes \$3.5 million in savings from vacant positions.

The remaining \$3.1 million increase is for non-labor expenses, \$1 million of which are off-set by increased Planning reimbursement revenues, \$880,000 from an increase to the contingency for wage and benefit increases that have not yet been granted. There are various other non-labor increases that are contractually required such as garbage pick-up and disposal, uniform costs, and software maintenance contracts. Those costs are discussed in more detail below.

General Fund Budget by Service Category

As described in the chart below, public safety (Fire and Police) comprises 44 percent of the City’s FY 2021/22 General Fund budget while Operations Services is 16 percent, General Government 15 percent, Community Development 14 percent and Library and Recreation 11 percent.

FY 2021/22 General Fund Expenditures by Service Category



The Current Economic Climate

Federal Economy

The U.S. economy has partially rebounded from the pandemic induced deep contraction and is expected to continue to do so through 2021. The Federal Reserve predicts that the economy could grow by 6.5 percent and the unemployment rate will likely drop to five percent from the current six percent. Inflation could accelerate by approximately 2.5 percent, or 0.5 percent greater than is considered healthy. That said, the Federal Reserve considers that inflation spike to be temporary as price increases level off as supply bottlenecks that were caused by the pandemic are resolved. In addition, the economy's continued rebound depends on the following variables (1) the spread of the virus, (2) the deployment and effectiveness of COVID-19 vaccines, (3) the impact of fiscal support, and (4) the pace at which mobility and travel restrictions are lifted.



California State Economy

In January 2021 the Governor released his proposed FY 2021/22 budget that anticipates operating revenues to grow by 1.9 percent that reflects growth in the following major revenue categories: Personal Income Tax, Sales and Use Tax and in Corporation Tax. Although the outlook for the current budget is improved, the administration conservatively projects that the three main General Fund revenue sources will continue to grow by only 1.9 percent annually through FY 2024-25. The Governor's budget includes \$14 billion to bolster the state's economic recovery including direct cash supports, extension of protections to keep people in their homes and relief grants to small businesses.



The Local Economy

Pleasanton's economy faltered during the pandemic but is showing signs of improving. The local unemployment rate stood at 4.9 percent through March 2021, a decrease from April 2020 when it was 10.5 percent and is better than Alameda County as a whole in March 2021 which was 6.5 percent and the state of California at 8.3 percent. Pleasanton's housing values continue to increase – the median home in Q4 of 2020 was \$1.3 million which is 18 percent greater than Q4 of 2019.

Commercial Building Purchases

2019 was a positive year as highlighted by noteworthy commercial sales activity such as Dollinger Properties' combined purchase of 116,253 square feet, Northern California District Council of Laborers acquisition of 56,146 square feet and West Valley Properties purchase of 93,800 square feet, all in Hacienda business park. However, as a direct result of widespread COVID restrictions beginning at the end of Q1 2020, Pleasanton and the Tri-Valley region experienced a significantly slowed market that lasted through the end of 2020. Notably, during this time asking rates decreased only slightly to \$3.12 per square foot by the end of the year, compared to \$3.14 per square foot one year prior, reflecting the underlying value in Pleasanton's commercial office inventory despite a constrained market.

By mid-2020 there were a few transactions, including the \$5.275 million sale of 22,212 square feet at 4400 Black Avenue currently occupied by AT&T. The most positive news came in late 2020/early 2021 with 10X

Genomics' purchase of the 14.5-acre JCPenney-anchored retail center at 1701 Springdale Avenue on which the global company has proposed building a state-of-the-art biotech campus to complement its recently updated adjacent headquarters at 6230 Stoneridge Mall Road. 10X Genomics' also supported its immediate needs with lease of 145,155 square feet at Pleasanton Corporate Commons and renewal of 38,454 square feet of flex space at Bernal Corporate Park. 10X's growth trajectory serves as a tangible demonstration of Pleasanton's environment as a successful location for life sciences related businesses.

Commercial Leasing Activity

A focus on business continuity and modified building operations were at the forefront for most companies. Overall, Class A office has been affected by pandemic restrictions far greater than Class B or flex sectors, as service companies continue to work remotely. As a result, vacancy rates in Pleasanton increased four percent from a year earlier to 13.5 percent in the first few months of 2021 as employers reduced their footprint or vacated space entirely. Despite the impacts and challenges, Pleasanton and the Tri-Valley continue to be a highly desirable Bay Area submarket for a breadth of industry sectors given its competitive pricing for high-quality space combined with connections to an experienced professional and technical talent pool. Case in point: The average Pleasanton only asking rate of \$3.10 per square foot saw a nominal decrease from last year's \$3.16 per square foot, another marker of the longstanding strength of Pleasanton's commercial market. This is underscored by 2020 leasing transactions such as Cooper Vision's lease renewal of 48,390 a square fee at 5870 Stoneridge Drive; sublease by Revance Therapeutics of 30,772 square feet at Pleasanton Corporate Commons; Accsys Technology's releasing of 26,240, in Valley Business Park; Apro's leasing of 20,317 square feet in Bernal Corporate Park; and Stanford Medical's lease of 22,411 square feet at Hacienda Lakes as the health care provider continues to expand its presence in the city. By the end of Q1 2021 additional transactions were being inked, including Kaiser Permanente's leasing 21,000 square feet at 3825 Hopyard Road and Advantage Solutions' lease of 13,000 square feet at 6900 Koll Center Parkway.

Yet, until the new normal working environment is established, the full return of employees to the office will be a measured process throughout 2021.

JDEDZ

The Johnson Drive Economic Development Zone (JDEDZ) approved by City Council on February 4, 2020 changed General Plan land use designations and zoning to spur investment in 40 acres of mostly underutilized land primarily fronting Johnson Drive near Interstate 680 (I-680) and Stoneridge Drive. The mix of uses expected to occur within the JDEDZ project area with full buildout includes club retail (also known as warehouse club), hotel, recreational facilities, and general retail establishments. Thus far, Costco Wholesale Corporation and a hotel developer have each acquired land in the JDEDZ to locate a Costco warehouse and two all-suites hotels. The two hotels and Costco are expected to be constructed and operational by March of 2023.



Design renderings of the proposed Costco Warehouse.

Stoneridge Mall Renovations

In April 2019, the City approved design plans from Simon Property Group for the first significant renovation to the Stoneridge Shopping Center property since The Cheesecake Factory and P.F. Chang's

restaurants were added in 2005. The project will demolish the 176,000-square-foot former Sears storefront along with a 1,189-stall parking garage to be replaced with almost 256,000 square feet of new multi-use retail and outdoor recreation space.

The additions are planned to include three new buildings for retail stores, with exterior walkways connecting to both floors of the mall. A fourth new building would include space for a 23,000-square-foot specialty grocery market and two restaurants on the ground floor, and a roughly 40,000-square-foot movie theater on the second floor, while another new building would feature a 125,000-square-foot lifestyle fitness facility with a restaurant space; should a health club tenant not be secured, Simon would place a hotel in that building.



Design renderings of the proposed Stoneridge Mall enhancements.

In August 2019, Simon also proposed a 486-unit residential development on the adjacent housing opportunity site. In 2020, Simon submitted a preliminary proposal with a revised mixed use project concept that would integrate the commercial expansion and residential projects. The projects were on pause through 2020 and early 2021, due to COVID-19; however, Simon has indicated that they are committed to pursuing a substantial infill/redevelopment project in this portion of the Mall property.

Major Expenses – Personnel

Personnel is the largest cost category in the City’s budget comprising 75 percent of the City’s expenditures. The Personnel expense category includes salaries (temporary and full-time), overtime, health benefits, Workers Compensation, and pensions. Each major Personnel cost category is discussed separately below.

Salaries

Salaries are set through labor agreements and for several years have increased by approximately three percent annually. The FY 2021/22 and FY 2022/23 budgets include salary increases consistent with the City’s labor agreements. The General Fund contingency includes three percent for Management and Confidential salary increases. The FY 2021/22 and FY 2022/23 General Fund contingency also includes funding for Pleasanton City Employees Association (PCEA) and International Association of Fire Fighters (IAFF) wage increases that will be negotiated in FY 2021/22.

Health Benefits

The City’s labor agreements limit the City’s contribution to health benefits to the Kaiser premium rates. Annual Kaiser premiums tend to fluctuate considerably. For example, Kaiser premium rates increased by 11 percent between FY 2017/18 and FY 2018/19 and then decreased by 1.5 percent between FY 2018/19 and FY 2019/20. Kaiser premium rate changes are primarily based on City staff and retirees’ prior year’s utilization of Kaiser services. The FY 2021/22 budget includes a decrease of less than one percent in Kaiser premiums and the FY 2022/23 budget assumes total health benefit costs will increase by six percent. The City receives health benefit premium rates every year in April for the subsequent fiscal year. Thus, the FY 2022/23 mid-term budget will be adjusted to reflect the actual change for that year.

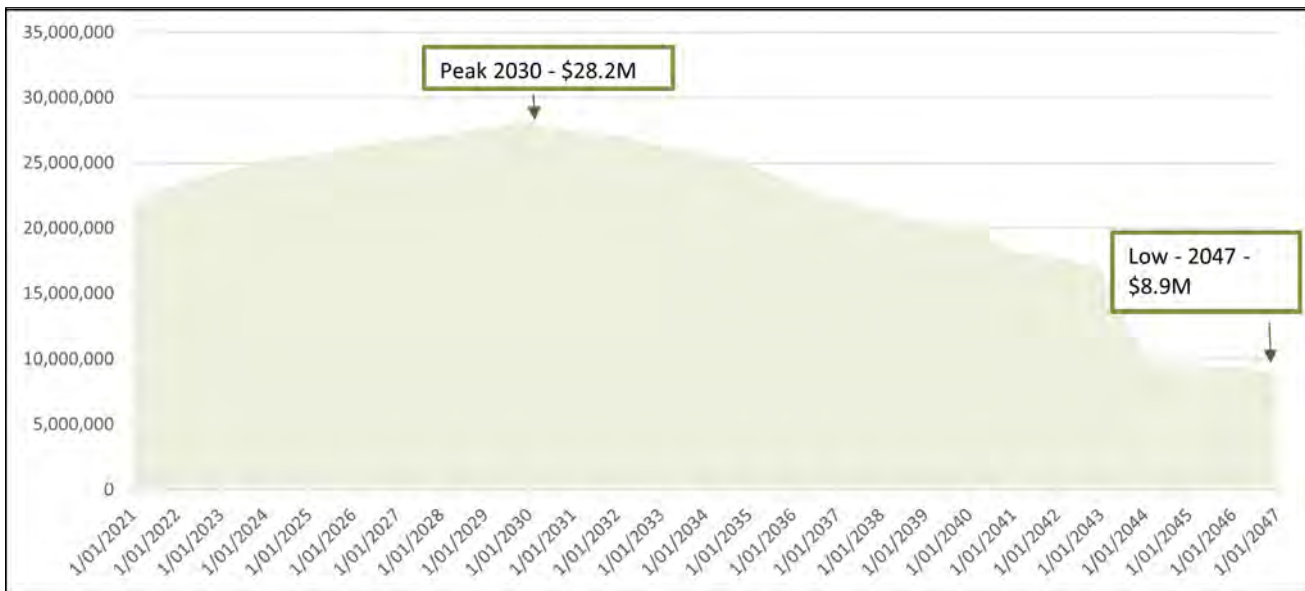
Workers Compensation

Workers Compensation claims are projected to decrease by approximately \$800,000 between FY 2019/20 and FY 2020/21 or a 32 percent decline⁴. However, between FY 2019/20 and FY 2020/21, the City's liability for outstanding claims has increased by \$700,000 or six percent, which suggests that the City's future Workers Compensation claims payments are likely to increase, but not as much as the City has experienced in prior years. That said, the City will need to increase Workers Compensation reserves within the next couple of years to ensure there is at least 70 percent of the claims liability available to pay future claims. In addition, the Human Resources Department added a Human Resources Coordinator position in FY 2018/19 to help manage Workers Compensation claims to better contain costs.

Pensions

The City's pension expenses substantially increased since the Great Recession primarily due to CalPERS investment losses and various changes in CalPERS policies as it relates to calculating pension liabilities, the most significant of which is the reduced CalPERS discount rate. CalPERS adopted a policy in January 2017 that reduced the CalPERS discount rate from 7.5 percent in FY 2017/18, to 7.0 percent in FY 2020/21. CalPERS goal is to strengthen the long-term sustainability of the fund to pay promised benefits and reduce the long-term risk of contribution increases associated with the volatility of the markets. Reducing the discount rate results in increased annual pension contributions. CalPERS has been ramping up those contributions to a peak in FY 2029/30 then slowly decreasing for 14 years, a sharp 40 percent decrease in 2044 and then fully paid off in 2047. As described in the chart below, following that trend the City's pension contributions start with \$22 million in FY 2021/22⁵ steadily increase to \$28.2 million in FY 2029/30, and by 2047 the annual pension contributions drop to \$8.9 million after which pension contributions should stabilize since all of the current members will be under the reduced state mandated pension benefits and there will be accelerating mortality rates for classic members.

Estimated Total Pension Contributions



⁴ Includes Pleasanton's portion of LPFD's Workers Compensation costs.

⁵ For all City funds including Water and Sewer funds.

To date, the City has allocated a total of \$38 million⁶ towards a Section 115 Pension Trust Fund administered by PARS (PARS Trust Fund), comprised of both short- and long-term investments. City Council also adopted policies that placed limits on the City's ability to draw on the PARS Trust Fund to ensure funds are available to make pension contributions during financially difficult times without having to reduce City services. In addition, the extent to which the City is able to not draw on the PARS Trust Fund, the fund can grow through compounded investment earnings. As described in the City's 10-year General Fund Forecast, staff anticipate the City may need to draw on the PARS Trust Fund in FY 2027/28 through FY 2028/29 to balance the budget.

Major Expenses – Non-Personnel

Non-labor expenses include (1) utilities, (2) contractual services, (3) repairs and replacement of the City's equipment, facilities, and parks, and (4) materials and supplies. Each major non-labor expense category is discussed separately below.

Utilities (Electricity, Phones, Garbage, Sewer and Water)

The City's water and sewer expenses have increased by approximately \$850,000 or 62 percent since 2017 due, in part, to the state lifting drought restrictions that increased water consumption. In addition, Zone 7, the source of most of the City's water supply, increased wholesale water rates by 45% between January 1, 2016 and January 1, 2019. The FY 2021/22 and FY 2022/23 budget include minor increases in water and sewer expenses.

The remaining FY 2021/22 and FY 2022/23 utility budgets have modest increases based on expected rate increases, except electricity that has a minor decrease from FY 2020/21 based on current usage trends.

Contractual Services

The City uses contractual services to support City operations including (1) building and grounds maintenance, (2) engineering and architectural design, (3) temporary employment agency staff to back fill vacancies until positions can be filled, (4) consultant support for planning studies, (5) instructors for recreation classes, (5) and outside legal counsel. The City's overall budget for contractual services increased by \$1 million or nine percent in FY 2021/22 compared to FY 2020/21. Of that, the Community Development Department increased its budget by approximately \$420,000 to provide planning and building inspection support to specific new projects underway that will be 100 percent reimbursed by the developer. The balance of approximately \$600,000 is primarily related to reinstating crossing guard and contract recreation instructor services that were paused during the pandemic.

Repairs and Replacement

General Fund allocations to City Repair and Replacement funds is \$2.5 and \$5 million annually in FY 2021/22 and FY 2022/23

⁶ The balance as of March 31, 2021 with investment earnings is \$46.1 million.

Materials and Supplies

Materials and supplies include office supplies, small equipment, uniform costs, and data processing equipment and software. The FY 2021/22 and FY 2022/23 Materials and Supplies budgets are \$115,000 or six percent greater than the FY 2020/21 Mid-year budget reflecting expected increased demand for office related supplies as more staff return to the office after the pandemic subsides.

Major Revenues

The City's major revenue sources include Property Tax, Sales Tax, Business License Tax, and Transient Occupancy Tax (TOT) which collectively account for 82 percent of the General Fund's overall revenues.

The City's property tax base has been steadily increasing since the low of \$47.9 million during the recession in FY 2011/12 to \$79.9 million in FY 2021/22, a \$32 million or a 67 percent increase. This has been due to increasing property values and additional residential and commercial development over the past ten years. Property taxes are estimated to increase by \$2.5 million or three percent.

Sales Tax revenues have also increased from a low of \$15.2 million in FY 2009/10 during the recession to \$23 million in FY 2018/19, a \$7.8 million or a 51 percent increase. However, prior to the pandemic sales tax increases had been slowing down due to increased regional shopping competition and consumers' continued shift to on-line sales. During the pandemic, sales tax revenue decreased by 13 percent and is not expected to return to pre-pandemic levels until FY 2023/24. The proposed Costco warehouse, three new hotels⁷ and the Stoneridge Mall development are expected to result in \$2.5 million increased annual sales tax, property tax and hotel taxes to the City that will help compensate for the sales tax declines.

TOT revenues had also increased from a low of \$2.7 million in FY 2009/10 to \$6.5 million in FY 2018/19 or a 141 percent increase. TOT revenues experienced the sharpest decline during the pandemic. In FY 2020/21 TOT revenues are projected to be \$2.1 million or \$4.4 million less than FY 2018/19. The City's TOT taxes are primarily derived from business travel which is not expected to fully recover until FY 2024/25. As such, staff conservatively assumed TOT revenues at \$3.2 million in FY 2021/22. TOT revenues are expected to increase with the addition of two new hotels planned to be constructed on Johnson Drive near the corner of Stoneridge Drive. The FY 2021/22 and FY 2022/23 budget does not include revenue estimates from these two new hotels since staff does not yet have a firm date when they are expected to be open.



Pleasanton is evolving as a hospitality destination for a small subset of hotel guests. Local travel destinations include Livermore Valley wineries, Stoneridge Shopping Center, Alameda County Fairgrounds, Callippe Preserve Golf Course, and hiking and open space recreational amenities, among others.

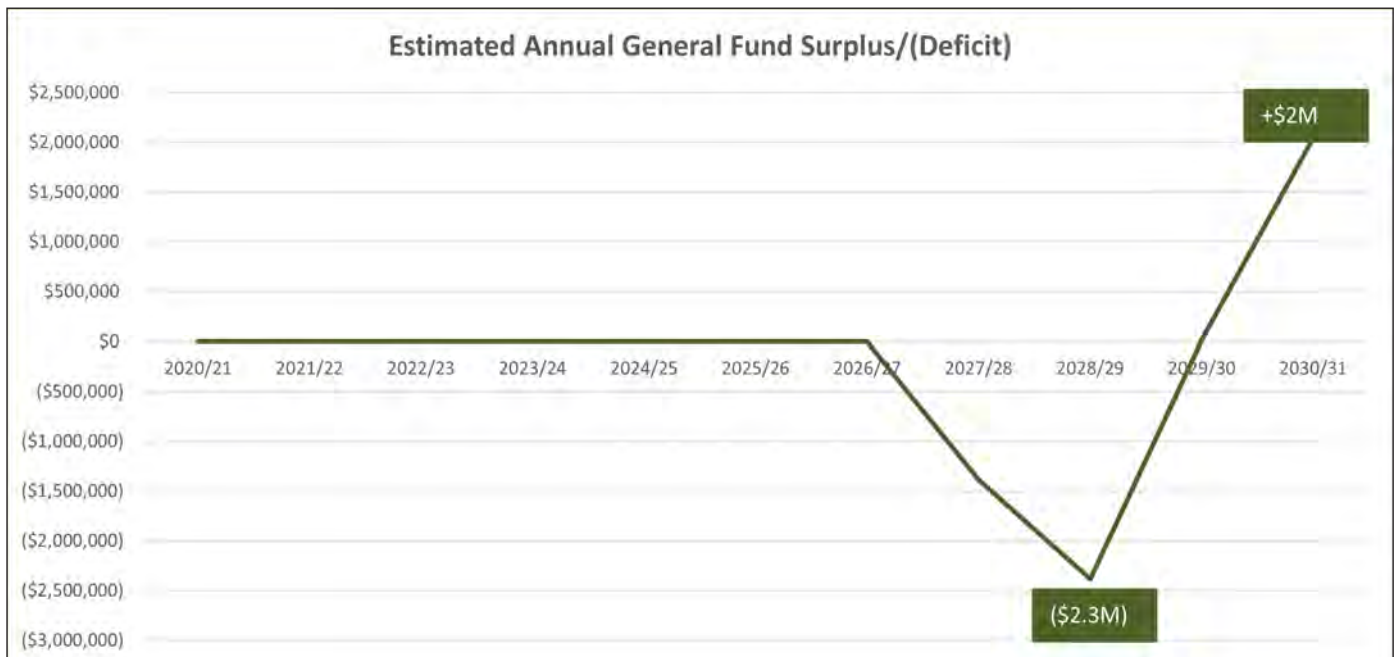
Business License Taxes have been steadily increasing over the past ten years from \$2.8 million in FY 2011/12 to \$4.7 million in FY 2019/20. Staff expected Business License taxes to decline during the pandemic but thus far they are anticipated to be \$4.7 million in FY 2020/21 or the same as FY 2019/20. The FY 2021/22 budget assumes Business License Taxes will be approximately \$4.1 million. Based on actual current year trends, it is likely that staff will recommend increasing Business License Tax revenues during the FY 2021/22 Mid-year budget review.

⁷ Two hotels planned in the JDEDZ.

General Fund Ten-Year Financial Forecast

The General Fund ten-year financial forecast is the mechanism by which the long-term financial health of the City's most important fund is monitored. By tracking and trending current and anticipated revenues and expenses, the forecast provides a tool for City management and policymakers to understand the impact of decisions to the City's fiscal health. The forecast includes projections of current revenues and expenses including pension contributions as estimated by the City's actuary, Bartel and Associates. In addition, the forecast includes projected tax revenues associated with anticipated development over the next ten years. The General Fund ten-year financial forecast is included under Appendix D.

As described in the chart below, the current ten-year projection indicates that the City's General Fund operating budget should be balanced with a minimum of \$5 million allocated to Repair and Replacement funds and \$5 million allocated to the CIP annually starting in FY 2022/23 while maintaining reserves equal to at least 20% of operating expenses through FY 2026/27. This assumes the City allocates the \$5.3 million remaining balance in the Rainy Day Fund to help balance FY 2023/24 through FY 2027/28 budgets. As pension contributions increase, Rainy Day Fund reserves deplete, and the need to allocate additional funds to the General Fund reserve to maintain reserves equal to at least 20 percent of operating expenses, the General Fund falls into a deficit for the subsequent two fiscal years and then recovers in FY 2029/30 through expected development that will boost tax revenues. During those four years, the City will either reduce operating expenses, reduce allocations to the CIP and Repair and Replacement funds, and/or draw on the Section 115 Pension Trust Fund to help cover pension expenses.



Service Level Changes from FY 2020/21

Increased service levels included in the budget are primarily in the area of recreation, arts and library services that the City paused during FY 2020/21 because of the pandemic related restrictions. The service levels are not budgeted to increase to pre-pandemic levels based on expectations that some members of the public may not yet feel comfortable participating in programs and events with groups of people. The Library and Recreation Department will also require time to ramp up programs that have been paused for more than a year.

The budget also includes \$400,000 annually to fund a Crisis Response Program in the Police Department that will provide specialized resources to respond to those in acute mental health crisis that are not currently available today. The current response model requires dispatching a police officer to all mental health related calls without the benefit of a trained and licensed clinician. The Crisis Response program will include the response of a trained and licensed clinician at the time of the call to help evaluate the severity of crisis, refer the person in need to other services, or arrange for their transport to a care facility for further evaluation. The goal of the program is to reduce the number of people detained for mental health evaluations. Program design specifics will be reviewed and considered by the City Council in the first half of FY 2021/22 with program implementation scheduled for January 2022.

A new Management Analyst position has been added to the City Manager's Office to be funded by Measure D and Import Mitigation Fee revenues to focus on sustainability efforts in the areas of recycling, energy, and the environment. A key focus in the coming year will be on the implementation of California State Law SB 1383 which seeks to reduce organic waste in the landfill. In addition, this position will support the City's efforts around Energy and the Environment, assisting as a staff liaison with East Bay Community Energy and working with the Committee on Energy and Environment.

Finally, 2.0 FTE Battalion Chief positions have been added to Livermore Pleasanton Fire Department's (LPFD) budget of which the City of Pleasanton is responsible for funding 50 percent or 1.0 FTE. The Battalion Chief is the ranking person on duty and is responsible for planning, directing, and coordinating the staffing activities of all fire suppression personnel on their assigned shift. The number of Battalion Chief positions has not increased since the mid 1990s. Since the then, the total population of the two cities has grown by over 36,000 persons (a 26.5% increase), the number of households has increased by over 12,000 (a 24.5% increase), and the number of annual incidents that LPFD responds to has increased by over 4,800 (a 63.2% increase). The new Battalion Chief positions will help LPFD better respond to the increased incidents.

Conclusion

In closing this message, I would like to express my appreciation to the City Council for providing positive leadership and direction on behalf of the community. The City's commissions and committees have also provided invaluable assistance in developing the City's priorities that led to the proposed Budget. I also want to thank City staff for their dedication and effort toward providing excellent services to the Pleasanton community and to making a commitment to accomplish the goals set out in the Budget and the City Council Work Plan.

I would like to thank the Finance Department's work on developing the budget. Under the leadership of Tina Olson, Director of Finance, they have assembled a budget document that is comprehensive, accurate, and easy to read. I would also like to acknowledge Charly Yang, Mahin Shah, Andrew Obando, Raquel Zegarra, Thinh Lucero, and Erika Newsome for their work on developing the budget and assembling the budget book. Finally, I would also like to thank the Executive Team for the thoughtful contributions to the budget and for their consistent hard work and commitment to the City.

Respectfully submitted,



Nelson Fialho
City Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Pleasanton

California

For the Biennium Beginning

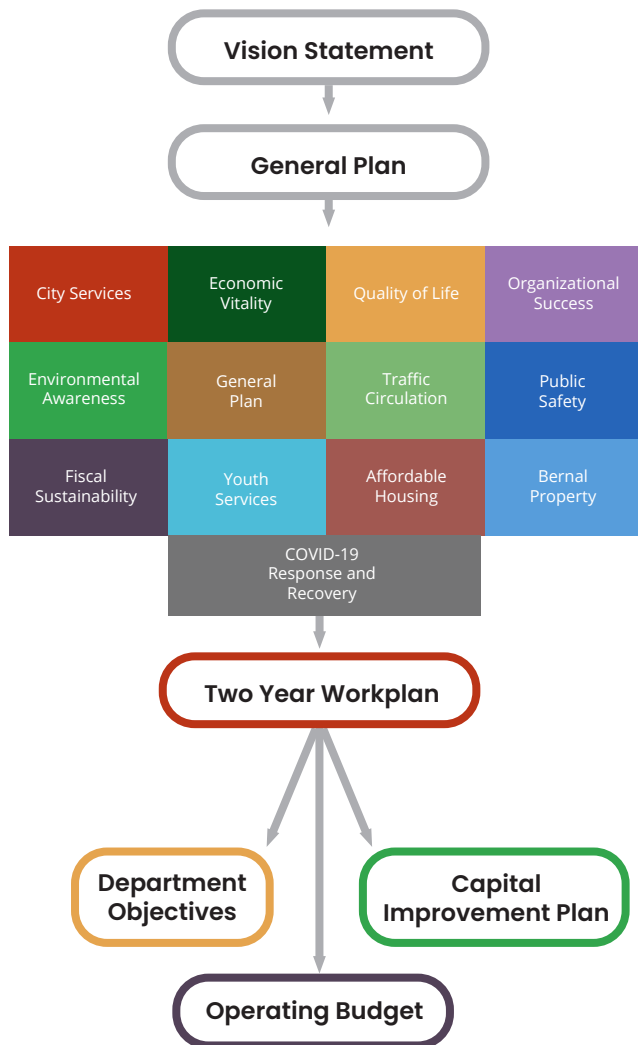
July 1, 2019

Christopher P. Morill

Executive Director

City of Pleasanton Strategic Goals

Essential to a City's success is defining clear and achievable goals that are pursued through strategic planning and community input. Pleasanton's City Council two-year work plan sets a framework for addressing new policies, programs, services, activities, and capital projects for the coming two years. All of the goals on the work plan are organized into twelve strategic categories that cover short and long term planning efforts, services for residents of all ages, and projects to improve the quality of all aspects of life in Pleasanton. Each category contains a description of the goal, and how the City aims to achieve those goals through the next two fiscal years.



COVID-19 Response and Recovery

Lead and Assist Others in recovery from COVID-19

City staff will focus on reopening City Services when it is safe to do so as well as continue to support local business and non-profits in Pleasanton. Finally, the budget is focused on maintaining fiscal stability through limited use of reserve funds to balance the budget as the City recovers from COVID related revenue shortfalls.

Fiscal Sustainability

Maintain the City's fiscal sustainability and develop long-term financial strategies

The City's budget includes funding for consultant services to update the City's water and sewer rates that will provide funding to remediate PFAS as well as update the City's water and sewer master plans.

Bernal Property

Develop Bernal property and its various subplots to meet the community's needs

The City has set allocated \$350,000 to the design for Phase I of Farm Master Plan for the Bernal Property. The farm would service local and regional 4-H clubs and other related organizations to enhance youth related activities and education.

General Plan

Implement the City's General Plan and pursue long-term advanced planning activities

The Council Work Plan focuses on a variety of development projects within the City. For example the Lester Property subdivision which if approved would construct up to 31 single-family homes and open space improvements and developing a planning framework for Stoneridge Mall redevelopment proposal that includes housing and mixed use development.

Affordable Housing

Address affordable housing needs in the community through a variety of mechanisms

The budget includes funding for consultants to assist in updating the City's Housing Element.

Economic Development

Foster economic prosperity among Pleasanton businesses and promote the local economy

There is funding in the budget to support expanding Pleasanton's life sciences industry sector and to continue developing business support programs to assist the City's small business recover from the COVID-19 restrictions.

City Services

Offer additional City services and continue to operate an effective and cost-efficient government

The budget includes funding to update the Eastern Alameda County Human Services Needs Assessment.

Environmental Awareness

Pursue environmental awareness, health, land use and preservation issues

The budget includes funds to update and implement the City's Climate Action Plan that will address state mandated greenhouse gas emissions tracking and reductions to 1990 levels.

Organizational Success

Develop and implement new and creative initiatives for organizational success

The budget includes funding for the City to develop a disability access transition plan to serve as a guide to the City's efforts to improve accessibility for all individuals in public buildings and other public spaces.

Youth Programs

Strengthen programs, services and activities for youth, teenagers and young adults

The budget includes funds support the Health and Wellness subcommittee to inform the community and City Council regarding mental health issues facing Pleasanton children, youth, teens and their families as well as to redesign the Ptownlife website to highlight educational programs for those impacted by COVID.

Quality of Life

Protect and enhance Pleasanton's quality of life including the downtown area

A number of quality of life enhancements are planned to make Pleasanton better for all who live and work in the community including the Lions Wayside and Delucchi Park renovation, conducting assessments of the Amador Theater and Century House, masterplanning an inclusionary/all access playground and determining a location and designing cricket pitches/fields.

Public Safety

Strengthen the City's public safety programs to ensure a safe and secure community

The budget continues to prioritize funding and resources to ensure the safety of its citizens and visitors through funding design Fire Station #2 improvements and design of an Emergency Operations Center to be located at the City's Operations center site.

Traffic Circulation

Implement improved traffic circulation measures through new programs and updated infrastructure

The FY 2021/22 and 2022/23 CIP includes \$19.6 million for various transportation improvement projects including Sunol Boulevard interchange improvements, West Las Positas Boulevard improvements, traffic signal detection upgrade for bicycles, and street resurfacing.

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ABOUT THE CITY OF PLEASANTON

- Historical Overview & Community Snapshot
- Pleasanton Community Profile
- City of Pleasanton Organization Chart
- City of Pleasanton Geographic Region
- Pleasanton Vision Statement and Values

ABOUT THE CITY OF PLEASANTON

Historical Overview

The area that grew to be the city of Pleasanton played a significant role in California history as a Native American settlement and later a Spanish settlement during the Mission period, a growing crossroads during the Gold Rush and railroad development eras, and in the agricultural and film making industries.

The City's environs were settled 4,000 years ago by the Ohlone Indians and became a thriving agricultural area when the Spanish arrived in the 1770s. Located along the first Transcontinental railway, the area was known as Alisal in the 1850s when it served as a main mercantile stopover during the Gold Rush era. The town also enjoyed the nickname "The Most Desperate Town in the West," due to many bandits who ambushed gold miners returning with their riches. Rolling grasslands were dotted with cattle and the area was home to the largest hops crop in the United States. The town was also home to a 500 acre ranch purchased in the 1880s by George and Phoebe Apperson Hearst. Pleasanton was incorporated in 1894 and named for Major General Alfred Pleasanton of the Union Army. A typographical error by the U.S. Post Office is believed to be responsible for the current spelling of the City's name.

Vision Statement

Pleasanton is a well-planned, balanced community with desirable neighborhoods, an award-winning downtown with a small-town character, a diversified economic base,



excellent schools, and a wide variety of community facilities. Pleasanton is a great place to live, raise a family, work, and do business.

As the City approaches buildout in the next few years, it will strive to maintain these desirable qualities by continuing to develop a safe, convenient, and uncongested circulation system by providing a comprehensive system of bicycle and pedestrian trails; by providing additional recreational and cultural facilities for the health and well-being of its residents; by strengthening outreach to business of all sizes; and by preserving natural resources, including water and air quality, and the community's environmental sensitivity. The City will seek to minimize health and safety hazards. Pleasanton is committed to sustainable community principles and will meet the needs of the current generation without compromising future generations. Pleasanton will maintain a positive and productive relationship with the Tri-Valley region, working collaboratively to address traffic and land use issues. The City will continue to emphasize community participation and model the principles of the "Community of Character" of respect, responsibility, compassion, self-discipline, honesty, and integrity. The City's future, this vision, will depend upon maintaining a balanced budget, using its financial resources wisely, and continuing to promote Pleasanton as the premier place to live, work, and do business.

Population

Pleasanton's rural character remained largely unchanged until the 1960s, when the city underwent a period of unprecedented growth, joining other burgeoning Bay Area cities. Pleasanton's population of 4,203 in 1960 exploded to more than 35,000 residents in 1980.

By the mid-1980s, Pleasanton was the third fastest growing city in California. Realizing such growth would change the face of the City forever, community leaders sought to manage development by adopting the motto, "City of Planned Progress," and worked to ensure that infrastructure planning met residential and commercial needs while retaining the area's historical flavor and heritage. This approach has served the community well as Pleasanton has grown

Year	Population	Pleasanton Jobs
1960	4,203	-
1970	18,328	-
1980	35,160	-
1990	50,553	27,686
2000	65,712	58,931
2010	70,537	52,401
2020	79,526	61,626

to almost 80,000 residents. A large number of Pleasanton's residents are young families drawn to the superior elementary and secondary school system. As Pleasanton grows, its population is diversifying. Currently, there are many cultural and recreational programs for all ages and interests. Local churches, community based organizations, the City of Pleasanton, and the Pleasanton Unified School District have all implemented programs to celebrate ethnic and cultural diversity.

Thriving Commercial Hub

Pleasanton companies positively impact the City's financial health with close to 50 percent of Pleasanton's General Fund tax revenues coming directly or indirectly from business. This revenue helps pay for police and fire services, public works operations, and community services activities.

Pleasanton's business community is noted for its productivity and progressiveness. There are approximately 62,000 employees working within approximately 21 million square feet of commercial, office, and industrial space throughout the City, with strong industry sectors in information technology, life sciences, and professional, technical and scientific services.

Businesses indicate they are attracted to Pleasanton for the highly educated, skilled and diversified regional labor force. Satisfaction among business owners and executives is high in Pleasanton, with 91 percent of local leaders indicating that Pleasanton is a good or excellent location to do business, and 80 percent reporting that they expect their business to remain in Pleasanton five years from now.

Pleasanton Unified School District

The Pleasanton Unified School District employs over 1,240 employees to serve 14,900 students in nine elementary schools, three middle schools, two comprehensive high schools, and two alternative schools. There are a variety of excellent private schools in the Tri-Valley as well.

Expansion Management Magazine identified the Pleasanton Unified School District as a “Gold Medal” district in its 1997 Education Quotient. Since then, 13 of the schools have been recognized as California Distinguished Schools; seven are designated as National Blue Ribbon Schools; and three are recognized National Schools of Character.

Pleasanton’s continuation high school, Village High School, received the State Department of Education’s “California Model School Award.”

Pleasanton’s Bay Area location allows for easy access to a range of two- and four-year colleges and universities, most within an hour’s drive. These include the University of California at Berkeley, Stanford University, California State University East Bay, St. Mary’s College, the University of San Francisco Pleasanton campus, Mills College, Las Positas College and Chabot College. The University of California extension has classes offered in Pleasanton and San Ramon.

Community of Character

The City of Pleasanton, in partnership with the Pleasanton Unified School District and the Pleasanton Chamber of Commerce, adopted six character traits they pledge to model and advance in the community:

- Responsibility
- Compassion
- Self-Discipline
- Honesty
- Respect
- Integrity



Pleasanton boasts a citizenry that is committed to maintaining the standards that make the city a wonderful place to live, to raise a family, to work and to play. By embracing these character traits, the community seeks to expand character development efforts by reinforcing

those values which foster strong individuals, families and neighborhoods. These character traits are woven throughout the structures and processes of the school curriculum as well as the City’s organizational culture. Additionally, as an outward example and a reminder to the community, each characteristic receives special attention during a designated month during which banners displaying the

highlighted value are placed at City and school facilities.

City Services

The Library and Recreation Department offers a broad array of indoor and outdoor activities, classes, services, theatrical productions and facilities for all ages through its Recreation, Civic Arts, and Library divisions. The City of Pleasanton Activities Guide, which can be accessed on the internet at cityofpleasantonca.gov, informs residents and visitors of the array of activities, camps and classes available.



Pleasanton’s Public Library continues to be one of the most used community amenities, serving thousands of residents each month with unique programs and services.



Callippe Preserve Golf Course

Recently named one of the top public courses in the nation, Callippe Preserve provides golfers a challenging 18-hole course, driving range and clubhouse with indoor and outdoor seating.

Facility Rentals

For those planning a wedding reception, birthday party, meeting, sports tournament, or other event, the City rents several facilities to meet the community's needs such as gymnasiums, softball fields, the Senior Center, the Amador Theater, the renovated Veterans' Hall, Callippe Golf Course and the state-of-the-art Firehouse Art Center.

Gingerbread Preschool

The educational and social experiences at the Gingerbread Preschool gives 2-5 year-old children a great head start before they enter Pleasanton's nationally recognized K-12 public school system.

Parks, Trails and Open Space

With several East Bay Regional Parks within a ten mile radius, there is ample opportunity to enjoy the natural wonders of the Tri-Valley. Within the City limits are 47 parks with great amenities, miles of trails including a newly dedicated segment of the Iron Horse Trail and numerous acres of open space. The Alviso Adobe Community Park provides visitors with an opportunity to look into Pleasanton's past.

Recreational Activities for the Developmentally Disabled

The City's RADD program offers recreational activities and events designed for developmentally disabled members of the community, ages 15 and up.

Sports

The City of Pleasanton and local sports clubs offer soccer, baseball, basketball, football, tennis, lacrosse, softball, golf, roller hockey, volleyball, bocce and badminton. In addition, Pleasanton features the largest active sports park in northern California, and a public swimming complex with three pools.

Youth Services

Several departments offer wide ranging activities and services to the community's youth, such as Mini-Sports for children as young as 3, or serving as an appointed City Commissioner on the Youth Commission (open to middle and high school Ridge Runners Camp About Pleasanton students). The City also offers scholarships/limited financial assistance to qualified youth to participate in various activities.

Library

The Pleasanton Public Library encourages reading, learning, and community. Pleasanton's Library provides access to books, media, the internet, community events and activities.

CITY OF PLEASANTON COMMUNITY PROFILE



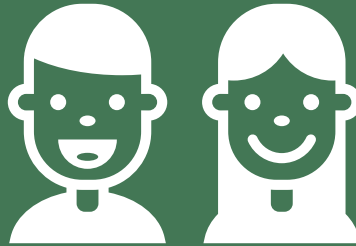
\$240,760
Average Household
Income
(Family of 4)



Owns 2 Cars

Industry Most Likely to Work In

- 20% • Professional, scientific / tech. services
- 14% • Manufacturing
- 10% • Healthcare



The Average Resident

The City of Pleasanton is a great community made up of great people. These facts/figures reflect the average Pleasanton resident.



Possesses a Bachelors Degree
61% of Residents

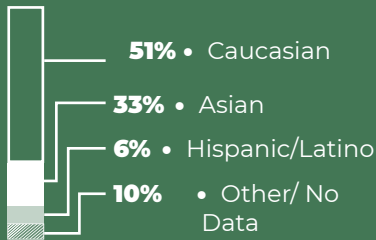
Has a
39 minute
commute time



Owns Their Home
70% of Residents

THE CITY OF PLEASANTON BY THE NUMBERS

Community Demographics



51% Female
49% Male



29,344
Total Housing Units

5,308
Total Fire
Department
Incidents



159
Total
Annual Fires

Large Employers in Pleasanton

5,098
Employees



3,732
Employees



1,493
Employees



1,348
Employees



1,040
Employees



210
Miles



Maintained City Streets



24.2 mi²
Total City
Limit Area

47
Parks



80
Trail
Miles

4 minutes

Average Police
Department
Emergency Call
Response Time

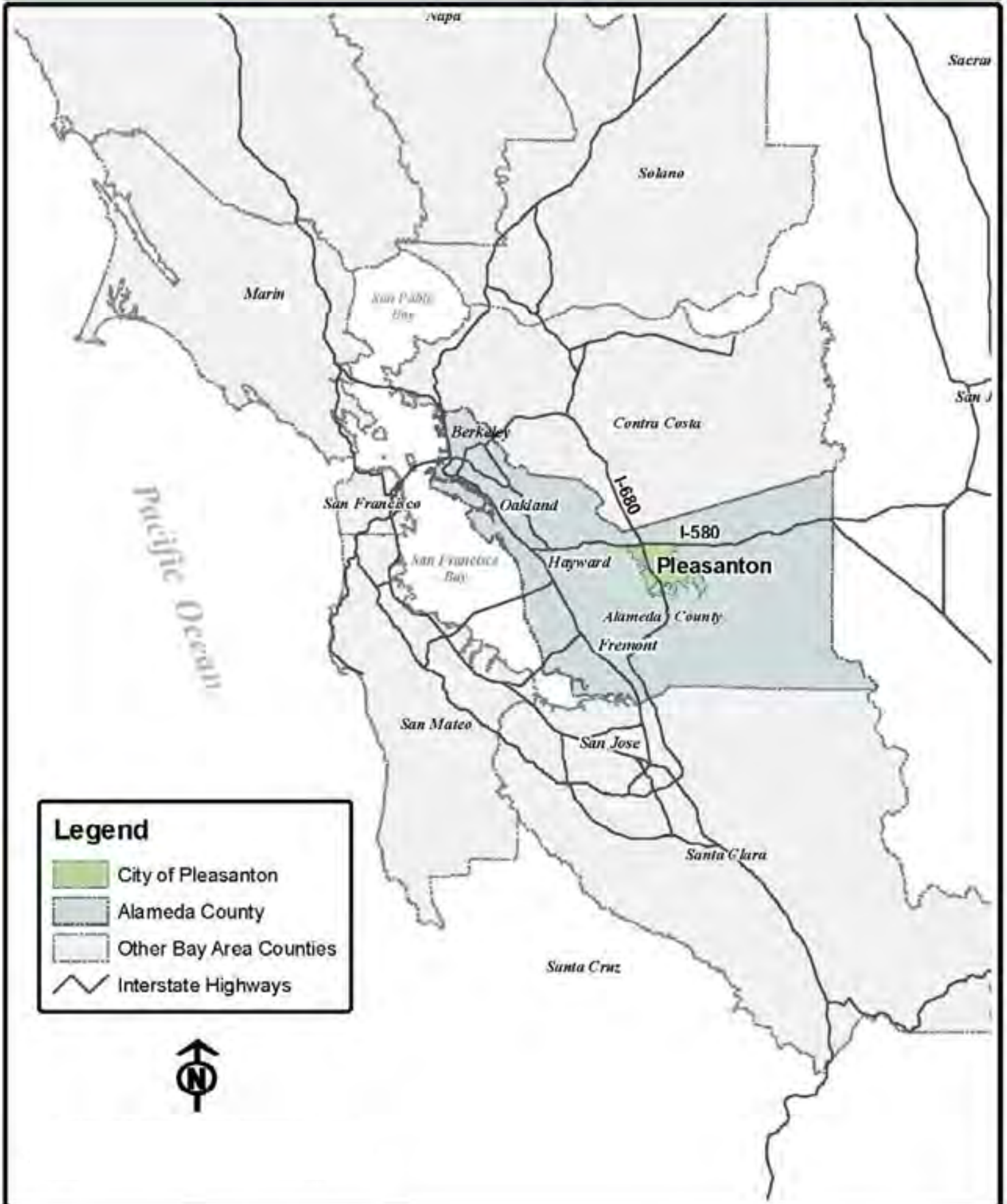


97% of Residents
Say Pleasanton is an
Excellent or Good
place to live

FY 2021/22 - FY 2022/23 ORGANIZATION CHART



Pleasanton, California.



City of Pleasanton Vision Statement

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City of Pleasanton Values Statement

We value **communication** by actively listening and sharing information through open and honest conversation.

We value **service** by being professional, courteous and responsive to others internally and externally.

We value **leadership** by setting the example, being visionary, thoughtful, strategic, supportive, and public service oriented.

We value **collaboration** by engaging in cooperative work across departments and promoting teamwork.

We value **integrity** by doing what is right, being accountable for our actions and demonstrating trust and transparency.

We value **compassion** by keeping an open mind, assuming the best of others, and taking actions that promote a safe and supportive work environment.

We value **learning** by providing opportunities for professional growth and development throughout the organization.

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Budget Summary

FY 2021/22 - FY 2022/23 Operating Budget

Budget Summary

FY 2021/22 – FY 2022/23 Operating Budget

The Two-Year Operating Budget (Operating Budget) is projected to be \$195.1 million in FY 2021/22 and \$205.9 million in FY 2022/23 which represents a 3.4 percent increase from the FY 2020/21 Midyear Budget and another 5.5 percent increase from the FY 2020/21 budget.

The Operating Budget is comprised of a number of funds that are summarized in the following five major categories of funds:

Total Operating Expenditures

Fund Category	FY 2019/20 Actuals	FY 2020/21 Mid-Year	FY 2021/22 Projected	% of Budget	FY 2022/23 Projected	% of Budget
General Fund	\$113,806,097	\$116,726,474	\$125,466,340	64.3%	\$133,565,354	64.9%
Enterprise Funds	44,600,257	50,141,394	52,965,858	27.1%	55,208,134	26.8%
Internal Services Funds	13,898,023	16,844,232	13,495,711	6.9%	14,320,442	7.0%
Special Revenue Funds	2,157,301	4,911,932	3,125,802	1.6%	2,715,388	1.3%
Trust Funds	25,105	40,780	40,780	0.0%	40,780	0.0%
Totals	\$174,486,782	\$188,664,811	\$195,094,491	100.0%	\$205,850,098	100.0%

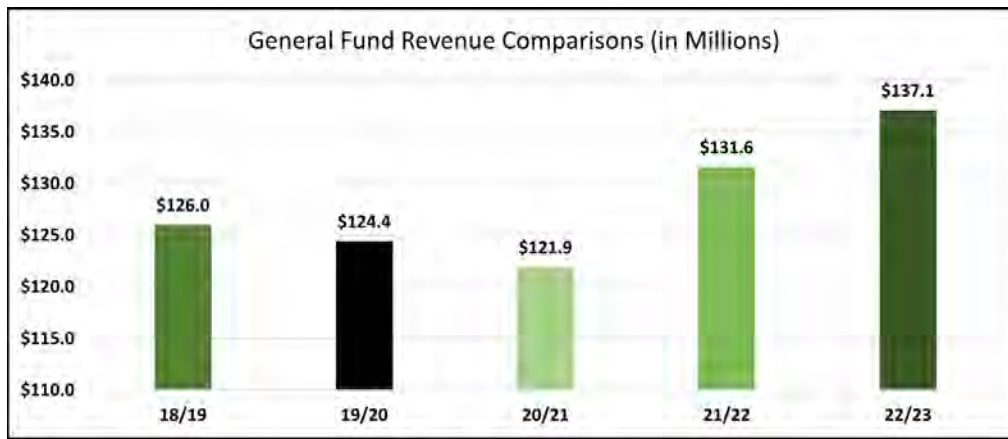
The only funds that are not included in the Operating Budget are Capital Improvement Funds¹.

There are several increases in the FY 2021/22 and FY 2022/23 operating budgets related to salary and fringe benefits pursuant to adopted labor agreements as well as increased PERS pension rates. In addition, there are several non-labor increases related to contractual services, increased repair and replacement accruals, and increased contingency for future wage increases. Increases in each of these expenditure categories are described in more detail below.

General Fund

General Fund operating revenues are projected to total \$131.6 million in FY 2021/22, an eight percent increase over the FY 2020/21 Midyear Budget, and \$137.1 million in FY 2022/23. General Fund operating expenditures are projected to total \$125.5 million in FY 2021/22, an eight percent increase over the FY 2020/21 Midyear Budget, and \$133.6 million in FY 2022/23. The following charts present a comparison of the revenues and expenditures for the five-year period ending FY 2022/23.

¹Please refer to Appendix A for Capital Improvement Program overview.

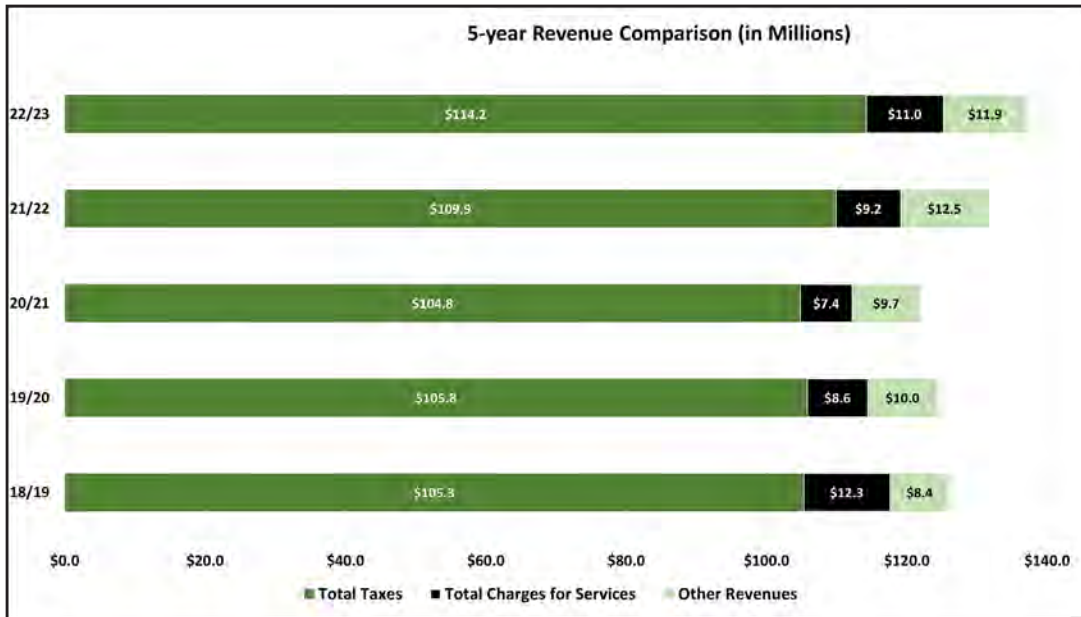


General Fund Revenues

The following table provides a comparison of projected General Fund revenues by major category for FY 2021/22 and FY 2022/23. See Appendix D for detail descriptions and trend history of major General Fund revenues.

General Fund Revenues	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Actual	FY 2020/21 Mid-Year Budget	FY 2021/22 Projected	% Change	FY 2022/23 Projected	% Change
Taxes	\$99,716,613	\$105,329,531	\$105,820,378	\$104,815,123	\$109,859,000	4.8%	\$114,188,000	3.9%
Development Services	6,534,653	6,162,422	4,985,214	5,274,580	4,929,000	-6.6%	5,429,000	10.1%
Fines & Forfeitures	286,392	356,410	240,121	121,500	309,500	154.7%	309,500	0.0%
Interest Income & Rents	527,698	526,322	605,260	406,000	410,000	1.0%	440,000	7.3%
Subventions & Grants	745,293	583,925	302,686	2,014,653	4,519,000	124.3%	4,519,000	0.0%
Franchise Fees	2,685,071	3,075,784	4,984,643	2,975,000	2,985,000	0.3%	3,045,000	2.0%
Current Service Fees	1,532,912	1,305,569	1,300,269	1,274,363	1,370,500	7.5%	1,428,500	4.2%
Miscellaneous	1,269,099	1,432,125	1,392,332	1,695,439	1,773,619	4.6%	977,119	-44.9%
Library Services	91,671	96,998	13,300	2,000	1,000	-50.0%	1,000	0.0%
Recreation Services	5,204,194	4,775,357	2,310,190	774,303	2,879,165	271.8%	4,151,150	44.2%
Interfund Charges	2,472,982	2,387,015	2,398,907	2,587,054	2,606,054	0.7%	2,601,054	-0.2%
Total Revenue	\$121,066,577	\$126,031,456	\$124,353,299	\$121,940,015	\$131,641,838	8.0%	\$137,089,323	4.1%

The following bar graph provides a five year comparison of revenues by major revenue categories:



Tax revenues include property taxes, sales taxes, Transient Occupancy Taxes (TOT), and business license taxes all of which represent approximately 83.4 percent of the General Fund revenues. Property tax (61 percent) and sales tax (16 percent) revenues represent a majority (77 percent) of tax revenues. Total charges for services include Development Services fees, current service fees¹, and Recreation fees. Other revenues include investment earnings, franchise fees, fines and forfeitures, subventions and grants, and interfund charges.

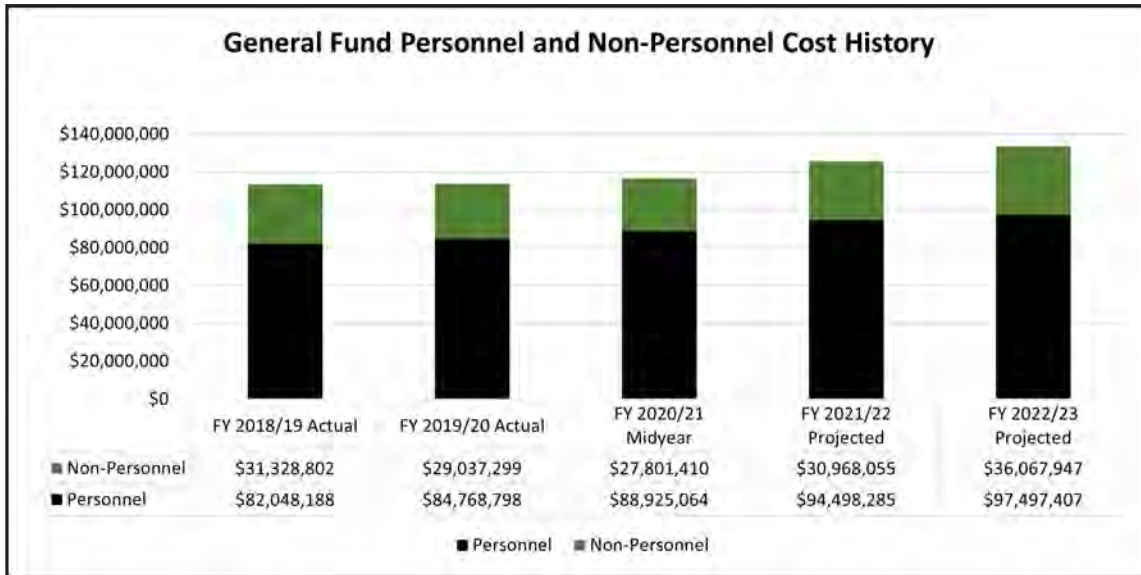
The City will receive \$8.5 million in federal relief funds that has been equally allocated between FY 2021/22 and FY 2022/23 in the Other Revenues category. The federal relief funds may be used to cover general city operating expenses and must be fully expended by December 31, 2024.

¹ Other Current Service Fees are miscellaneous fees including fire training tower rental revenue, fees paid by the County for providing fire protection services in the unincorporated areas, and fees charged by the City's Sign Shop.

General Fund Expenditures

The General Fund Operating Budget is balanced with operating revenues, Rainy Day Fund and Federal Relief Funds.

The following graph presents the historical and proposed relationship between personnel and non-personnel costs in the General Fund.



Analysis of Expenditures by Category

General Fund expenditures are estimated to be \$125.5 million in FY 2021/22, a 7.5 percent increase over the FY 2020/21 Midyear Budget and \$133.6 million in FY 2022/23 a 6.5 percent increase over the FY 2021/22 Budget. The following table summarizes the Budget in each expenditure category from FY 2021/22 through FY 2022/23.

Expenditure Category	FY 2020/21 Mid-Year	FY 2021/22 Projected	% Change	FY 2022/23 Projected	% Change
Personnel	\$88,925,064	\$94,498,285	6.3%	\$97,497,407	3.2%
Transportation & Training	1,548,893	1,359,719	-12.2%	1,425,723	4.9%
Repairs & Maintenance	4,079,509	5,226,036	28.1%	7,901,090	51.2%
Materials & Supplies	21,599,057	24,105,960	11.6%	26,463,794	9.8%
Capital Outlay	573,951	276,340	-51.9%	277,340	0.4%
Total	\$116,726,474	\$125,466,340	7.5%	\$133,565,354	6.5%

Personnel

Personnel costs represent 75.3 percent of the FY 2021/22 General Fund Budget. The Personnel cost increases include step and salary increases pursuant to existing labor contracts, slight increases in health and other benefit costs, increases in PERS rates (see PERS Rate History Table below), increases in temporary salaries for recreation program and increases in annual funding of worker's compensation reserves.

The increases for all funds over the next two years:

	<u>FY 2021/22</u>	<u>FY 2022/23</u>
Total PERS Employer Contribution Increases²	\$1.9M	\$1.2M
Labor Cost Increases per existing MOUs		
Police - POA	3%	3%
Fire - IAFF	1%	0
PCEA	3%	0
Increases in Health Insurance Expenses	\$1M	\$0.4M

The Fire - IAFF MOU expires on December 31, 2021. Thus, while the percent increases noted are one percent for FY 2021/22 and zero in FY 2022/23 that amount will change once the MOU is finalized and will be reflected in both the FY 2021/22 Midyear and FY 2022/23 Midterm updates. Similarly, the PCEA three percent wage increase was effective April 3, 2021. The current MOU expires March 31, 2022. Once the MOU is finalized, the negotiated wage increase will be reflected in the FY 2022/23 Midterm budget.

² While Pension expenses are increasing, the overall increase of \$1.9 million in FY 2021/22 is comparing the FY 2020/21 Midyear budget which reflected filled positions where the City paid pension benefits and excluded vacant positions for which the City has not paid pension benefits. If there are a similar number of vacancies in FY 2021/22 as FY 2020/21, then pension expenses will not increase by \$1.9 million but by a much smaller amount.

Similarly, Health premium rates for Kaiser are decreasing by less than one percent in FY 2021/22. The overall increase of \$1 million in FY 2021/22 is comparing the FY 2020/21 Midyear budget which reflected filled positions where the City paid health benefits and excluded vacant positions for which the City has not paid health benefits. The FY 2021/22 budget assumes all positions are filled. If there are a similar number of vacancies in FY 2021/22 as FY 2020/21, then health benefit expenses will not increase by \$1 million but by a much smaller amount or a net decrease as reflected in the Kaiser rates.

PERS Rate History - Employer Rates

	Misc/Mgmt	Safety- Fire	Safety- Police
2022/23 (projected)	39.2%	58.7%	48.0%
2021/22 (projected)	36.8%	55.6%	45.3%
2020/21	35.5%	55.2%	45.9%
2019/20	33.0%	52.0%	39.7%
2018/19	31.1%	45.6%	37.3%
2017/18 ³	27.5%	44.1%	34.0%
2016/17	26.9%	42.7%	34.1%
2015/16 ²	27.3%	39.1%	33.3%
2014/15	25.7%	37.0%	27.8%
2013/14	24.0%	35.6%	26.1%
2012/13 ¹	21.9%	33.3%	24.7%

¹ Reduction in Safety-Police rate due to payoff of the Police Side Fund on July 1, 2011.

² Beginning with FY 2015-16 CalPERS began collecting employer contributions toward the Safety-Police unfunded liability and side fund as dollar amounts instead of the prior method of contribution rates.

³ Beginning with FY 2017-18 CalPERS began collecting employer contributions toward the Misc/Mgmt & Safety Fire unfunded liability and side fund as dollar amounts instead of the prior method of contribution rates.

Employee Contribution Rates to PERS

Bargaining Group	Employee Contributions % of Payroll	
IAFF	Classic(1)	12%
	Classic(2)	12%
	PEPRA	10.5%
PPOA	Classic(1)	12%
	Classic(2)	12%
	PEPRA	11.5%
PCEA	Classic	8%
	PEPRA	6.25%
MGMT	Classic	8%
	PEPRA	6.25%
CONF	Classic	8%
	PEPRA	6.25%

Note: The City does not contribute towards any employee's share of PERS

Non-Personnel

Non-Personnel costs are approximately 24.7 percent of the Operating Budget in FY 2021/22 and 27 percent in FY 2022/23. The FY 2021/22 Non-Personnel budget is \$3.2 million greater than the FY 2020/21 Midyear Budget mainly due to the following:

Repair and Replacement Allocation	\$1,000,000
Increased Contingency for Wage Increases, and Crisis Response Program	732,961
Increased Planning Reimbursable Expenses*	1,001,450
Contractual Services	1,000,000
Misc. Net Reductions in Department Budgets	(567,766)
TOTALS:	\$3,166,645

*Increased Planning costs are offset by additional reimbursement revenues in the Planning Division..

The FY 2022/23 Non-Personnel Budget is \$5.1 million greater than the FY 2021/22 Budget primarily due to \$2.5 million increased repair and replacement allocation, \$1.5 million increase in contingency for wage increases, and the balance for various increases in contractual services.

Transportation & Training

Transportation and Training costs are estimated to decrease by 12 percent in FY 2021/22 and increase by five percent in FY 2022/23. These costs include training, fuel, maintaining and operating vehicles, patrol cars, and fire units along with annual depreciation cost for scheduled replacement LPFD Livermore and Pleasanton shared equipment accruals. City-wide training expense amounts to about 27 percent of the total amount budgeted in this account including ongoing training for both police and fire personnel.

Repairs & Maintenance

Repairs and Maintenance costs are estimated to increase by \$1.1 million or 28 percent in FY 2021/22 over the FY 2020/21 Midyear Budget and \$2.7 million or 51 percent increase in FY 2022/23. The Repairs and Maintenance category includes a variety of expenditure accounts including computer hardware maintenance, equipment parts, various repair contracts and replacement and renovation allocations that present as charges to various departments. The majority of the costs in this category are repair and replacement charges and includes funding for replacement and/or renovation of parks and medians, computer equipment, rolling stock, city buildings. The \$1.1 million net increase in FY 2021/22 is attributed to increased repair and replacement charges.

Materials & Supplies

Materials and Supplies costs are estimated to increase by \$2.5 million in FY 2021/22 a 12 percent increase and increase by 10 percent in FY 2022/23. The Materials and Supplies category includes a variety of expenditures including professional service contracts, water and sewer charges for City facilities, street light electricity costs, and contributions to the self-insurance liability reserve, community program grants, and contingency funds. As previously noted in the Budget Message, increases in this category over the FY 2020/21 Midyear Budget include (1) an increased contingency for management and confidential wage increases equal to three percent and an estimated three percent raise for PCEA and IAFF employees, the exact amount of which will depend on the final MOUs, (2) an increased contingency by \$400,000 each year to fund Crisis Response Program in the Police Department, (3) the reimbursable expense increase in Planning and Community Development that are off-set by increased revenues, and (4) increases in contractual services that reinstate services to pre-pandemic levels primarily in the Library and Recreation Department as well as the Operations Services Department.

Capital Outlay

Capital Outlay costs are estimated to decrease by \$297,611 or 52 percent in FY 2021/22 and a slight increase in FY 2022/23. The Capital Outlay category includes the purchase of new vehicles, office equipment, computers, software, and field equipment versus the Repairs and Maintenance category which funds the repair and replacement of existing City assets. The expenditure decreases in FY 2021/22 is related to a one-time IT expenditure in FY 2020/21.

Operating and Capital Transfers

Operating transfers to the General Fund include a transfer from the Retiree Medical Fund (\$893,000 in FY 2021/22 and \$900,000 in FY 2022/23) to return the implied subsidy paid by the General Fund on retirees' medical premiums³. In addition, to balance the FY 2022/23 budget, there is a transfer-in of \$2.5 million from the Rainy Day Fund that is more than offset by the \$2.7 million transfer-out to the Rainy Day Fund in FY 2021/22, leaving a balance of \$5.3 million available to balance future General Fund budgets.

Operating transfers from the General Fund include operating subsidies to the Transit Fund, Storm Drain Fund, and the Cemetery Fund. There are also transfers from the General Fund to the Water and Sewer Funds to fund the senior and low-income water and sewer discounts. Under Proposition 218, one classification of water customers cannot subsidize another; therefore, if a City desires to provide senior and low-income discounts to their customers they must fund the discounts through the General Fund of the City. Finally, there is a transfer from the General Fund to the Capital Improvement fund to fund the City's Capital Improvement Program (CIP). The General Fund transfer to the Capital Improvement Fund is \$2.5 million in FY 2021/22 and \$5 million in FY 2022/23 to address capital project funding requirements.

Operating Transfers	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22	Projected FY 2022/23
OPERATING TRANSFERS IN – From:				
Urban Forestry Fund (1/2 of Landscape Architecture Assistant)	\$25,000	\$25,000	\$25,000	\$25,000
Retiree Medical Fund (Implied Subsidy)	1,006,000	1,050,000	893,000	900,000
Happy Valley Infrastructure Loan Repayment from Golf	129,068	31,780	31,780	31,780
Rainy Day Fund	-	-	-	2,512,760
OPERATING TRANSFERS OUT – To:				
CIP & CIPR	(2,590,482)	(1,500,000)	(2,500,000)	(5,000,000)
Senior & Low Income Water & Sewer Discounts				
Water Fund	(266,729)	(250,000)	(250,000)	(250,000)
Sewer Fund	(98,123)	(110,000)	(110,000)	(110,000)
Transit Fund (Subsidy)	(70,204)	(216,717)	(171,893)	(267,881)
Storm Drain Fund (Subsidy)	(330,000)	(330,000)	(625,000)	(625,000)
Cemetery Fund (Subsidy)	(50,000)	(50,000)	(50,000)	(50,000)
Repayment to Retiree Med Fund for Golf Debt	(1,006,000)	(1,050,000)	(893,000)	(900,000)
LED CEC Loan Repayment	(190,628)	(190,628)	(190,628)	(190,628)
Rainy Day Fund	(3,545,578)	(3,852,975)	(2,734,757)	
Total	(\$6,987,676)	(\$6,443,540)	(\$6,575,498)	(\$3,923,969)

³ Retirees who participate in one of the City's medical plans along with active employees are receiving lower medical premiums because the active employees are on average younger and healthier than retirees and therefore helping to keep medical rates low for the retirees since it is a pooled health plan. That difference is calculated as an implied subsidy.

General Fund Reserves

The changes to General Fund Reserves are shown in the following tables for the proposed FY 2021/22 Budget and the proposed FY 2022/23 Budget:

Changes in Reserves in FY 2021/22

General Fund Reserves	Estimated Balance 6/30/2021	FY 2021/22 Adjustments	Estimated Balance 6/30/2022
TOTAL	\$31,368,605	(\$400,000)	\$30,968,605

Changes in Reserves in FY 2022/23

General Fund Reserves	Estimated Balance 6/30/2022	FY 2022/23 Adjustments	Estimated Balance 6/30/2023
TOTAL	\$30,968,605	(\$400,000)	\$30,568,605

After deducting the \$800,000 (\$400,000 allocated each year) reserve for the Crisis Response Program in the Police Department, the FY 2021/22 and FY 2022/23 budgets include an operating reserve of \$30.6 million, which equals 24.7 percent of operating expenses in FY 2021/22, which is close to the target reserves of 25 percent as established by the City's reserve policy. The FY 2022/23 reserves equal 23.2 percent of operating expenses in FY 2022/23, which is above the minimum reserve threshold of 20 percent.

Enterprise Funds

Water Fund

Revenues from water sales are expected to increase 5.8 percent in FY 2021/22 and by 5.8 percent in FY 2022/23; attributable to Zone 7 rate increases. Expenses in the Water Fund are estimated to increase overall by increase of \$1.3 million or four percent in FY 2021/22 and increase by \$1.8 million six percent in FY 2022/23. The increase in FY 2021/22 is primarily related to \$400,000 expected increase in Zone 7 purchased water, increased wages and benefits including assuming that all positions are filled, and approximately \$326,000 for various non-labor increases the largest of which is \$100,000 for professional services related to new cyber security for the Supervisory Control And Data Acquisition (SCADA) system. The increase in FY 2022/23 is primarily attributed to increased cost of water purchased from Zone 7 (\$1.5 million). The \$300,000 balance increase is primarily related to wage and benefit increases and some anticipated non-labor cost increases.

The Zone 7 Water Agency is the water wholesaler for the Livermore-Amador Valley, purchasing, treating, and delivering water to the cities of Pleasanton and Livermore, Dublin San Ramon Services District (DSRSD), and the California Water Service Company (serving parts of Livermore). The City receives 80 percent of its water supply from Zone 7 and the other 20 percent from City owned and operated wells.

The FY 2021/22 ending fund balance of \$9.6 million equals 31 percent of operating expenses. The City's reserve policy is to maintain reserves equal to a minimum of 30 percent of operating expenses, a target of 35 percent and a maximum of 40 percent.

The following table summarizes the Water Operations and Maintenance Fund for the four years ending FY 2022/23.

Water/Recycled Water (O&M)	Actual 2019/20	Adjusted 2020/21	Projected 2021/22	Projected 2022/23
Beginning Balance, July 1	\$13,753,773	\$13,291,358	\$11,424,450	\$9,590,518
Revenues	30,104,916	31,747,241	33,739,541	35,624,541
Net Transfers	(4,638,203)	(4,447,146)	(5,109,334)	(5,197,017)
Expenses				
Zone 7 Purchased Water	16,943,894	17,500,000	17,900,000	19,400,000
All other expenses	8,985,234	11,667,003	12,564,139	12,896,023
Total Expenses	25,929,128	29,167,003	30,464,139	32,296,023
Net Income	(\$462,415)	(\$1,866,908)	(\$1,833,932)	(\$1,868,499)
Ending Balance, June 30	\$13,291,358	\$11,424,450	\$9,590,518	\$7,722,019

Sewer Fund

Sewer revenues are expected to increase by 2.7 percent in FY 2021/22 and increase by 2.5 percent in FY 2022/23 reflecting the annual Consumer Price Index (CPI) increase in local city sewer fees, all of which are regional sewer fees charged by DSRSD.

Expenses in the Sewer Fund are increasing by \$1.1 million or 7.5 percent in FY 2021/22 and 2.4 percent in FY 2022/23. The increase in FY 2021/22 is primarily related to \$300,000 increase in DSRSD charges, increase wages and benefits, and various non-labor increases the largest of which is \$145,000 in professional services for cyber security, a sewer audit, and the rate study.

Expenses in the Sewer Fund are increasing by \$386,000 in FY 2022/23 primarily for DSRSD charges.

The FY 2021/22 ending fund balance of \$7.8 million equals 47 percent of operating expenses. The City's reserve policy is to maintain reserves equal to a minimum of 30 percent of operating expenses, a target of 35 percent and a maximum of 40 percent.

The following table summarizes the Sewer Operations and Maintenance Fund for the four years ending FY 2022/23.

Sewer (O&M)	Actual 2019/20	Adjusted 2020/21	Projected 2021/22	Projected 2022/23
Beginning Balance, July 1	\$7,471,734	\$9,028,134	\$8,860,196	\$7,760,319
Revenues	15,402,882	15,897,500	16,327,500	16,737,500
Net Transfers	(368,877)	(856,000)	(1,069,953)	(1,015,277)
Expenses				
DSRSD	10,147,647	10,500,000	10,800,000	11,150,000
All other expenses	3,329,958	4,709,438	5,557,425	5,593,350
Total Expenses	13,477,605	15,209,438	16,357,425	16,743,350
Net Income	\$1,556,400	(\$167,938)	(\$1,099,878)	(\$1,021,127)
Ending Balance, June 30	\$9,028,134	\$8,860,196	\$7,760,319	\$6,739,192

Golf Fund

Golf revenues from green fees are projected based on 53,000 rounds of play in FY 2021/22 and 54,060 rounds in FY 2022/23. Revenues are projected to increase by 6.3 percent in FY 2021/22 and increase by 4.1 percent in FY 2022/23. Expenses are projected to increase by 3.8 percent in FY 2021/22 and increase by four percent in FY 2022/23.

As a result of revenues increasing greater than expenses, the golf course will generate ending fund balances of \$154,019 and \$314,990 in FY 2021/22 and FY 2022/23. Staff will recommend using actual ending fund balances to repay the General Fund for loans made to the Golf Fund during development of the golf course during the midyear budget reviews. The loan balance is expected to be approximately \$6.0 million as of June 30, 2021.

The following table summarizes the Golf Fund for the four years ending FY 2022/23.

Golf Operations	Actual 2019/20	Adjusted 2020/21	Projected 2021/22	Projected 2022/23
Beginning Balance, July 1	-	-	-	\$154,019
Revenues	3,234,187	3,918,466	4,164,886	4,327,368
Expenses	3,225,602	3,662,913	3,802,773	3,950,179
Net	8,585	255,553	362,113	377,189
Transfer Out -				
Golf Replacement	(8,585)	(223,773)	(208,094)	(216,218)
General Fund Loan Repaymt		(31,780)		
Net Income	-	-	\$154,019	\$160,971
Ending Balance, June 30	-	-	\$154,019	\$314,990

Cemetery Fund

Pleasanton Pioneer Cemetery is overseen by the Library and Recreation Department. A part-time Program Assistant coordinates the day to day operations. The cemetery is also managed under service contracts with Graham Hitch Mortuary providing sales and burial coordination and Monte Vista Memorial Gardens providing grounds maintenance and burial services. The General Fund provides a \$50,000 annual subsidy to fund maintenance of the facility. There is a \$1 million inter-fund loan to the Cemetery Fund to help fund Cemetery Masterplan projects approved by City Council that is still outstanding.

Cemetery Operations	Actual 2019/20	Adjusted 2020/21	Projected 2021/22	Projected 2022/23
Beginning Balance, July 1	\$141,128	\$177,444	\$231,651	\$222,495
Revenues	223,857	243,500	295,500	295,500
Expenses	237,541	239,293	354,656	355,908
Net	(13,684)	4,207	(59,156)	(60,408)
Transfer In -				
General Fund subsidy	50,000	50,000	50,000	50,000
Net Income	\$36,316	\$54,207	(\$9,156)	(\$10,408)
Ending Balance, June 30	\$177,444	\$231,651	\$222,495	\$212,087

Special Revenue Funds

Lower Income Housing Fund

The Lower Income Housing Fund receives revenue from an affordable housing in lieu fee assessed at the time of a commercial or residential development in the City. The Fund is utilized to provide financial assistance toward meeting the affordable housing guidelines detailed in the Housing Element of the City's General Plan. Individual project expenditures are determined by the City Council on a case by case basis.

Recycling and Waste Management Fund

Funds from the Alameda County Waste Reduction and Recycling Initiative (Measure D) will be used toward the City's implementation efforts to comply with local and state recycling measures such as state law SB 1383. These funds will support education and outreach efforts, program staff, and technical assistance provided by consultants.

Internal Service Funds

Internal Service Funds are used as a method to allocate certain internal costs to operating departments as a cost allocation tool. The City has seventeen Internal Service Funds. They include:

- **Risk Management (1)**
- **Workers Compensation (1)**
- **Employee Benefits (2)**
- **Retiree Medical Reserve (1)**
- **Public Art Acquisition (1)**
- **Replacement & Renovation (11)**

In accordance with adopted financial policies and the General Plan, the City maintains eleven Replacement and Renovation Funds. The purpose of these Funds is to provide ongoing replacement of City assets; equipment, vehicles, street and traffic lights, and to make major repairs and renovations to facilities, parks, medians and citywide tree trimming in order to extend the lives of these assets. Adopted financial policies call for the establishment and maintenance of reserves including major maintenance and renovations of buildings, parks, and medians. This is accomplished by charging operating programs an annual charge pursuant to a 20 to 30 year funding plan based on the asset replacement cost and estimated life of the capital asset.

All Other Operating Funds

Projected revenues and expenditures for all other Operating Funds, including Trust Funds, are contained in the body of the budget document.

Fund Balances

The City's Fund Balances represent accumulated funds available to be spent in the future. Of the total \$155.9 million in projected FY 2021/22 fund balances, approximately one third are reserves that are required to satisfy the City's reserve policy for the General Fund, Enterprise Funds and Repair and Replacement Funds¹. Fund balances in the Enterprise Funds, Internal Services Funds and Capital Funds are expected to decline from FY 2020/21 as a result using fund balances to pay for capital projects and replacement equipment. The reductions were anticipated and do not affect the City's ability to maintain reserve levels consistent with the City's reserve policy.

Fund balances in the Special Revenue Funds are increasing by approximately 13 percent in FY 2021/22 and 27 percent in FY 2022/23 primarily due to the Lower Income Housing Fund. As described in the Budget Summary, the Lower Income Housing Fund receives revenue from the affordable housing in lieu fee assessed on commercial and residential development in the City. The City uses the Lower Income Housing Fund to help support low income housing projects and activities. Because housing projects require relatively large subsidies, the City builds up the fund balance in the Lower Income Housing Fund to pay for future projects.

Fund Balances – All Funds

	Actual 2019/20	Mid-Year 2020/21	Projected 2021/22	% of Budget	Projected 2022/23	% of Budget
General Fund*	\$36,164,998	\$38,767,158	\$41,101,915	26.4%	\$38,189,155	23.6%
Enterprise Funds	23,145,709	20,608,206	17,714,674	11.4%	15,009,205	9.3%
Internal Services Funds	46,447,076	37,328,715	34,136,007	21.9%	30,130,692	18.6%
Special Revenue Funds	17,988,843	20,793,533	23,492,363	15.1%	29,524,125	18.2%
Trust Funds	395,860	364,005	332,150	0.2%	300,295	0.2%
Capital Funds	32,612,155	41,026,584	39,118,718	25.1%	48,827,511	30.1%
Total	\$156,754,642	\$158,888,202	\$155,895,828	100%	\$161,980,984	100%

* Includes Rainy Day Fund

¹ Included in the Internal Services Funds category.

FY 2021/2022 - FY 2022/23 Operating Budget
Estimated Changes in Fund Balance

	Projected June 30, 2021 Balance	Projected FY2021/22 Revenue	Projected FY2021/22 Net Transfers	Proposed FY2021/22 Expenditures	Projected June 30, 2022 Balance	Projected FY2022/23 Revenue	Projected FY2022/23 Net Transfers	Proposed FY2022/23 Expenditures	Projected June 30, 2023 Balance
General Fund	\$31,368,605	\$131,641,838	(\$6,575,498)	(\$125,466,340)	\$30,968,605	\$137,089,323	(\$3,923,969)	(\$133,565,354)	\$30,568,605
Rainy day Fund	7,398,553	-	2,734,757	-	10,133,310	-	(2,512,760)	-	7,620,550
Enterprise									
Cemetery Operations	\$231,651	295,500	50,000	(\$354,656)	222,495	295,500	50,000	(355,908)	\$ 212,087
Golf Course Operations	(0)	4,164,886	(208,094)	(3,802,773)	154,019	4,327,368	(216,218)	(3,950,179)	314,990
Water & Recycled Water O&M	11,424,451	33,739,541	(5,109,334)	(30,464,139)	9,590,519	35,624,541	(5,197,017)	(32,296,023)	7,722,020
Sewer Operations and Maintenance	8,860,196	16,327,500	(1,069,953)	(16,357,425)	7,760,318	16,737,500	(1,015,277)	(16,743,350)	6,739,192
Storm Drain ¹	(287,890)	740,000	625,000	(1,346,085)	(268,975)	750,000	625,000	(1,369,518)	(263,493)
Senior Transportation	379,800	345,387	171,893	(640,781)	256,299	253,387	267,881	(493,156)	284,411
Enterprise Funds	\$20,608,206	\$55,612,814	(\$5,540,488)	(\$52,965,858)	\$17,714,674	\$57,988,296	(\$5,485,631)	(\$55,208,134)	\$15,009,205
Internal Service Funds									
Employee Benefits	(57,033)	774,909	-	(697,909)	19,967	774,909	-	(697,909)	96,967
Workers Compensation Fund	(5,144,437)	1,545,500	-	(2,130,070)	(5,729,007)	1,792,000	-	(2,291,430)	(6,228,437)
Public Art Acquisition Fund	41,323	52,000	-	(22,000)	71,323	52,000	-	(22,000)	101,323
Vehicle Replacement Fund	3,659,686	330,000	-	(577,500)	3,412,186	330,000	-	(536,000)	3,206,186
Police Vehicle Replacement Fund	2,494,598	225,000	-	(835,972)	1,883,626	225,000	-	(209,593)	1,899,033
Pleas Fire Apparatus Replacement Fund	2,106,332	227,000	-	(103,500)	2,229,832	225,000	-	(477,250)	1,977,582
Equipment Replacement Fund	1,948,726	290,000	-	(118,000)	2,120,726	292,000	-	(55,500)	2,357,226
Facilities Renovation Fund	2,247,155	350,000	-	(500,000)	2,097,155	350,000	(788,500)	(500,000)	1,158,655
IT Replacement Fund	403,450	197,000	-	(200,000)	400,450	197,000	-	(200,000)	397,450
Golf Replacement Fund	332,790	6,000	208,094	(210,000)	336,884	6,000	216,218	(155,000)	404,102
Park & Median Renovation Fund ²	1,084,638	590,000	(755,000)	(775,000)	144,638	580,000	(755,000)	(1,492,000)	(1,522,362)
Street Light Replacement Fund	1,766,152	185,000	-	(220,000)	1,731,152	185,000	-	(220,000)	1,696,152
Traffic Signal Replacement Fund	437,520	412,000	-	(218,760)	630,760	412,000	-	(218,760)	824,000
PARS Section 115 Fund	22,239,402	-	-	-	22,239,402	-	-	-	22,239,402
Retirees Medical Reserve Fund	1,051,425	4,270,000	(91,000)	(4,287,000)	943,425	4,587,000	(91,000)	(4,595,000)	844,425
Self-Insurance Retention Fund	2,675,269	1,385,000	-	(2,500,000)	1,560,269	1,624,000	-	(2,550,000)	634,269
City Enhancement Fund	41,718	101,500	-	(100,000)	43,218	101,500	-	(100,000)	44,718
Internal Service Funds	\$37,328,715	\$10,940,909	(\$637,906)	(\$13,495,711)	\$34,136,007	\$11,733,409	(\$1,418,282)	(\$14,320,442)	\$30,130,692
Special Revenue									
D.A.R.E.	\$13,727	\$1,200	-	(\$5,000)	\$9,927	\$1,200	-	(\$5,000)	\$6,127
Asset Forfeiture	93,371	100	-	(7,000)	86,471	100	-	(7,000)	79,571

FY 2021/2022 - FY 2022/23 Operating Budget

Estimated Changes in Fund Balances

	Projected June 30, 2021 Balance	Projected FY2021/22 Revenue	Projected FY2021/22 Net Transfers	Proposed FY2021/22 Expenditures	Projected June 30, 2022 Balance	Projected FY2022/23 Revenue	Projected FY2022/23 Net Transfers	Proposed FY2022/23 Expenditures	Projected June 30, 2023 Balance
Special Revenue									
Asset Forfeiture - Federal	\$13,673	\$3,500	-	-	\$17,173	\$3,500	-	-	\$20,673
Downtown Parking In-Lieu	730,524	23,500	-	-	754,024	24,500	-	-	778,524
Recycling & Waste Management	718,197	239,000	-	(\$527,468)	429,729	240,000	-	(\$350,259)	319,470
Miscellaneous Donations	407,576	1,000	-	(8,500)	400,076	1,000	-	(8,500)	392,576
Bernal Donations	228,003	200,800	-	-	428,803	200,800	-	-	629,603
H.A.P.P.Y. Public Art Donations	63,982	41,000	-	(40,000)	64,982	41,000	-	(40,000)	65,982
CASB FEE	33,655	500	-	-	34,155	500	-	-	34,655
Recycling & Waste Mg't Import Mitigation	201,216	5,500	-	(172,157)	34,559	5,500	-	(174,018)	(133,959)
Operating Grants	131,069	54,000	-	(63,003)	122,066	54,000	-	(63,003)	113,063
Law Enforcement	551,566	8,000	-	-	559,566	9,000	-	-	568,566
Used Oil Grant	-	-	-	-	-	-	-	-	-
Community Access T V	1,377,802	275,000	-	(193,561)	1,459,241	276,000	-	(104,000)	1,631,241
Downtown Economic Development Loan	29,433	500	-	-	29,933	500	-	-	30,433
Lower Income Housing	10,161,325	3,911,285	-	(991,044)	13,081,566	6,977,390	-	(996,172)	19,062,784
Community Development Block Grant	-	418,976	-	(418,053)	923	258,127	-	(257,147)	1,903
H.O.M.E. Program	-	201,187	-	(201,095)	92	201,466	-	(201,368)	190
Abandoned Vehicle	119,317	32,500	-	(30,000)	121,817	32,600	-	(30,000)	124,417
H.B.P.O.A. Maintenance District	-	140,000	-	(140,000)	-	150,000	-	(150,000)	-
Urban Forestry	311,992	17,500	(\$25,000)	(39,500)	264,992	18,000	(\$25,000)	(39,500)	218,492
Recycling & Waste Management	104,552	10,077	-	(7,198)	107,431	10,251	-	(7,198)	110,484
Laurel Creek Geologic Hazard District	1,000,420	60,556	-	(39,638)	1,021,338	61,492	-	(39,638)	1,043,192
Moller Geologic Hazard Dist	143,738	15,535	-	(10,622)	148,651	15,809	-	(10,622)	153,838
Oak Tree Farm Geologic Hazard Dist	117,657	14,776	-	(11,524)	120,909	14,776	-	(11,524)	124,161
Ponderosa Landscape District	84,660	16,021	-	(19,580)	81,102	16,021	-	(19,580)	77,543
Windsor Landscape District	(14,508)	23,910	-	(25,560)	(16,158)	23,910	-	(25,560)	(17,808)
Bonde Landscape District	3,425	26,100	-	(24,470)	5,055	26,100	-	(24,470)	6,685
Moller Ranch Landscape District	230,166	58,213	-	(85,450)	202,929	58,213	-	(85,450)	175,692
Oak Tree Farm Landscape Dist	64,504	19,862	-	(41,880)	42,486	19,862	-	(41,880)	20,468
North Pleasanton Improvements District	1,034,191	29,534	-	(23,500)	1,040,225	30,534	-	(23,500)	1,047,259
Business Support	2,838,300	-	-	-	2,838,300	-	-	-	2,838,300
Special Revenue Funds	\$20,793,533	\$5,849,632	(\$25,000)	(\$3,125,802)	\$23,492,363	\$8,772,151	(\$25,000)	(\$2,715,388)	\$29,524,125
OTHER FUNDS									
PTCWD #3 Trust Fund	364,005	8,925	-	(40,780)	332,150	8,925	-	(40,780)	300,295
Other Funds	\$364,005	\$8,925	\$0	(\$40,780)	\$332,150	\$8,925	\$0	(\$40,780)	\$300,295
TOTAL - ALL FUNDS	\$117,861,618	\$204,054,118	(\$10,044,135)	(\$195,094,491)	\$116,777,110	\$215,592,104	(\$13,365,642)	(\$205,850,098)	\$113,153,473

¹ Storm Drain Fund rolls up with Storm Drain CIP. Combined there is a positive fund balance.

² Park and Median Renovation Fund rolls up with other Repair and Replacement funds. Combined there is a positive fund balance.

Summary of Revenues and Expenditures – Citywide

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Revenues						
General	\$ 124,353,300	\$121,940,012	\$ 131,641,838	8.0%	\$137,089,323	4.1%
Internal Service	13,594,511	10,077,234	10,940,909	8.6%	11,733,409	7.2%
Enterprise	50,265,315	53,065,873	55,612,814	4.8%	57,988,296	4.3%
Special Revenue	3,418,036	4,903,322	5,849,632	19.3%	8,772,151	50.0%
Private-purpose Trust Funds	9,976	8,925	8,925	0.0%	8,925	0.0%
Total Revenues	\$191,641,138	\$189,995,366	\$204,054,118	7.4%	\$215,592,104	5.7%
Expenditures						
General	\$113,806,099	\$116,726,504	\$125,466,372	7.5%	\$133,565,387	6.5%
Internal Service	13,898,023	16,844,232	13,495,711	-19.9%	14,320,442	6.1%
Enterprise	44,600,256	50,141,393	52,965,855	5.5%	55,208,129	4.2%
Special Revenue	2,157,301	4,911,933	3,125,799	-36.4%	2,715,389	-13.1%
Private-purpose Trust Funds	25,105	40,780	40,780	0.0%	40,780	0.0%
Total Expenditures	\$174,486,782	\$188,664,842	\$195,094,517	3.4%	\$205,850,127	5.5%

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Summary of Revenues by Fund Types

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
General Fund	\$124,353,300	\$121,940,012	\$131,641,838	8.0%	\$137,089,323	4.1%
Internal Service						
City Enhancement Fund	\$200,808	\$63,000	\$101,500	61.1%	\$101,500	0.6%
Employee Benefits	453,030	759,909	774,909	2.0%	774,909	0.0%
Equipment Replacement	559,439	182,000	290,000	59.3%	292,000	0.6%
Facilities Renovation	911,658	312,000	350,000	12.2%	350,000	0.1%
Fire Apparatus Replacement	818,014	242,000	227,000	-6.2%	225,000	-0.1%
Golf Replacement	7,838	8,000	6,000	-25.0%	6,000	-0.3%
Information Technology Replacement	277,241	97,000	197,000	103.1%	197,000	1.0%
Park & Median Renovation	606,770	225,000	590,000	162.2%	580,000	1.6%
Pleasanton Retirees' Medical Reserve	5,176,610	5,183,325	4,270,000	-17.6%	4,587,000	-0.2%
Police Vehicle Replacement	603,603	191,000	225,000	17.8%	225,000	0.2%
Public Art Acquisition	2,030	2,000	52,000	2500.0%	52,000	25.0%
Self-Insurance Retention	1,197,277	1,185,000	1,385,000	16.9%	1,624,000	0.2%
Street Light Replacement	299,260	102,000	185,000	81.4%	185,000	0.8%
Traffic Signal Replacement	285,857	86,000	412,000	379.1%	412,000	3.8%
Vehicle Replacement	1,095,457	362,000	330,000	-8.8%	330,000	-0.1%
Workers Compensation	1,099,619	1,077,000	1,545,500	43.5%	1,792,000	0.4%
Total Internal Service Funds	\$13,594,511	\$10,077,234	\$10,940,909	8.6%	\$11,733,409	7.2%
Enterprise						
Cemetery	\$ \$223,858	\$ \$243,500	\$ \$295,500	21.4%	\$ \$295,500	0.2%
Golf	3,238,145	3,918,466	4,164,886	6.3%	4,327,368	0.1%
Recycled Water	2,577,486	2,811,200	2,808,500	-0.1%	2,868,500	0.0%
Sewer	15,432,140	15,897,500	16,327,500	2.7%	16,737,500	0.0%
Storm Drain	719,225	735,440	740,000	0.6%	750,000	0.0%
Transit	439,366	523,726	345,387	-34.1%	253,387	-0.3%
Water	27,635,095	28,936,041	30,931,041	6.9%	32,756,041	0.1%
Total Enterprise Funds	\$50,265,315	\$53,065,873	\$55,612,814	4.8%	\$57,988,296	4.3%

Summary of Revenues by Fund Types

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Special Revenue						
Abandoned Vehicle	\$22,653	\$32,000	\$32,500	1.6%	\$32,600	0.0%
Asset Forfeiture	64,788	1,000	100	-90.0%	100	-0.9%
Asset Forfeiture - Federal	1,941	3,500	3,500	0.0%	3,500	0.0%
Bernal Donations	225,677	200,800	200,800	0.0%	200,800	0.0%
Bonde Landscape District	26,019	26,100	26,100	0.0%	26,100	0.0%
Community Access T V	247,761	273,000	275,000	0.7%	276,000	0.0%
Community Development Block Grant	277,740	1,257,352	418,976	-66.7%	258,127	-0.7%
DARE	1,905	1,200	1,200	0.0%	1,200	0.0%
Downtown Economic Development Loan	639	500	500	0.0%	500	0.0%
Downtown Parking In-Lieu	15,614	23,500	23,500	0.0%	24,500	0.0%
HAPPY Public Art Donations	21,281	40,600	41,000	1.0%	41,000	0.0%
HBPOA Maintenance District	133,444	100,000	140,000	40.0%	150,000	0.4%
HOME Program	68,172	200,976	201,187	0.1%	201,466	0.0%
Laurel Creek Geologic Hazard District	66,817	59,639	60,556	1.5%	61,492	0.0%
Law Enforcement	200,858	6,000	8,000	33.3%	9,000	0.3%
Limoine	10,534	9,907	10,077	1.7%	10,251	0.0%
Lower Income Housing	1,328,163	2,182,818	3,911,285	79.2%	6,977,390	0.8%
Miscellaneous Donations	21,111	1,300	1,000	-23.1%	1,000	-0.2%
Moller Geologic Hazard Dist	14,873	13,814	15,535	12.5%	15,809	0.1%
Moller Ranch Landscape District	62,486	58,213	58,213	0.0%	58,213	0.0%
North Pleasanton Improvements District	39,692	23,034	29,534	28.2%	30,534	0.3%
Oak Tree Farm Geologic Hazard Dist	15,464	14,776	14,776	0.0%	14,776	0.0%
Oak Tree Farm Landscape District	20,497	19,862	19,862	0.0%	19,862	0.0%
Operating Grants	79,754	54,000	54,000	0.0%	54,000	0.0%
Other Governmental	31,560	500	500	0.0%	500	0.0%
Ponderosa Landscape District	17,269	16,021	16,021	0.0%	16,021	0.0%
Recycling & Waste Management	265,803	237,000	239,000	0.8%	240,000	0.0%
Recycling & Waste Management Import Mitigation	9,157	5,500	5,500	0.0%	5,500	0.0%
Urban Forestry	97,741	16,500	17,500	6.1%	18,000	0.1%
Used Oil Grant	4,749	-	-	0.0%	-	0.0%
Windsor Landscape District	23,874	23,910	23,910	0.0%	23,910	0.0%
Total Special Revenue Funds	\$3,418,036	\$4,903,322	\$5,849,632	19.3%	\$8,772,151	50.0%
Pleasanton Township County Water (P.T.C.W.D.#3)	9,976	8,925	8,925	0.00%	8,925	0.00%
Total Revenues	\$191,641,138	\$189,995,366	\$204,054,118	7.4%	\$215,592,104	5.7%

Summary of Expenditures by Fund Types

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
General Fund						
General Fund	\$113,806,099	\$116,726,504	\$125,466,372	7.5%	\$133,565,387	6.5%
Internal Service						
City Enhancement Fund	\$227,014	\$200,000	\$100,000	-50.0%	\$100,000	0.0%
Employee Benefits	486,779	697,909	697,909	0.0%	697,909	0.0%
Equipment Replacement	131,567	730,550	118,000	-83.9%	55,500	-53.0%
Facilities Renovation	418,945	1,501,438	500,000	-66.7%	500,000	0.0%
Fire Apparatus Replacement	797,312	40,250	103,500	157.1%	477,250	361.1%
Golf Replacement	223,793	247,300	210,000	-15.1%	155,000	-26.2%
Information Technology Replacement	584,842	770,551	200,000	-74.0%	200,000	0.0%
Park & Median Renovation	1,142,495	1,457,793	775,000	-46.8%	1,492,000	92.5%
Pleasanton Retirees' Medical Reserve	4,423,154	4,551,000	4,287,000	-5.8%	4,595,000	7.2%
Police Vehicle Replacement	269,130	713,462	835,972	17.2%	209,593	-74.9%
Public Art Acquisition	67,904	39,500	22,000	-44.3%	22,000	0.0%
Self-Insurance Retention	1,624,038	2,387,585	2,500,000	4.7%	2,550,000	2.0%
Street Light Replacement	20,053	220,000	220,000	0.0%	220,000	0.0%
Traffic Signal Replacement	227,443	350,000	218,760	-37.5%	218,760	0.0%
Vehicle Replacement	852,584	1,067,894	577,500	-45.9%	536,000	-7.2%
Workers Compensation	2,400,971	1,869,000	2,130,070	14.0%	2,291,430	7.6%
Total Internal Service Funds	\$13,898,024	\$16,844,232	\$13,495,711	-19.9%	\$14,320,442	6.1%
Enterprise						
Cemetery	\$237,542	\$239,292	\$354,654	48.2%	\$355,908	0.4%
Golf	3,225,602	3,662,913	3,802,773	3.8%	3,950,179	3.9%
Sewer	13,477,605	15,209,438	16,357,424	7.6%	16,743,348	2.4%
Recycled Water	1,007,938	1,516,834	1,669,804	6.2%	1,669,133	0.0%
Storm Drain	1,236,656	1,274,110	1,346,086	5.7%	1,369,516	1.7%
Transit	493,723	588,635	640,780	8.9%	493,156	-23.0%
Water	24,921,190	27,650,171	28,794,334	4.1%	30,626,889	6.4%
Total Enterprise Funds	\$44,600,256	\$50,141,393	\$52,965,855	5.5%	\$55,208,129	4.2%

Summary of Expenditures by Fund Types

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Special Revenue						
Abandoned Vehicle	\$19,739	\$30,000	\$30,000	0.0%	\$30,000	0.0%
Asset Forfeiture	19,443	7,000	7,000	0.0%	7,000	0.0%
Bonde Landscape District	25,187	24,470	24,470	0.0%	24,470	0.0%
CASB FEE	26,772	-	-	0.0%	-	0.0%
Community Access T V	137,467	343,561	193,561	-43.7%	104,000	-46.3%
Community Development Block Grant	277,738	1,257,352	418,052	-66.8%	257,148	-38.5%
DARE	1,500	6,000	5,000	-16.7%	5,000	0.0%
HAPPY Public Art Donations	-	40,000	40,000	0.0%	40,000	0.0%
HBPOA Maintenance District	133,444	100,000	140,000	40.0%	150,000	7.1%
HOME Program	68,172	200,977	201,094	0.1%	201,368	0.1%
Laurel Creek Geologic Hazard District	10,378	11,478	39,638	245.3%	39,638	0.0%
Law Enforcement	18,324	-	-	0.0%	-	0.0%
Limoine	2,936	4,736	7,198	52.0%	7,198	0.0%
Lower Income Housing	955,971	2,243,816	991,042	-55.8%	996,171	0.5%
Miscellaneous Donations	6,933	8,500	8,500	0.0%	8,500	0.0%
Moller Geologic Hazard District	7,036	8,036	10,622	32.2%	10,622	0.0%
Moller Ranch Landscape District	77,884	85,450	85,450	0.0%	85,450	0.0%
North Pleasanton Improvements District	8,531	23,500	23,500	0.0%	23,500	0.0%
Oak Tree Farm Geologic Hazard District	6,644	7,844	11,524	46.9%	11,524	0.0%
Oak Tree Farm Landscape District	13,209	18,735	41,880	123.5%	41,880	0.0%
Operating Grants	122,384	62,192	63,003	1.3%	63,003	0.0%
Ponderosa Landscape District	16,713	19,580	19,580	0.0%	19,580	0.0%
Recycling & Waste Management	121,372	256,696	527,467	105.5%	350,258	-33.6%
Recycling & Waste Management Import Mitigation	25,906	90,000	172,158	91.3%	174,019	1.1%
Urban Forestry	18,119	37,500	39,500	5.3%	39,500	0.0%
Used Oil Grant	4,749	-	-	0.0%	-	0.0%
Windsor Landscape District	30,747	24,510	25,560	4.3%	25,560	0.0%
Total Special Revenue Funds	\$2,157,301	\$4,911,933	\$3,125,799	-36.4%	\$2,715,389	-13.1%
Pleasanton Township County Water (P.T.C.W.D.#3)	25,105	40,780	40,780	0.0%	40,780	0.0%
Total Expenditures	\$174,486,782	\$188,664,842	\$195,094,517	3.4%	\$205,850,127	5.5%

Citywide Operating Budget Summary – Revenues by Source

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Revenue						
Property Taxes	\$73,891,991	\$76,997,123	\$79,524,000	3.3%	\$82,098,000	3.2%
Service Charges	47,931,563	51,380,166	54,102,886	5.3%	56,535,368	4.5%
Internal Services Charges	12,625,294	9,478,234	9,311,909	-1.8%	10,129,909	8.8%
Sales Tax	20,662,385	20,030,000	21,255,000	6.1%	22,240,000	4.6%
Fees for Current Services	1,336,201	1,276,288	1,377,425	7.9%	1,435,425	4.2%
Other Taxes	10,893,229	7,410,000	8,700,000	17.4%	9,470,000	8.9%
Grants and Subventions	1,701,658	4,420,207	5,885,250	33.1%	5,632,680	-4.3%
Interfund Revenue	3,122,046	3,208,823	3,252,383	1.4%	3,247,383	-0.2%
Other Financing Sources	-	-	1,000,000	-100.0%	1,000,000	0.0%
Interest Income and Rent	3,114,327	1,814,100	1,998,300	10.2%	2,073,400	3.8%
Recreation Revenue	2,301,292	773,550	2,860,045	269.7%	4,116,030	43.9%
Building Permits	1,782,104	2,200,000	2,500,000	13.6%	2,500,000	0.0%
Franchise Fees	4,984,643	2,975,000	2,985,000	0.3%	3,045,000	2.0%
Plan Check Fees	1,954,136	1,622,500	1,722,500	6.2%	2,122,500	23.2%
Fines and Forfeitures	274,002	121,500	309,500	154.7%	309,500	0.0%
Misc Reimbursements	1,669,765	2,063,723	2,141,753	3.8%	1,351,753	-36.9%
Public Works Fees	179,417	176,500	176,500	0.0%	176,500	0.0%
Development Fees	486,444	1,052,318	3,325,785	216.0%	6,361,890	91.3%
Assessments	208,472	209,754	212,562	1.3%	213,946	0.7%
Planning Fees	133,929	219,500	179,500	-18.2%	179,500	0.0%
Miscellaneous Revenue	1,094,054	1,244,750	610,620	-50.9%	626,620	2.6%
Licenses and Misc Permits	943,134	1,064,080	360,500	-66.1%	460,500	27.7%
Library Revenue	13,299	2,000	1,000	-50.0%	1,000	0.0%
Contributions and Donations	337,753	255,250	261,700	2.5%	265,200	1.3%
Total Revenues	\$191,641,138	\$189,995,366	\$204,054,118	7.4%	\$215,592,104	5.7%
Transfers-In	\$37,396,065	\$11,207,815	\$9,148,618	-9.7%	\$9,045,857	-1.1%
Total Revenues and Transfers	\$229,037,203	\$201,203,181	\$213,202,736	6.5%	\$224,637,961	5.4%

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Citywide Operating Budget Summary – Expenditures by Department

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
City Council	215,096	251,634	300,546	19.44%	317,164	26.04%
City Manager						
City Manager	1,488,325	1,640,436	1,431,503	-12.7%	1,369,793	-16.5%
City Clerk	1,237,537	1,409,100	1,534,348	8.9%	1,567,111	11.2%
Housing	1,306,656	3,742,673	1,697,089	-54.7%	1,543,388	-58.8%
Recycling	204,654	366,665	720,405	96.5%	545,057	48.7%
City Manager Subtotal	\$6,670,242	\$7,250,563	\$3,931,959	-45.8%	\$3,726,021	-5.2%
Law	\$3,073,741	\$2,857,825	\$3,115,191	9.0%	\$3,396,125	18.8%
Finance	3,473,996	3,451,965	3,601,728	4.3%	3,709,570	7.5%
Human Resources	1,873,986	1,944,188	1,942,201	-0.1%	1,977,450	1.7%
Information Technology	3,671,100	3,939,948	3,466,592	-12.0%	3,547,128	-10.0%
General Government	10,432,584	12,361,172	13,480,162	9.1%	15,462,221	25.1%
Total General Government	\$26,977,675	\$31,965,606	\$31,289,765	-2.1%	\$33,435,007	4.6%
Public Safety						
Fire	\$21,690,786	\$24,584,176	\$22,983,205	-6.5%	\$23,611,460	-4.0%
Police						
Police Administration	\$3,006,060	\$2,947,885	\$3,332,997	13.1%	\$3,491,647	18.4%
Police Investigation	5,882,344	5,748,239	6,082,882	5.8%	6,367,822	10.8%
Police Operations	13,409,480	14,205,587	15,253,752	7.4%	16,413,139	15.5%
Police Special Operations	3,155,884	3,104,804	3,938,875	26.9%	4,168,400	34.3%
Police Support Services	3,286,334	3,184,584	4,042,364	26.9%	4,202,741	32.0%
Police Subtotal	28,740,102	29,191,099	32,650,870	11.9%	34,643,749	18.7%
Total Public Safety	\$50,430,888	\$53,775,275	\$55,634,075	3.5%	\$58,255,209	8.3%
Community Development						
CDD Administration	\$882,280	\$907,844	\$899,016	-1.0%	\$917,673	1.1%
Traffic Engineering	2,399,840	2,320,163	2,738,008	18.0%	3,340,051	44.0%
Building and Safety	2,954,567	3,270,455	3,653,559	11.7%	3,717,984	13.7%
Permit Center	406,052	495,685	309,997	-37.5%	321,368	-35.2%
Planning	2,678,762	3,461,184	3,719,995	7.5%	2,995,545	-13.5%
Total Community Development	\$9,321,501	\$10,455,331	\$11,320,575	8.3%	\$11,292,621	8.0%
Engineering						
Engineering Services	\$2,078,202	\$2,870,147	\$2,563,830	-10.7%	\$2,621,182	-8.7%
GHAD	13,314	16,214	46,836	188.9%	46,836	188.9%
Private Development	378,801	335,738	536,756	59.9%	547,944	63.2%
Construction Inspection	1,006,536	1,140,122	1,162,848	2.0%	1,207,975	6.0%
Landscape Architecture	461,983	494,001	501,224	1.5%	512,363	3.7%
Total Engineering	\$3,938,836	\$4,856,222	\$4,811,494	-0.9%	\$4,936,300	1.6%

Citywide Operating Budget Summary - Expenditures by Department

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Economic Development & Community Engagement						
Business License	\$712,803	\$534,875	\$548,637	2.6%	\$564,746	5.6%
Communications	387,428	380,204	453,242	19.2%	462,632	21.7%
Economic Development	578,304	607,979	891,905	46.7%	921,854	51.6%
Transportation & Systems Management	193,460	319,374	60,167	-81.2%	60,659	-81.0%
Total Economic Development & Community Engagement	\$1,871,995	\$1,842,432	\$1,953,951	6.1%	\$2,009,891	9.1%
Operations Services						
Administration	\$1,011,337	\$959,483	\$1,057,217	10.2%	\$1,021,685	6.5%
Golf	3,225,602	3,662,913	3,802,773	3.8%	3,950,179	7.8%
Parks	10,483,228	9,817,088	10,219,271	4.1%	12,166,775	23.9%
Streets	3,681,932	3,603,812	3,771,398	4.7%	4,181,450	16.0%
Facilities and Fleet	9,242,026	10,429,206	8,535,666	-18.2%	8,813,013	-15.5%
Utilities						
Water	24,921,190	27,650,171	28,794,334	4.1%	30,626,889	10.8%
Recycled Water	1,007,938	1,516,834	1,669,804	10.1%	1,669,133	10.0%
Sewer	13,477,605	15,209,438	16,357,424	7.5%	16,743,348	10.1%
Storm	1,236,656	1,274,110	1,346,086	5.6%	1,369,516	7.5%
Total Operation Services	\$68,287,514	\$74,123,055	\$75,553,973	1.9%	\$80,541,988	8.7%
Library & Recreation						
Library and Recreation Admin	\$3,088,522	\$3,378,130	\$3,484,538	3.1%	\$3,388,127	0.3%
Cemetery Operations	237,542	239,292	354,654	48.2%	355,908	48.7%
Civic Arts	2,034,915	1,018,319	1,690,364	66.0%	2,220,003	118.0%
Human Services	1,835,219	1,132,251	1,881,256	66.2%	2,030,630	79.3%
Library	3,577,293	3,697,396	3,953,768	6.9%	4,050,613	9.6%
Recreation Services	2,366,054	1,552,118	2,484,544	60.1%	2,799,894	80.4%
Transit	493,723	588,635	640,780	8.9%	493,156	-16.2%
Total Library and Recreation	\$13,633,263	\$11,606,141	\$14,489,904	24.8%	\$15,338,331	32.2%
Private Trust Fund	\$25,105	\$40,780	\$40,780	0.0%	\$40,780	0.0%
Transfer Out	\$44,336,257	\$20,165,708	\$19,192,753	-4.8%	\$22,411,499	11.1%
Total Expenditures & Transfers	\$218,823,039	\$208,830,550	\$214,287,270	2.6%	\$228,261,626	9.3%

Expenses by Category - All Funds

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Personnel Services						
Salaries	\$64,266,197	\$66,241,690	\$71,967,387	8.6%	\$73,016,538	1.5%
Benefits	33,196,561	36,560,051	36,929,816	1.0%	39,406,993	6.7%
Total Personnel Services	\$97,462,758	\$102,801,741	\$108,897,203	5.9%	\$112,423,531	3.2%
Supplies and Services						
Transport and Training	1,682,574	2,073,224	1,909,514	-7.9%	2,007,018	5.1%
Repair and Maintenance	7,683,290	4,342,865	5,580,961	28.5%	8,311,020	48.9%
Materials and Supplies	64,462,031	71,330,221	72,465,018	1.6%	77,012,997	6.3%
Capital Outlay	2,955,644	7,608,607	5,916,610	-22.2%	5,770,350	-2.5%
Loan Expenditures	240,485	508,184	325,211	-12.4%	325,211	0.0%
Total Expenditures	\$77,024,024	\$85,863,101	\$86,197,314	0.4%	\$93,426,596	8.4%
Transfers-Out	\$44,336,257	\$20,165,708	\$19,192,753	-4.8%	\$22,411,499	16.8%
Total Expenditures & Transfers	\$218,823,039	\$208,830,550	\$214,287,270	2.3%	\$228,261,626	6.5%

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Citywide Summary of Activities – FY 2021/22

	General Fund	Internal Service Funds	Enterprise Funds	Special Revenue Funds	Trust Funds	Total Projected Revenue
Revenue						
Property Taxes	\$79,524,000	-	-	-	-	\$79,524,000
Service Charges	-	-	\$54,102,886	-	-	54,102,886
Internal Services Charges	-	\$9,311,909	-	-	-	9,311,909
Sales Tax	21,255,000	-	-	-	-	21,255,000
Fees for Current Services	1,345,500	-	-	\$30,000	\$1,925	1,377,425
Other Taxes	8,700,000	-	-	-	-	8,700,000
Grants and Subventions	4,888,200	-	341,887	655,163	-	5,885,250
Interfund Revenue	2,606,054	-	633,541	12,788	-	3,252,383
Other Financing Sources	-	1,000,000	-	-	-	1,000,000
Interest Income and Rent	410,000	629,000	409,500	542,800	7,000	1,998,300
Recreation Revenue	2,860,045	-	-	-	-	2,860,045
Building Permits	2,500,000	-	-	-	-	2,500,000
Franchise Fees	2,985,000	-	-	-	-	2,985,000
Plan Check Fees	1,722,500	-	-	-	-	1,722,500
Fines and Forfeitures	309,500	-	-	-	-	309,500
Misc Reimbursements	1,750,719	-	75,000	316,034	-	2,141,753
Public Works Fees	176,500	-	-	-	-	176,500
Development Fees	-	-	-	3,325,785	-	3,325,785
Assessments	-	-	-	212,562	-	212,562
Planning Fees	179,500	-	-	-	-	179,500
Miscellaneous Revenue	58,120	-	50,000	502,500	-	610,620
Licenses and Misc Permits	360,500	-	-	-	-	360,500
Library Revenue	1,000	-	-	-	-	1,000
Contributions and Donations	9,700	-	-	252,000	-	261,700
Total Revenue	\$131,641,838	\$10,940,909	\$55,612,814	\$5,849,632	\$8,925	\$204,054,118
Transfers-In	\$3,684,537	\$1,258,094	\$4,205,987	-	-	\$9,148,618
Total Revenues & Transfers	\$135,326,375	\$12,199,003	\$59,818,801	\$5,849,632	\$8,925	\$213,202,736
Expenditure						
City Council	\$300,546	-	-	-	-	\$300,546
City Manager	1,237,942	-	-	\$193,561	-	1,431,503
City Clerk	1,534,348	-	-	-	-	1,534,348
Housing	86,901	-	-	1,610,188	-	1,697,089
Recycling	-	-	-	720,405	-	720,405
Law	3,115,191	-	-	-	-	3,115,191
Finance	3,601,728	-	-	-	-	3,601,728
Human Resources	1,942,201	-	-	-	-	1,942,201
Information Technology	3,266,592	\$200,000	-	-	-	3,466,592
General Government	3,865,183	9,614,979	-	-	-	13,480,162
Fire	22,983,205	-	-	-	-	22,983,205

Citywide Summary of Activities – FY 2021/22

	General Fund	Internal Service Funds	Enterprise Funds	Special Revenue Funds	Trust Funds	Total Projected Expenditures
Expenditure						
Police Administration	\$3,311,774	-	-	\$21,223	-	\$3,332,997
Police Investigation	6,082,882	-	-	-	-	6,082,882
Police Operations	15,253,752	-	-	-	-	15,253,752
Police Special Operations	3,908,875	-	-	30,000	-	3,938,875
Police Support Services	4,042,364	-	-	-	-	4,042,364
CDD Administration	899,016	-	-	-	-	899,016
Traffic Engineering	2,519,248	\$218,760	-	-	-	2,738,008
Building and Safety	3,653,559	-	-	-	-	3,653,559
Permit Center	309,997	-	-	-	-	309,997
Planning	3,719,995	-	-	-	-	3,719,995
Engineering Services	2,321,244	-	-	242,586	-	2,563,830
GHAD	-	-	-	46,836	-	46,836
Private Development	536,756	-	-	-	-	536,756
Construction Inspection	1,162,848	-	-	-	-	1,162,848
Landscape Architecture	461,724	-	-	39,500	-	501,224
Business License	548,637	-	-	-	-	548,637
Communications	453,242	-	-	-	-	453,242
Economic Development	891,905	-	-	-	-	891,905
Transportation Systems Management	60,167	-	-	-	-	60,167
OSD Administration	917,217	-	-	140,000	-	1,057,217
Streets	3,551,398	220,000	-	-	-	3,771,398
Ops Support Services	6,090,694	2,444,972	-	-	-	8,535,666
Parks	9,444,271	775,000	-	-	-	10,219,271
Library & Recreation	3,478,038	-	-	6,500	-	3,484,538
Civic Arts	1,628,364	22,000	-	40,000	-	1,690,364
Human Services	1,881,256	-	-	-	-	1,881,256
Cemetery Operations	-	-	\$354,654	-	-	354,654
Golf	-	-	3,802,773	-	-	3,802,773
Library	3,918,768	-	-	35,000	-	3,953,768
Recreation Services	2,484,544	-	-	-	-	2,484,544
Transit	-	-	640,780	-	-	640,780
Water	-	-	28,794,334	-	-	28,794,334
Recycled Water	-	-	1,669,804	-	-	1,669,804
Sewer	-	-	16,357,424	-	-	16,357,424
Storm Drain	-	-	1,346,086	-	-	1,346,086
Private Trust Fund	-	-	-	-	\$40,780	40,780
Total Expenditures	\$125,466,372	\$13,495,711	\$52,965,855	\$3,125,799	\$40,780	\$195,094,517
Transfer Out	\$7,525,278	\$1,896,000	\$9,746,475	\$25,000	-	\$19,192,753
Total Expenditures & Transfers	\$132,991,650	\$15,391,711	\$62,712,330	\$3,150,799	\$40,780	\$214,287,270

Citywide Summary of Activities - FY 2022/23

	General Fund	Internal Service Funds	Enterprise Funds	Special Revenue Funds	Trust Funds	Total Projected Revenue
Revenue						
Property Taxes	\$82,098,000	-	-	-	-	\$82,098,000
Service Charges	-	-	\$56,535,368	-	-	56,535,368
Internal Services Charges	-	\$10,129,909	-	-	-	10,129,909
Sales Tax	22,240,000	-	-	-	-	22,240,000
Fees for Current Services	1,403,500	-	-	\$30,000	\$1,925	1,435,425
Other Taxes	9,470,000	-	-	-	-	9,470,000
Grants and Subventions	4,888,200	-	249,887	494,593	-	5,632,680
Interfund Revenue	2,601,054	-	633,541	12,788	-	3,247,383
Other Financing Sources	-	1,000,000	-	-	-	1,000,000
Interest Income and Rent	440,000	603,500	444,500	578,400	7,000	2,073,400
Recreation Revenue	4,116,030	-	-	-	-	4,116,030
Building Permits	2,500,000	-	-	-	-	2,500,000
Franchise Fees	3,045,000	-	-	-	-	3,045,000
Plan Check Fees	2,122,500	-	-	-	-	2,122,500
Fines and Forfeitures	309,500	-	-	-	-	309,500
Misc Reimbursements	950,719	-	75,000	326,034	-	1,351,753
Public Works Fees	176,500	-	-	-	-	176,500
Development Fees	-	-	-	6,361,890	-	6,361,890
Assessments	-	-	-	213,946	-	213,946
Planning Fees	179,500	-	-	-	-	179,500
Miscellaneous Revenue	74,120	-	50,000	502,500	-	626,620
Licenses and Misc Permits	460,500	-	-	-	-	460,500
Library Revenue	1,000	-	-	-	-	1,000
Contributions and Donations	13,200	-	-	252,000	-	265,200
Total Revenue	\$137,089,323	\$11,733,409	\$57,988,296	\$8,772,151	\$8,925	\$215,592,104
Transfers-In	\$3,469,540	\$1,266,218	\$4,310,099	-	-	\$9,045,857
Total Revenues & Transfers	\$140,558,863	\$12,999,627	\$62,298,395	\$8,772,151	\$8,925	\$224,637,961
Expenditures						
City Council	\$317,164	-	-	-	-	\$317,164
City Manager	1,265,793	-	-	\$104,000	-	1,369,793
City Clerk	1,567,111	-	-	-	-	1,567,111
Housing	88,701	-	-	1,454,687	-	1,543,388
Recycling	-	-	-	545,057	-	545,057
Law	3,396,125	-	-	-	-	3,396,125
Finance	3,709,570	-	-	-	-	3,709,570
Human Resources	1,977,450	-	-	-	-	1,977,450
Information Technology	3,347,128	\$200,000	-	-	-	3,547,128
General Government	5,327,882	10,134,339	-	-	-	15,462,221
Fire	23,611,460	-	-	-	-	23,611,460

Citywide Summary of Activities - FY 2022/23

	General Fund	Internal Service Funds	Enterprise Funds	Special Revenue Funds	Trust Funds	Total Projected Expenditures
Expenditures						
Police Administration	\$3,470,424	-	-	\$21,223	-	\$3,491,647
Police Investigation	6,367,822	-	-	-	-	6,367,822
Police Operations	16,413,139	-	-	-	-	16,413,139
Police Special Operations	4,138,400	-	-	30,000	-	4,168,400
Police Support Services	4,202,741	-	-	-	-	4,202,741
CDD Administration	917,673	-	-	-	-	917,673
Traffic Engineering	3,121,291	\$218,760	-	-	-	3,340,051
Building and Safety	3,717,984	-	-	-	-	3,717,984
Permit Center	321,368	-	-	-	-	321,368
Planning	2,995,545	-	-	-	-	2,995,545
Engineering Services	2,378,596	-	-	242,586	-	2,621,182
GHAD	-	-	-	46,836	-	46,836
Private Development	547,944	-	-	-	-	547,944
Construction Inspection	1,207,975	-	-	-	-	1,207,975
Landscape Architecture	472,863	-	-	39,500	-	512,363
Business License	564,746	-	-	-	-	564,746
Communications	462,632	-	-	-	-	462,632
Economic Development	921,854	-	-	-	-	921,854
Transportation Systems Management	60,659	-	-	-	-	60,659
OSD Administration	871,685	-	-	150,000	-	1,021,685
Streets	3,961,450	220,000	-	-	-	4,181,450
Ops Support Services	6,779,670	2,033,343	-	-	-	8,813,013
Parks	10,674,775	1,492,000	-	-	-	12,166,775
Library & Recreation	3,381,627	-	-	6,500	-	3,388,127
Civic Arts	2,158,003	22,000	-	40,000	-	2,220,003
Human Services	2,030,630	-	-	-	-	2,030,630
Cemetery Operations	-	-	\$355,908	-	-	355,908
Golf	-	-	3,950,179	-	-	3,950,179
Library	4,015,613	-	-	35,000	-	4,050,613
Recreation Services	2,799,894	-	-	-	-	2,799,894
Transit	-	-	493,156	-	-	493,156
Water	-	-	30,626,889	-	-	30,626,889
Recycled Water	-	-	1,669,133	-	-	1,669,133
Sewer	-	-	16,743,348	-	-	16,743,348
Storm Drain	-	-	1,369,516	-	-	1,369,516
Private Trust Fund	-	-	-	-	\$40,780	40,780
Total Expenditures	\$133,565,387	\$14,320,442	\$55,208,129	\$ 2,715,389	\$40,780	\$205,850,127
Transfer Out	\$9,906,269	\$2,684,500	\$9,795,730	\$25,000	-	\$22,411,499
Total Expenditures & Transfers	\$143,471,656	\$17,004,942	\$65,003,859	\$2,740,389	\$40,780	\$228,261,626

General Fund Operating Budget Summary - Revenues

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Revenue						
Property Taxes	\$73,891,991	\$76,997,123	\$79,524,000	3.3%	\$82,098,000	3.2%
Sales Tax	20,662,385	20,030,000	21,255,000	6.1%	22,240,000	4.6%
Fees for Current Services	1,253,119	1,244,363	1,345,500	8.1%	1,403,500	4.3%
Other Taxes	10,893,229	7,410,000	8,700,000	17.4%	9,470,000	8.9%
Grants and Subventions	668,503	2,409,653	4,888,200	102.9%	4,888,200	0.0%
Interfund Revenue	2,398,908	2,587,054	2,606,054	0.7%	2,601,054	-0.2%
Interest Income and Rent	605,260	406,000	410,000	1.0%	440,000	7.3%
Recreation Revenue	2,301,292	773,550	2,860,045	269.7%	4,116,030	43.9%
Building Permits	1,782,104	2,200,000	2,500,000	13.6%	2,500,000	0.0%
Franchise Fees	4,984,643	2,975,000	2,985,000	0.3%	3,045,000	2.0%
Plan Check Fees	1,954,136	1,622,500	1,722,500	6.2%	2,122,500	23.2%
Fines and Forfeitures	240,122	121,500	309,500	154.7%	309,500	0.0%
Misc Reimbursements	1,224,453	1,677,689	1,750,719	4.4%	950,719	-45.7%
Public Works Fees	179,417	176,500	176,500	0.0%	176,500	0.0%
Planning Fees	133,929	219,500	179,500	-18.2%	179,500	0.0%
Miscellaneous Revenue	176,349	20,250	58,120	187.0%	74,120	27.5%
Licenses and Misc Permits	943,134	1,064,080	360,500	-66.1%	460,500	27.7%
Library Revenue	13,299	2,000	1,000	-50.0%	1,000	0.0%
Contributions and Donations	47,027	3,250	9,700	198.5%	13,200	36.1%
Total Revenue	\$124,353,300	\$121,940,012	\$131,641,838	8.0%	\$137,089,323	4.1%
Transfers-In	\$4,705,646	\$4,959,755	\$3,684,537	-25.7%	\$3,469,540	-5.8%
Total Revenue and Transfers	\$129,058,946	\$126,899,767	\$135,326,375	6.6%	\$140,558,863	3.9%

General Fund Operating Budget Summary – Expenditures

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Expenditures						
City Council	\$215,096	\$251,634	\$300,546	19.4%	\$317,164	5.5%
City Manager	1,350,858	1,296,875	1,237,942	-4.5%	1,265,793	2.3%
City Clerk	1,230,550	1,409,100	1,534,348	8.9%	1,567,111	2.1%
Housing	4,775	40,528	86,901	114.4%	88,701	2.1%
Law	3,073,741	2,857,825	3,115,191	9.0%	3,396,125	9.0%
Finance	3,473,996	3,451,965	3,601,728	4.3%	3,709,570	3.0%
Human Resources	1,873,986	1,944,188	1,942,201	-0.1%	1,977,450	1.8%
Information Technology	3,086,258	3,169,397	3,266,592	3.1%	3,347,128	2.5%
General Government	1,666,329	2,855,678	3,865,183	35.4%	5,327,882	37.8%
Fire	21,686,037	24,584,176	22,983,205	-6.5%	23,611,460	2.7%
Police Administration	2,948,371	2,925,662	3,311,774	13.2%	3,470,424	4.8%
Police Investigation	5,882,344	5,748,239	6,082,882	5.8%	6,367,822	4.7%
Police Operations	13,409,480	14,205,587	15,253,752	7.4%	16,413,139	7.6%
Police Special Operations	3,136,145	3,074,804	3,908,875	27.1%	4,138,400	5.9%
Police Support Services	3,286,334	3,184,584	4,042,364	26.9%	4,202,741	4.0%
CDD Administration	882,280	907,844	899,016	-1.0%	917,673	2.1%
Traffic Engineering	2,172,397	1,970,163	2,519,248	27.9%	3,121,291	23.9%
Building and Safety	2,927,795	3,270,455	3,653,559	11.7%	3,717,984	1.8%
Permit Center	406,052	495,685	309,997	-37.5%	321,368	3.7%
Planning	2,678,762	3,461,184	3,719,995	7.5%	2,995,545	-19.5%
Engineering Services	1,892,251	2,658,022	2,321,244	-12.7%	2,378,596	2.5%
Private Development	378,801	335,738	536,756	59.9%	547,944	2.1%
Construction Inspection	1,006,536	1,140,122	1,162,848	2.0%	1,207,975	3.9%
Landscape Architecture	443,864	456,501	461,724	1.1%	472,863	2.4%
Business License	551,103	534,875	548,637	2.6%	564,746	2.9%
Communications	387,428	380,204	453,242	19.2%	462,632	2.1%
Economic Development	578,304	607,979	891,905	46.7%	921,854	3.4%
Transportation Systems Management	193,460	319,374	60,167	-81.2%	60,659	0.8%
OSD Administration	877,893	859,483	917,217	6.7%	871,685	-5.0%
Streets	3,661,879	3,383,812	3,551,398	5.0%	3,961,450	11.6%
Ops Support Services	6,321,681	5,928,312	6,090,694	2.7%	6,779,670	11.3%
Parks	9,340,733	8,359,295	9,444,271	13.0%	10,674,775	13.0%
Library & Recreation	3,083,338	3,371,630	3,478,038	3.2%	3,381,627	-2.8%
Civic Arts	1,967,011	938,819	1,628,364	73.5%	2,158,003	32.5%
Human Services	1,835,219	1,132,251	1,881,256	66.2%	2,030,630	7.9%
Library	3,528,958	3,662,396	3,918,768	7.0%	4,015,613	2.5%
Recreation Services	2,366,054	1,552,118	2,484,544	60.1%	2,799,894	12.7%
Total Expenditure	\$113,806,099	\$116,726,504	\$125,466,372	7.5%	\$133,565,387	6.5%
Transfer Out	\$8,147,744	\$7,550,320	\$7,525,278	-0.3%	\$9,906,269	31.6%
Total Expenditure and Transfers	\$121,953,843	\$124,276,824	\$132,991,650	7.0%	\$143,471,656	7.9%

Expenses by Category - General Fund

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	%	Projected FY 2022/23	%
Personnel Services						
Salaries	\$59,554,355	\$61,036,483	\$66,230,966	8.5	\$67,297,057	1.6
Benefits	25,214,440	27,888,612	28,267,351	1.4	30,200,383	6.8
Total Personnel Services	84,768,795	88,925,095	94,498,317	5.9%	97,497,440	3.2%
Supplies and Services						
Transport and Training	\$1,256,940	\$1,548,893	\$1,359,719	-12.2	\$1,425,723	4.9
Repair and Maintenance	7,074,866	4,079,509	5,226,036	28.1	7,901,090	51.2
Materials and Supplies	20,347,605	21,599,056	24,105,960	11.6	26,463,794	9.8
Capital Outlay	357,893	573,951	276,340	-51.9	277,340	0.4
Total Supplies and Services	\$29,037,304	\$27,801,409	\$30,968,055	11.4%	\$36,067,947	16.5%
Transfers-Out	\$8,147,744	\$7,550,320	\$7,525,278	-0.3%	\$9,906,269	31.6%
Total Expenditures & Transfers	\$121,953,843	\$124,276,824	\$132,991,650	7.0%	\$143,471,656	7.9%

General Fund Transfer Summary

Operating Transfers	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22	Projected 2022/23
OPERATING TRANSFERS IN – From:				
Urban Forestry Fund (1/2 of Landscape Arch Assist)	\$25,000	\$25,000	\$25,000	\$25,000
Retiree Medical Fund (Implied Subsidy)	1,006,000	1,050,000	893,000	900,000
Happy Valley Infrastructure Loan Repmt	129,068	31,780	31,780	31,780
Rainy Day Fund	-	-	-	2,512,760
OPERATING TRANSFERS OUT – To:				
CIP & CIPR	(2,590,482)	(1,500,000)	(2,500,000)	(5,000,000)
Senior & Low Income Water & Sewer Discounts				
Water Fund	(266,729)	(250,000)	(250,000)	(250,000)
Sewer Fund	(98,123)	(110,000)	(110,000)	(110,000)
Transit Fund (Subsidy)	(70,204)	(216,717)	(171,893)	(267,881)
Storm Drain Fund (Subsidy)	(330,000)	(330,000)	(625,000)	(625,000)
Cemetery Fund (Subsidy)	(50,000)	(50,000)	(50,000)	(50,000)
Repayment to Retiree Med Fund for Golf Debt	(1,006,000)	(1,050,000)	(893,000)	(900,000)
LED CEC Loan Repayment	(190,628)	(190,628)	(190,628)	(190,628)
Rainy Day Fund	(3,545,578)	(3,852,975)	(2,734,757)	-
Total	(\$6,987,676)	(\$6,443,540)	(\$6,575,498)	(\$3,923,969)

History of Full-Time City Staffing

	ACTUAL FY 11/12	ACTUAL FY 12/13	ACTUAL FY 13/14	ACTUAL FY 14/15	ACTUAL FY 15/16	ACTUAL FY 16/17	ACTUAL FY 17/18	ACTUAL FY 18/19	ACTUAL FY 19/20	BUDGET FY 20/21	PROJECTED FY21/22	PROJECTED FY22/23
GENERAL FUND												
City Manager												
Administration	5.00	5.00	5.00	4.50	5.65	3.90	3.90	3.90	4.65	4.65	5.15	5.15
Housing					1.35	1.35	Moved to Special Revenue Funds					
City Clerk					5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Information Technology	7.70	7.06	7.06	7.06	7.06	7.06	7.06	7.06	7.06	7.06	7.06	7.06
Law	4.00	4.00	4.00	4.13	4.13	4.13	4.00	4.13	4.25	4.25	4.25	4.25
Finance	11.80	11.80	11.80	11.80	11.79	11.79	12.80	12.80	12.80	12.80	12.80	12.80
Human Resources	Moved from Administration Services to Separate department				6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Administrative Services												
Administration	0.65	0.65	0.65	0.15	Moved to City Manager Department							
Human Resources	4.00	4.00	4.00	6.00	Moved to newly created HR Department							
City Clerk	4.75	4.75	4.75	4.75	Moved to City Manager Department							
Public Safety												
Fire (LPFD - Pleasanton only)	61.50	61.75	61.25	61.63	61.63	61.63	62.25	62.25	62.75	62.75	63.75	63.75
Police	112.00	113.00	114.00	114.00	115.00	116.50	117.50	117.50	118.50	118.50	118.50	118.50
Community Development												
Administration	3.00	3.00	3.00	3.00	3.00	2.50	2.50	3.00	3.00	3.00	3.00	3.00
Building & Safety	11.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	10.00	10.00
Permit Center	Moved from Bldg. & Safety	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00
Planning	11.00	10.00	9.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Traffic Engineering	18.00	18.00	19.00	18.00	19.00	9.00	5.00	5.00	5.00	5.00	5.00	5.00
Housing	1.35	1.35	1.35	1.35	Moved to City Mgr		Moved to Sp. Rev Funds					
Engineering	New department (Separated from Community Development)					16.50	16.50	16.00	17.00	17.00	18.00	18.00
Economic Development	5.00	5.00	5.00	5.00	5.00	6.50	7.25	7.25	6.50	6.50	6.50	6.50
Operations Services												
Administration	3.10	3.10	3.10	3.60	3.60	3.00	3.00	3.50	3.20	3.20	2.50	2.50
Parks	28.30	27.30	27.30	29.30	30.30	31.00	31.00	31.00	30.00	30.00	31.00	31.00
Streets and Signs	13.30	13.30	12.30	12.30	13.30	13.50	13.50	13.50	13.50	13.50	13.50	13.50
Facilities and Fleet	13.30	13.30	14.30	14.30	13.30	14.50	14.50	14.50	15.50	15.50	14.50	14.50
Library and Recreation												
Administration	Library and Recreation merged (Administration is now shared)							8.00	8.00	7.50	13.21	13.21
Library Services	23.25	23.25	23.25	23.75	23.75	23.50	23.50	21.00	21.00	21.00	19.85	19.85
Recreation	20.90	21.11	22.11	21.11	22.11	22.01	22.95	21.46	21.31	21.46	17.90	17.90
TOTAL GENERAL FUND	362.90	361.72	363.22	366.72	372.96	380.36	379.21	383.85	387.02	386.67	389.47	389.47
Percentage Change	-2.9%	-0.3%	0.4%	1.0%	1.7%	2.0%	-0.3%	1.2%	0.8%	-0.1%	0.7%	0.0%

History of Full-Time City Staffing

	ACTUAL FY 11/12	ACTUAL FY 12/13	ACTUAL FY 13/14	ACTUAL FY 14/15	ACTUAL FY 15/16	ACTUAL FY 16/17	ACTUAL FY 17/18	ACTUAL FY 18/19	ACTUAL FY 19/20	BUDGET FY 20/21	PROJECTED FY21/22	PROJECTED FY22/23
ENTERPRISE FUNDS												
Paratransit	3.10	2.89	2.89	2.89	2.89	2.89	2.49	2.44	2.44	2.44	0.09	0.09
Cemetery						0.10	0.10	0.10	0.10	0.10	0.20	0.20
Water	19.97	20.47	20.97	21.97	21.47	20.97	22.87	22.22	24.17	24.17	23.32	23.32
Sewer	8.60	8.60	9.10	9.60	9.60	11.35	10.24	10.59	10.54	10.54	10.09	10.09
Storm Drain	3.07	3.07	3.07	3.57	3.57	3.57	3.58	3.58	3.53	3.53	3.00	3.00
Recycled Water				0.50	1.50	1.75	1.50	1.75	2.20	2.20	3.73	3.73
TOTAL ENTERPRISE FUNDS	34.74	35.03	36.03	38.53	39.03	40.63	40.78	40.68	42.98	42.98	40.43	40.43
Percentage Change	-2.5%	0.8%	2.9%	6.9%	1.3%	4.1%	0.4%	-0.2%	5.7%	0.0%	-5.9%	0.0%

SPECIAL REVENUE FUNDS												
Lower Income Housing						1.30	1.30	1.30	1.30	1.30	0.80	0.80
Community Development Block Grant						0.52	0.52	0.52	0.52	0.52	0.50	0.50
H.O.M.E						0.05	0.05	0.05	0.05	0.05	0.05	0.05
Recycling									0.05	0.05	0.05	0.05
TOTAL SPECIAL REVENUE FUNDS						1.87	1.87	1.87	1.87	2.37	2.35	2.35
Percentage Change						0.0%	0.0%	0.0%	0.0%	26.7%	-0.8%	0.0%

TOTAL GENERAL, ENTERPRISE & SPECIAL REVENUE FUNDS	397.64	396.75	399.25	405.25	411.99	422.86	421.86	426.40	431.87	432.02	432.25	432.25
Percentage Change	-2.9%	0.0%	0.6%	1.5%	1.7%	2.6%	-0.2%	1.1%	1.3%	0.0%	0.1%	0.0%

Limited Term Staffing

Administrative Services				1.00								
Police	1.00											
Community Development	1.00	1.00		1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	1.00
Operations Services	1.00	1.00										
Community Services	2.00	2.00	1.00	1.00								
Water				0.10								
Sewer				0.10								
TOTAL LIMITED TERM	5.00	4.00	1.00	3.20	1.00	1.00	1.00	1.00	1.00	1.00	2.00	1.00

FY 2021/22 – FY 2022/23 OPERATING BUDGET

PROJECTED DEBT RATIOS & PAYMENTS THROUGH 2023

	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22	Projected FY 2022/23	Final Payment Year
WATER FUND REVENUE	\$30,104,918	\$31,747,241	\$33,739,541	\$35,624,541	
DEBT SERVICE:					
(Collateralized by Water Fund Revenues)					
2017 PJPFA Water Revenue Bonds ¹	977,390	978,900	979,980	980,630	2/2025
2016 Recycled Water Project Loan ²	398,129	398,129	434,895	434,895	9/2047
Subtotal	\$1,375,519	\$1,377,029	\$1,414,875	\$1,415,525	
DEBT RATIO	4.57%	4.34%	4.19%	3.97%	
Expenditures					
OTHER DEBT:					
Golf Course Equipment Lease ³	90,631	79,200	26,413	26,413	2/2024
2015 State CEC Led Street Light Project Loan ⁴	190,628	190,628	190,628	190,628	12/2022
2019A HUD Section 108 Loan ⁵	24,776	22,012	25,211	24,749	8/2034
Subtotal	\$306,035	\$291,840	\$242,252	\$241,790	
TOTAL DEBT SERVICE	\$1,681,554	\$1,668,869	\$1,657,127	\$1,657,315	

¹ **2017 PJPFA Water Revenue Bonds.** On February 16, 2017, PJPFA issued \$7.1 million dollar Non-Callable Water Revenue Bonds Series 2017 to fund DERWA facilities expansion project.

² **State of California, Water Resource Control Board (CWRCB) Loan** to support the construction of Recycled Water Project Phase 1A system that provides recycled water to the Ken Mercer Sports Park.

³ US Bank five-year, US Bancorp five-year, & Yamaha Motor Finance four-year golf course equipment lease.

⁴ **State of California Energy Commission (CEC) Loan** for installing energy efficient street, park, & pathways LED lights.

⁵ **2019A HUD Section 108 Loan.** The Cities of Dublin, Livermore and Pleasanton entered into an agreement with US HUD to borrow \$950,000 under the Variable/Fixed Rate ("VFR") Note No.B-14-MC-06-0050 guaranteed pursuant to Section 108 of the Housing and Community Development Act of 1974, as amended to reimburse Axis Community Health, Inc for construction costs of their new health clinic. 2015 HUD Section 108 Loan was converted to 2019A HUD Section 108 Loan on March 28, 2019 with a step up (fixed) interest rate financing. The amount reported represents the City of Pleasanton only portion of debt services.

FY 2021/22 and FY 2022/23

**City Council
Department**
Operating Budget



Mayor
Karla Brown



Vice Mayor
Julie Testa



Council Member
Valerie Arkin



Council Member
Jack Balch



Council Member
Kathy Narum

City Council Department

Operating Budget

The City Council is responsible for establishing City policy in all areas of municipal affairs, providing broad guidelines to be followed by the City's administrative staff, and exercising its powers of legislation.

Goals & Objectives

- Adopt and work to implement the citywide goals and objectives as identified in the two-year work plan
- Represent the interests of Pleasanton citizens at all levels of government
- Approve programs for the City's physical, cultural, and socioeconomic development
- Concentrate on communication and cooperative efforts with City residents

Accomplishments

- Celebrated the City of Pleasanton's 125th Anniversary
- Transitioned the Committee on Energy and the Environment to a permanent committee
- Completed and opened the North Pleasanton Police Substation
- Completed Downtown Specific Plan Update
- Joined East Bay Community Energy
- Completed Kottinger Gardens, Phase II
- Completed Sunflower Hill Project

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Misc Reimbursements	\$2,589	-	-	-
General Fund Subsidy	212,507	\$251,634	\$300,546	\$317,164
Total Department Revenue & Subsidy	\$215,096	\$251,634	\$300,546	\$317,164
Expenditures				
Salaries	\$63,900	\$72,721	\$70,531	\$70,531
Benefits	129,425	167,113	209,215	221,333
Transport and Training	13,984	5,000	9,500	14,000
Materials and Supplies	7,787	6,800	11,300	11,300
Total Department Expenditures	\$215,096	\$251,634	\$300,546	\$317,164

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FY 2021/22 and FY 2022/23

City Manager Department

Operating Budget

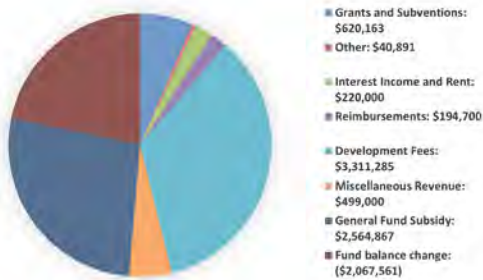
FY 2021/22 and FY 2022/23

City Manager Department

Operating Budget

The City Manager provides the overall administration, leadership, and direction for the City organization. The City Manager's Office identifies for the City Council community issues and needs requiring legislative policy decisions, assures that programs and services are effectively and efficiently provided, and fosters public awareness of municipal programs, services and goals. In addition to the City Manager Administration, the department includes the City Clerk and Housing Divisions.

Department Revenue



Total Department Revenues: \$5,383,345

Department Expenditures



Total Department Expenditures: \$5,383,345

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

FY 2021/22 and FY 2022/23

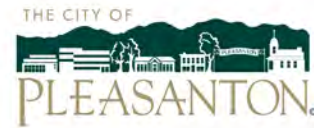
Department Goals & Objectives

- Oversee the direct implementation of the City's Work Plan based on City Council Priorities and resources
- Oversee the City's COVID-19 Response and Recovery
- Design Phase 1 of Bernal Community Farm
- Implement Lions Wayside and Delucchi Park Renovation
- Develop Framework, Recommendations, and Implementation Plan to reduce Homelessness in Pleasanton
- Oversee the amendment of the City's Code and Development Standards to enhance minimum ADA accessibility requirements
- Develop a program to help fund improvements to locally designated historic homes in City's Historic Resource Inventory
- Monitor Livermore Airport
- Prepare and Implement Climate Action Plan 2.0
- Consider a Single-Use Disposables (SUDs) Reduction Ordinance
- Implement SB 1383 – Short-lived climate pollutants: methane emissions: dairy and livestock: organic waste: landfills (2015-16)
- Update the Eastern Alameda County 2011 Human Services Needs Assessment
- Conduct Community Survey
- Oversee implementation of Alternative Mental Health Response Pilot Program

FY 2019/20 and FY 2020/21

Department Accomplishments

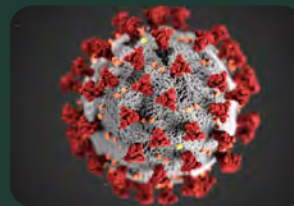
- Implemented COVID-10 Response and Recovery efforts such as the Regional Testing and Vaccination Site, Emergency Rental Assistance program, and Regional Food Distribution program
- Updated First Time Homebuyer Downpayment Assistance Program
- Updated Housing Rehabilitation Program
- Purchased blighted commercial property on First Street
- Implemented Phase III of Pioneer Cemetery Master Plan
- Transitioned Pleasanton Paratransit Program to a contracted service provider and re-branded as Pleasanton Rides



Brian Dolan
Assistant City
Manager

“Our focus for the next two years will be on COVID-19 response and recovery efforts while also progressing the City Council’s two-year workplan and its projects”

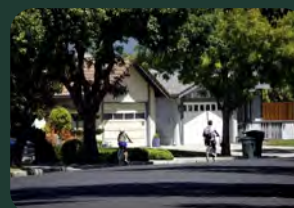
Selected City Manager Department Council Priorities



Oversee the City’s COVID-19 Response and Recovery

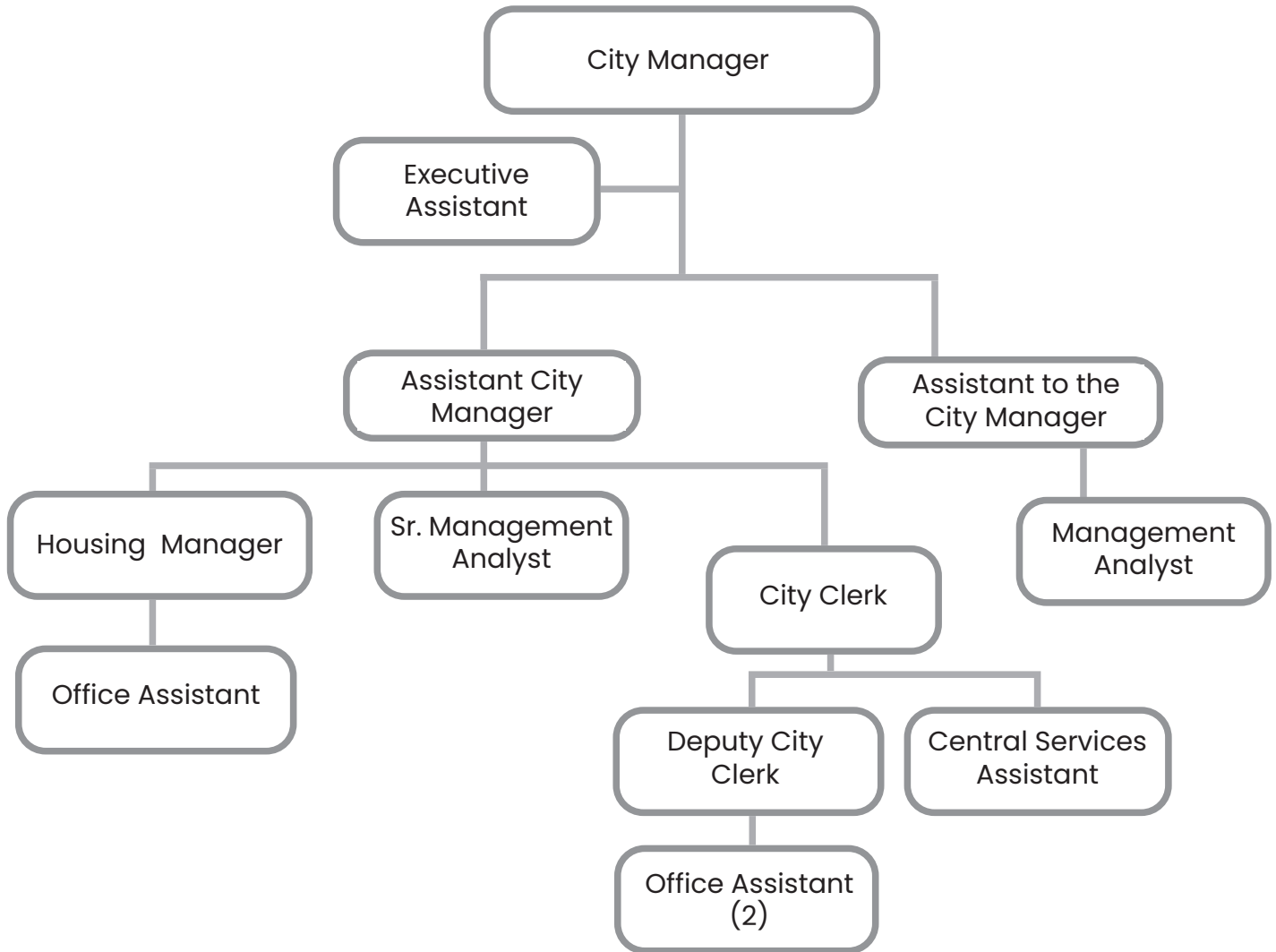


Conduct Community Survey



Develop Framework, Recommendations, and Implementation Plan to reduce Homelessness in Pleasanton

Organization Chart



Personnel Summary

Position	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22				Projected FY 2022/23					
			Admin	Housing*	City Clerk	Recycling*	TOTAL	Admin	Housing*	City Clerk	Recycling*	TOTAL
City Manager	1.00	1.00	1.00				1.00				1.00	
Assistant City Manager	1.00	1.00	0.65	0.35			1.00	0.65	0.35		1.00	
Assistant to the City Manager	1.00	1.00	1.00				1.00	1.00			1.00	
Executive Assistant	1.00	1.00	1.00				1.00	1.00			1.00	
Sr. Management Analyst	1.00	1.00	1.00				1.00	1.00			1.00	
Management Analyst		.50				1.00	1.00			1.00	1.00 (1)	
Housing Manager	0.45	0.45		1.00			1.00		1.00		1.00	
City Clerk	1.00	1.00			1.00		1.00		1.00		1.00	
Deputy City Clerk	2.00	2.00			1.00		1.00		1.00		1.00 (2)	
Central Services Lead	1.00	1.00					-				- (3)	
Central Services Assistant					1.00		1.00		1.00		1.00 (3)	
Sr. Office Assistant / Office Assistant	1.50	1.50	0.50		2.00		2.50	0.50	2.00		2.50 (2)	
Subtotal	10.95	11.45	5.15	1.35	5.00	1.00	12.50	5.15	1.35	5.00	1.00	12.50
Overtime	0.02	0.02	0.02				0.02	0.02				0.02
Temporary	0.38	0.27		0.11			0.11		0.11			0.11
TOTAL	11.35	11.74	5.17	1.46	5.00	1.00	12.63	5.17	1.46	5.00	1.00	12.63

(1) In 2020/21, a Management Analyst position was shared between City Manager (0.5) and Library and Recreation (0.5). 1.0 FTE is being added so each department has 1.0 FTE each

(2) In 2020/21, a Deputy City Clerk position was vacated and reclassified to an Office Assistant

(3) In 2020/21, a Central Services Lead position was vacated and reclassified to a Central Services Assistant

*Special Revenue Funds

Department Overview

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$22,996	\$30,600	\$ 30,600	\$ 30,600
Grants and Subventions	270,950	1,458,328	620,163	459,593
Interfund Revenue	4,765	10,291	10,291	10,291
Interest Income and Rent	584,723	220,000	220,000	220,000
Misc Reimbursements	160,100	194,700	194,700	194,700
Development Fees	486,444	1,037,818	3,311,285	6,347,390
Miscellaneous Revenue	490,313	1,099,000	499,000	499,000
General Fund Subsidy	2,627,891	2,784,768	2,564,867	2,835,920
(Addition To)/Reduction in Fund Balance	(411,010)	323,369	(2,067,561)	(5,572,145)
Total Department Revenue	\$4,237,172	\$7,158,874	\$5,383,345	\$5,025,349
Expenditures				
Salaries	\$1,558,743	\$1,541,488	\$1,701,147	\$1,704,475
Benefits	1,041,486	1,044,325	1,137,904	1,197,375
Transport and Training	19,954	16,590	15,521	16,281
Repair and Maintenance	135,957	126,828	124,093	133,730
Materials and Supplies	1,395,260	3,574,552	1,718,931	1,551,370
Capital Outlay	6,987	346,907	360,538	96,907
Loan Expenditures	78,785	508,184	325,211	325,211
Total Department Expenditures	\$4,237,172	\$7,158,874	\$5,383,345	\$5,025,349

CITY MANAGER DEPARTMENT

City Manager Administration General Fund and Special Revenue Fund

The City Manager Administration Division is responsible for providing the overall administration, leadership, and direction for the City organization, including implementation of City priorities, guidance of significant initiatives, oversight of the delivery of City services and management of the City's internal and external communications.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Miscellaneous Revenue	\$218,085	\$250,000	\$250,000	\$250,000
General Fund Subsidy	1,464,703	1,440,968	1,095,819	1,334,109
(Addition To)/Reduction in Fund Balance	(194,463)	(50,532)	85,684	(214,316)
Total Division Revenue & Subsidy	\$1,488,325	\$1,640,436	\$1,431,503	\$1,369,793
Expenditures				
Salaries	\$ 815,241	\$ 800,446	\$ 757,449	\$ 757,449
Benefits	481,027	480,644	461,141	483,611
Transport and Training	7,376	1,500	1,431	2,191
Repair and Maintenance	10,347	3,145	2,621	5,242
Materials and Supplies	174,334	54,701	58,861	71,300
Capital Outlay	-	300,000	150,000	50,000
Total Division Expenditures	\$1,488,325	\$1,640,436	\$1,431,503	\$1,369,793

City Clerk Division General Fund

The Office of the City Clerk provides staff support for Council meetings; prepares the legislative agenda, legal notices and ensure meetings comply with requirements. They administer Federal, State and Local procedures through which local government representatives are elected, and oversees the preservation and protection of public records.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$22,996	\$30,600	\$30,600	\$30,600
Misc Reimbursements	51,353	34,700	34,700	34,700
General Fund Subsidy	1,163,188	1,343,800	1,469,048	1,501,811
Total Division Revenue & Subsidy	\$1,237,537	\$1,409,100	\$1,534,348	\$1,567,111
Expenditures				
Salaries	\$547,641	\$455,430	\$546,731	\$550,059
Benefits	373,174	372,051	397,957	420,458
Transport and Training	12,535	10,090	11,090	11,090
Repair and Maintenance	125,335	112,029	109,820	116,754
Materials and Supplies	171,865	459,500	468,750	468,750
Capital Outlay	6,987	-	-	-
Total Division Expenditures	\$1,237,537	\$1,409,100	\$1,534,348	\$1,567,111

CITY MANAGER DEPARTMENT

Housing Division General Fund & Special Revenue Fund

The Pleasanton Housing Division promotes the development and maintenance of affordable rental and ownership housing in Pleasanton through administration of the General Plan Housing Element, the Pleasanton Homeownership Assistance Program, administration of the community Development Block Grant (CDBG) and HOME programs, and a wide range of housing services.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Grants and Subventions	\$270,950	\$1,458,328	\$620,163	\$459,593
Interfund Revenue	4,765	10,291	10,291	10,291
Interest Income and Rent	584,723	220,000	220,000	220,000
Misc Reimbursements	108,747	160,000	160,000	160,000
Development Fees	486,444	1,037,818	3,311,285	6,347,390
Miscellaneous Revenue	-	600,000	-	-
General Fund Subsidy	-	-	-	-
(Addition To)/Reduction in Fund Balance	(148,973)	256,236	(2,624,650)	(5,653,886)
Total Division Revenue	\$1,306,656	\$3,742,673	\$1,697,089	\$1,543,388
Expenditures				
Salaries	\$ 195,714	\$ 261,180	\$ 277,507	\$ 277,507
Benefits	187,248	183,598	192,873	202,721
Transport and Training	43	5,000	3,000	3,000
Repair and Maintenance	275	11,654	11,652	11,734
Materials and Supplies	844,591	2,726,150	676,308	676,308
Capital Outlay	-	46,907	210,538	46,907
Loan Expenditures	78,785	508,184	325,211	325,211
Total Division Expenditures	\$1,306,656	\$3,742,673	\$1,697,089	\$1,543,388

Recycling Division Measure D

Special Revenue Fund

Measure D, adopted by voters in 1990 sets forth countywide goals for reduction and diversion of non-hazardous solid waste from landfills, creates a framework for comprehensive source reduction and recycling programs. Measure D funds are distributed to cities to invest in recycling efforts in their community.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Misc Reimbursements	-	-	-	-
Miscellaneous Revenue	\$272,228	\$249,000	\$249,000	\$249,000
(Addition To)/Reduction in Fund Balance	(67,574)	117,665	471,405	296,057
Total Division Revenue	\$204,654	\$366,665	\$720,405	\$545,057
Expenditures				
Salaries	\$147	\$24,432	\$119,460	\$119,460
Benefits	37	8,032	85,933	90,585
Materials and Supplies	204,470	334,201	515,012	335,012
Total Division Expenditures	\$204,654	\$366,665	\$720,405	\$545,057

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FY 2021/22 and FY 2022/23

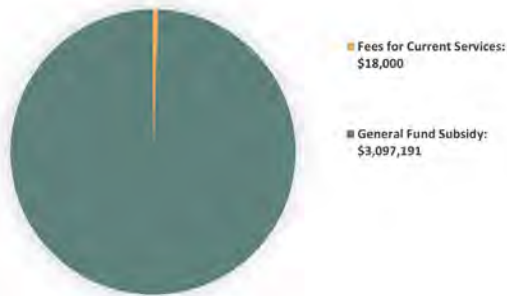
Law
Department
Operating Budget

Law Department

Operating Budget

The Law Department advises the City Council and City staff on all legal matters pertaining to City business, frames all ordinances, resolutions and other City documents, and performs all legal services required by the City Council. The Law Department works closely with the City Council, City Manager, department heads, and all City staff to carry out certain administrative duties as well as providing advice on sensitive issues. The Law Department serves as the City's Risk Manager and handles most of the City's litigation.

Department Revenue



Total Department Revenues: \$3,115,191

Department Expenditures



Total Department Expenditures: \$3,115,191

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

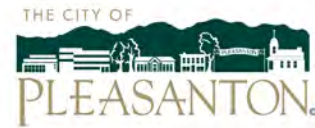
Department Goals & Objectives

- Provide sound, reasoned legal advice to the City Council, City Manager and staff
- Provide guidance and advice to new City Council Members
- Provide advice concerning implementation of Housing Element programs including Growth Management
- Defend the City against claims and lawsuits filed against it and represent City in prosecution of cases it files
- Advise Human Resources Department on labor and personnel issues
- Draft, review and comment on all agreements, contracts, ordinances, and resolutions to be entered into by the City
- Prepare an omnibus ordinance to update language in the Municipal Code
- Prosecute Municipal Code violations to maintain high quality of life in the community
- Provide advice regarding land use and CEQA matters to Council, Commissions and staff.
- Provide advice regarding development fees, their use and legal requirements
- Provide legal counsel for Council priority projects, including the Johnson Drive Economic Development Zone, continue to support the Sunflower Hill Project, and to develop a City ADA transition plan

FY 2019/20 and FY 2020/21

Department Accomplishments

- Provided sound, reasoned legal advice to City Council, City Manager, Commissions and all City departments on a wide range of issues
- Advised City Manager and Human Resources Department on labor and personnel issues
- Prepared annual omnibus ordinance to clean up language in the Municipal Code
- Reviewed for form and legality all agreements, ordinances, resolutions and other documents relating to City operations and policies
- Successfully defended against or resolved/settled lawsuits related to police and tort litigation



Dan Sodergren
City Attorney

“The focus for the next two years will continue to be providing accurate and timely legal advice for Council priorities and other contractual, regulatory and litigation matters.”

Selected Law Department Council Priorities



Johnson Drive Economic Development Zone Transportation Improvements

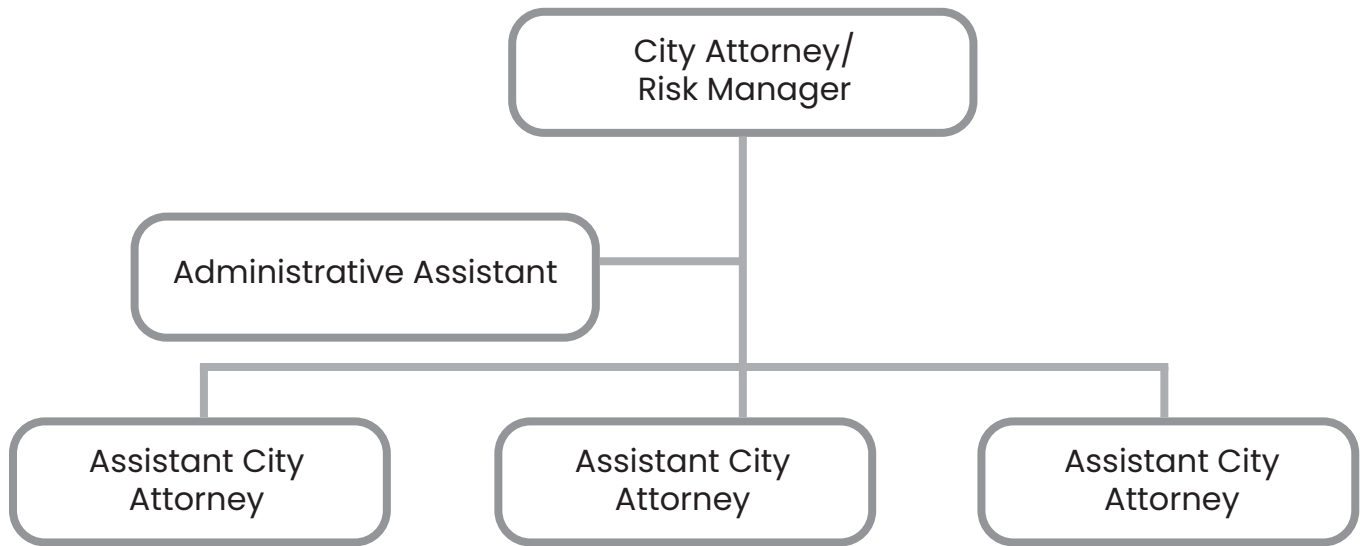


Continue to support the Sunflower Hill Project



Develop City ADA Transition Plan

Organization Chart



Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22	Projected FY 2022/23
City Attorney	1.00	1.00	1.00	1.00
Assistant City Attorney	2.25	2.25	2.25	2.25
Administrative Assistant	1.00	1.00	1.00	1.00
Subtotal	4.25	4.25	4.25	4.25
Temporary	0.08	0.08	0.08	0.08
TOTAL	4.33	4.33	4.33	4.33

Department Overview

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$364	\$18,000	\$18,000	\$18,000
Fines and Forfeitures	(810)	-	-	-
Misc Reimbursements	88,095	182,000	-	-
Miscellaneous Revenue	-	1,500	-	-
General Fund Subsidy	2,986,092	2,656,325	3,097,191	3,378,125
Total Department Revenue & Subsidy	\$3,073,741	\$2,857,825	\$3,115,191	\$3,396,125
Expenditures				
Salaries	\$858,437	\$829,526	\$837,076	\$837,076
Benefits	521,811	539,321	539,143	569,625
Transport and Training	782	4,000	4,000	4,000
Repair and Maintenance	1,506	458	452	904
Materials and Supplies	1,691,205	1,484,520	1,734,520	1,984,520
Total Department Expenditures	\$3,073,741	\$2,857,825	\$3,115,191	\$3,396,125

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FY 2021/22 and FY 2022/23

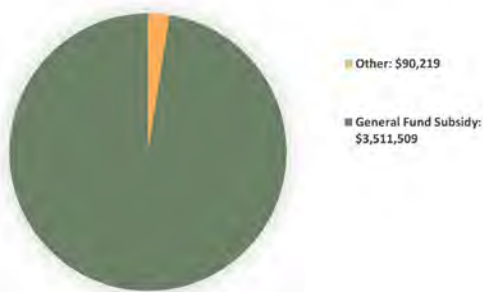
Finance
Department
Operating Budget

Finance Department

Operating Budget

The Finance Department is responsible for the safekeeping, management, and accounting of the City's financial assets. The department provides financial information and analyses to the public, the City Council, the City Manager and other departments. The department processes cash receipts, payroll, accounts payables, administers assessment districts and other debt, invests the City's funds, coordinates preparation of the City's operating and capital budgets, issues the annual financial report, and coordinates the City's audits.

Department Revenue



Total Department Revenues: \$3,601,728

Department Expenditures



Total Department Expenditures: \$3,601,728

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

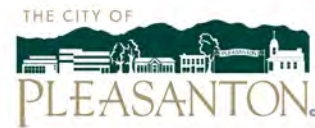
Department Goals & Objectives

- Coordinate the development of and monitor the City's operating and capital budgets
- Prepare the City's Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB)
- Complete update of utility rates
- Implement upgrades to the City's integrated financial and human resource management system (Tyler Munis)
- Develop annual Popular Financial Report template to present the CAFR data in an easily understood format
- Implement Projects Module in Tyler Munis
- Secure financing for the PFAS project
- Develop financial plan for the West Las Positas Boulevard project

FY 2019/20 and FY 2020/21

Department Accomplishments

- Completed FY 2020/21 MidTerm Budget and CIP update
- Completed FY 2021/22 and FY 2022/23 Budget and Implemented major upgrade to Tyler Munis
- Developed and implemented billing system and process for LFPD's Pleasanton fire inspections
- Began utility rate review
- Managed the City's financial response to COVID including seeking federal reimbursements and funding the COVID testing site at the Alameda Fairgrounds



Tina Olson
Director of Finance

“Our focus continues to be on maintaining strong financial management practices to ensure the safekeeping of the City's resources and adequate funds to address future fiscal uncertainty.”

Selected Finance Department Council Priorities



Maintain Fiscal Stability

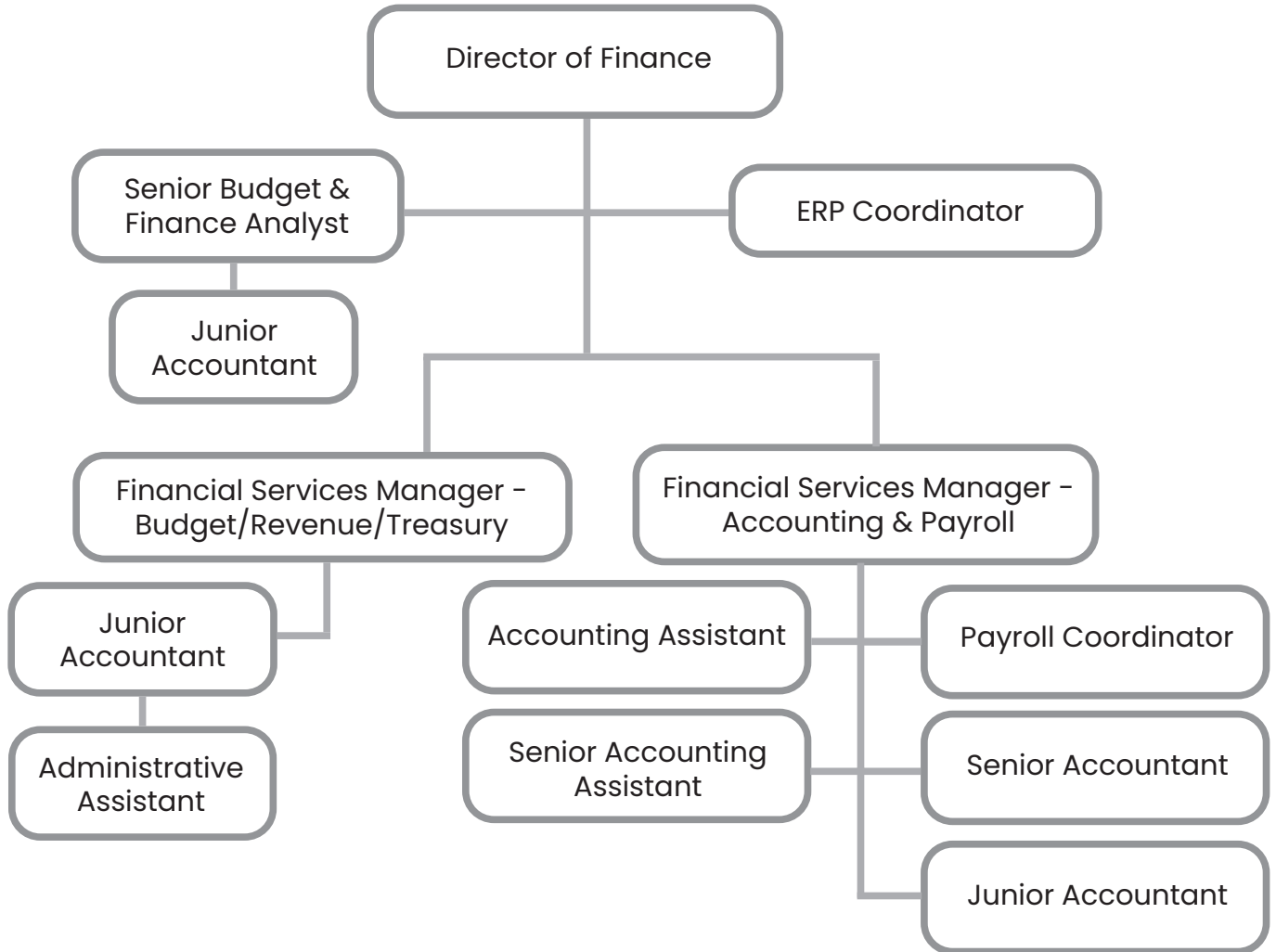


Adopt 10 Year Infrastructure & Facilities Replacement Plan



Update Utility Rates

Organization Chart



Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22	Projected FY 2022/23	
Director of Finance	0.80	0.80	0.80	0.80	
ERP Coordinator	1.00	1.00	1.00	1.00	
Financial Services Manager	2.00	2.00	2.00	2.00	
Special Projects Manager	1.00	1.00			(1)
Sr. Budget & Finance Analyst			1.00	1.00	(1)
Administrative Assistant	2.00	2.00	1.00	1.00	(2)
Supervising Sr. Accountant	1.00	1.00			(3)
Senior Accountant			1.00	1.00	(4)
Junior Accountant	2.00	2.00	3.00	3.00	(2,3,4)
Payroll Coordinator	1.00	1.00	1.00	1.00	
Sr. Accounting Assistant	1.00	1.00	1.00	1.00	
Accounting Assistant	1.00	1.00	1.00	1.00	
Subtotal	12.80	12.80	12.80	12.80	
Overtime	0.09	0.09	0.09	0.09	
Total	12.89	12.89	12.89	12.89	

- (1) Special Projects Manager position reclassified to a Senior Budget and Finance Analyst
- (2) 1.0 FTE Administrative Assistant promoted to Junior Accountant
- (3) Supervising Sr. Accountant position reclassified to Junior Accountant
- (4) 1.0 FTE Junior Accountant promoted to Senior Accountant

Department Overview

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Grants and Subventions	1,383	-	-	-
Interfund Revenue	500	500	500	500
Misc Reimbursements	63,153	89,719	89,719	89,719
Miscellaneous Revenue	1	-	-	-
General Fund Subsidy	3,408,959	3,361,746	3,511,509	3,619,351
Total Department Revenue & Subsidy	\$3,473,996	\$3,451,965	\$3,601,728	\$3,709,570
Expenditures				
Salaries	\$ 1,516,883	\$ 1,510,964	\$ 1,622,575	\$ 1,638,463
Benefits	1,052,227	1,104,481	1,137,001	1,204,353
Transport and Training	16,042	17,059	10,000	10,000
Repair and Maintenance	56,573	18,276	18,102	34,704
Materials and Supplies	832,271	801,185	814,050	822,050
Total Department Expenditures	\$3,473,996	\$3,451,965	\$3,601,728	\$3,709,570

Performance Measures

Finance Department

Measure	Actual 2019/2020	Projected 2020/21	Budget 2021/22	Budget 2022/23
FINANCE DEPARTMENT				
Investments -				
Investment Portfolio	\$217,205,023	\$228,000,000	\$230,000,000	\$232,000,000
Return on Investment	2.33%	1.40%	1.50%	1.80%
Unfunded Liabilities -				
Accrued Actuarial Liability - Pension ¹	\$187,073,212	\$190,078,875	\$189,771,091	\$187,814,231
Accrued Retiree Health Care	\$38,284,500	\$29,651,027	N/A	N/A
Long-Term Debt (bonded indebtedness and loans)				
Total Outstanding	\$15,598,633	\$14,841,515	\$13,176,151	\$11,731,180
Debt Per Capita	\$196	\$187	\$165	\$147
General Obligation Bond Rating - S&P	N/A	N/A	N/A	N/A

¹ Excludes Section 115 Pension Trust Fund

FY 2021/22 and FY 2022/23

Human Resources Department

Operating Budget

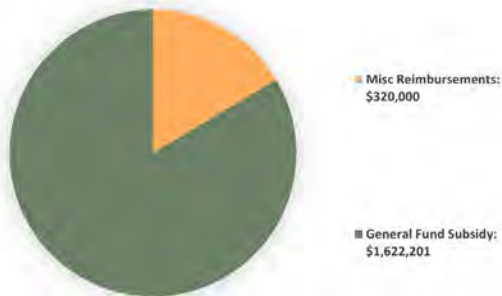
FY 2021/22 and FY 2022/23

Human Resources Department

Operating Budget

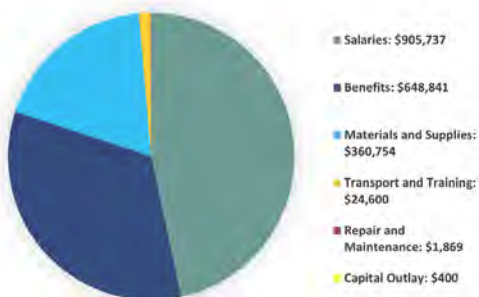
The Human Resources Department supports the City and its vision by providing services in employee and labor relations, recruitment, classification and compensation, benefits, training and organizational development, workers' compensation and City policy development. The Department's mission is to provide exceptional services by recruiting the best talent, developing that talent and providing the workforce with a gratifying, safe and supportive work environment. Human Resources supports the organization by providing an inclusive workplace and endorses personal accountability. These services are provided with an emphasis on respect and consideration for our workforce and all of our customers.

Department Revenue



Total Department Revenues: \$1,942,201

Department Expenditures



Total Department Expenditures: \$1,942,201

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

FY 2021/22 and FY 2022/23

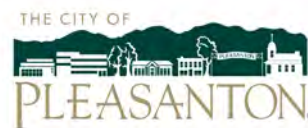
Department Goals & Objectives

- Throughout COVID, continue the development and maintenance of employee occupational health protocols, employee education regarding COVID, COVID testing COVID contact tracing, COVID workers' compensation, and COVID vaccinations
- Continue to expand the City's Diversity, Equity, and Inclusion program to include organization-wide training to normalize the conversation around race, collect and analyze organizational data, build organizational capacity for the program and develop a strategic plan to identify program goals and objectives
- Implement new technology for the effective and efficient execution of human resources services
- Expand and enhance the City's safety program to include an update of the City's Injury and Illness Prevention Plan (IIPP)
- Map talent market trends to be competitive in the recruitment and retention of a diverse and well-rounded workforce

FY 2019/20 and FY 2020/21

Department Accomplishments

- Launched the City's first Diversity and Inclusion Program with Pleasanton Executive Team workshops in 2019
- Dedicated an employee to help manage the City's workers' compensation program
- Shifted the City's employee benefits program to electronic enrollment
- Upgraded the City's integrated financial and human resource management system (Tyler Munis)
- In collaboration with the City's Emergency Operations Center for COVID, developed and implemented employee occupational health protocols, employee education regarding COVID, COVID testing, COVID contact tracing, COVID workers' compensation, and COVID vaccination qualifying criteria



For this budget, our focus is on supporting the organization through the pandemic and recovery, expanding the City's Diversity, Equity and Inclusion program, recruiting and retaining a diverse and well-rounded workforce, enhancing the City's safety program and continuing to leverage technology to promote excellence and efficiency in our organization.



Debra Gill
Director of Human Resources and Labor Relations

Selected Human Resources Department Council Priorities

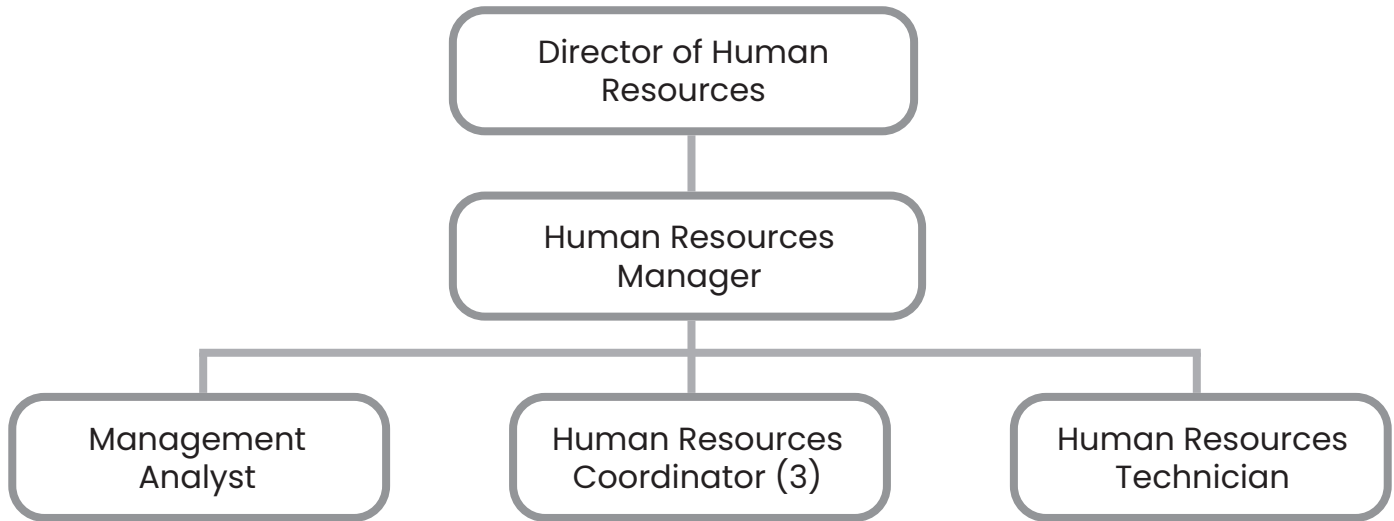


Labor Negotiations



Diversity, Equity, and Inclusion Strategic Plan

Organization Chart



Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22	Projected FY 2022/23
Director of Human Resources & Labor Relations	1.00	1.00	1.00	1.00
Human Resources Manager	1.00	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	1.00
Human Resources Coordinator	3.00	3.00	3.00	3.00
Human Resources Technician	1.00	1.00	1.00	1.00
Subtotal	7.00	7.00	7.00	7.00
Overtime		0.02	0.02	0.02
Temporary	0.06		0.09	0.09
TOTAL	7.06	7.02	7.11	7.11

Human Resources

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Misc Reimbursements	\$320,041	\$355,000	\$320,000	\$320,000
General Fund Subsidy	1,553,945	1,589,188	1,622,201	1,657,450
Total Department Revenue & Subsidy	\$1,873,986	\$1,944,188	\$1,942,201	\$1,977,450
Expenditures				
Salaries	\$850,434	\$890,689	\$905,737	\$905,737
Benefits	616,612	665,857	648,841	682,221
Transport and Training	21,953	24,600	24,600	24,600
Repair and Maintenance	6,210	1,888	1,869	3,738
Materials and Supplies	378,777	360,754	360,754	360,754
Capital Outlay	-	400	400	400
Total Department Expenditures	\$1,873,986	\$1,944,188	\$1,942,201	\$1,977,450

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FY 2021/22 and FY 2022/23

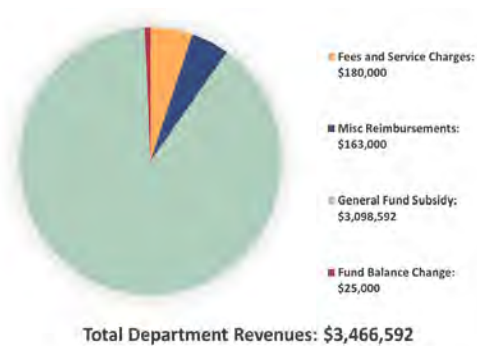
**Information Technology
Department**
Operating Budget

Information Technology Department

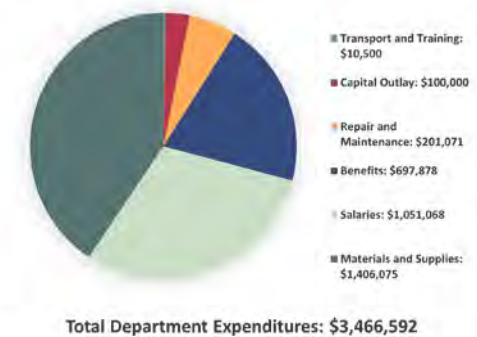
Operating Budget

The Information Technology Department is responsible for the technology needs of the City. The department administers and maintains all end point computing devices, software applications, data center infrastructure, and network. The Department also maintains all City web sites, electronic communications, and Voice telephony systems, and cybersecurity technologies – for the protection of the City’s systems and data from being compromised.

Department Revenue



Department Expenditures



Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

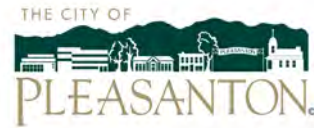
Department Goals & Objectives

- Continue to enhance and increase our cybersecurity posture
- Upgrades to Wide Area Network offsite locations
- Upgrades to Local Area Network On-net sites
- GIS Server Infrastructure upgrades

FY 2019/20 and FY 2020/21

Department Accomplishments

- PC refreshes and upgrades from legacy end-of-life Operating Systems
- Upgrade to Virtual Desktop Infrastructure
- Implemented IT Asset Management System
- Upgrade to next-gen anti-virus software – Endpoint Detection and Response solution
- Implemented major upgrade to ERP system
- Upgrade to backup system – to include SaaS data: Office365
- Assisted with technology needs of office and building remodels, and temp sites
- Orchestrated and facilitated the technology response to City's COVID-19 Response and Recovery efforts
- Validated and updated Census Bureau data before they conducted the 2020 census
- Upgrade to VPN system – Instrumental with business continuity strategies for employees working from home
- Implemented solution to assist with detection and incident response to cyber vulnerabilities through advanced network analysis
- Implemented infrastructure upgrades, and security and network enhancements to SCADA environment



Allen Hammond
Director of Information
Technology

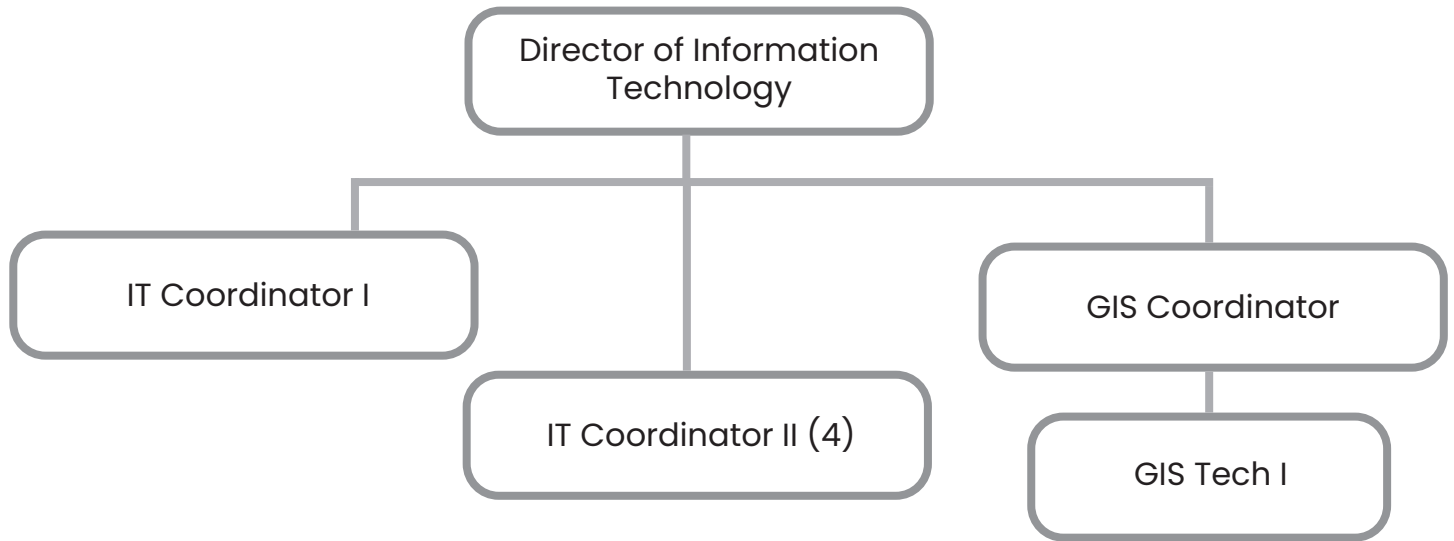
“Helping to discover, provide, and support technology solutions that help our partners to serve the community remains our primary mission. We deliver extra value by doing this with high customer service standards and a broad range of skill sets from a very experienced staff.”

Selected Information Technology Department Council Priorities



Update to City website

Organization Chart



Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22	Projected FY 2022/23
Director of Information Technology	0.90	0.90	0.90	0.90
Information Technology Coordinator I/II	5.00	5.00	5.00	5.00
GIS Coordinator	0.66	0.66	0.66	0.66
GIS Technician I/II	0.50	0.50	0.50	0.50
Subtotal	7.06	7.06	7.06	7.06
Overtime	0.23	0.23	0.23	0.23
Temporary	0.65	0.65	0.65	0.65
TOTAL	7.94	7.94	7.94	7.94

Department Overview

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Internal Services Charges	\$250,000	\$75,000	\$175,000	\$175,000
Fees for Current Services	2,782	5,000	5,000	5,000
Misc Reimbursements	137,367	163,000	163,000	163,000
General Fund Subsidy	2,946,112	3,001,394	3,098,592	3,179,128
(Addition To)/Reduction in Fund Balance	334,839	695,554	25,000	25,000
Total Department Revenue & Subsidy	\$3,671,100	\$3,939,948	\$3,466,592	\$3,547,128
Expenditures				
Salaries	\$967,754	\$953,207	\$1,051,068	\$1,051,068
Benefits	663,885	740,636	697,878	734,043
Transport and Training	9,195	16,366	10,500	15,500
Repair and Maintenance	324,665	191,121	201,071	264,142
Materials and Supplies	1,481,498	1,395,109	1,406,075	1,382,375
Capital Outlay	224,103	643,509	100,000	100,000
Total Department Expenditures	\$3,671,100	\$3,939,948	\$3,466,592	\$3,547,128

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FY 2021/22 and FY 2022/23

**Non-Departmental
General Fund Accounts**

Operating Budget

Private Purpose Trust Fund

Private-Purpose Trust Fund - accounts for the Pleasanton Township County Water District #3 (P.T.C.W.D.#3) Trust Fund. The Trust received money in 1973 from the Pleasanton Township County Water District #3 and the funds are used to maintain the private road that serves the City's water tanks.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$1,225	\$1,925	\$1,925	\$1,925
(Addition To)/Reduction in Fund Balance	23,880	38,855	38,855	38,855
Total Division Revenue & Subsidy	\$25,105	\$40,780	\$40,780	\$40,780
Expenditures				
Repair and Maintenance	\$2,048	\$10,000	\$10,000	\$10,000
Materials and Supplies	23,057	30,780	30,780	30,780
Total Division Expenditures	\$25,105	\$40,780	\$40,780	\$40,780

GENERAL GOVERNMENT

General Government

Miscellaneous

Non-Departmental

Includes revenues and expenditures not associated with a particular department including the General Fund contingency, Employee Benefits Internal Services Fund, Workers Compensation Internal Services Fund, PERS Rate Stabilization Fund, Retiree Medical Reserve Funds and the Self-Insurance Retention Fund.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Internal Services Charges	\$7,271,061	\$7,283,325	\$6,117,000	\$6,935,000
Interest	297,388	227,000	163,500	148,000
Grants and Subventions	-	981,153	4,250,000	4,250,000
Misc Reimbursements	120,000	96,000	96,000	96,000
Miscellaneous Revenue	15,802	-	24,000	24,000
General Fund Subsidy	634,506	833,555	(1,683,281)	(106,281)
(Addition to)/Reduction in Fund Balance	2,093,827	2,940,139	4,512,943	4,115,502
Total Division Revenue & Subsidy	\$10,432,584	\$12,361,172	\$13,480,162	\$15,462,221
Expenditures				
Salaries	\$16,746	\$32,506	\$28,500	\$28,500
Benefits	4,888,812	5,245,909	4,961,909	5,279,909
Transport and Training	34,247	-	38,000	38,000
Materials and Supplies	5,492,779	7,082,757	8,451,753	10,115,812
Total Division Expenditures	\$10,432,584	\$12,361,172	\$13,480,162	\$15,462,221

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FY 2021/22 and FY 2022/23

**Livermore-Pleasanton
Fire Department**

Operating Budget

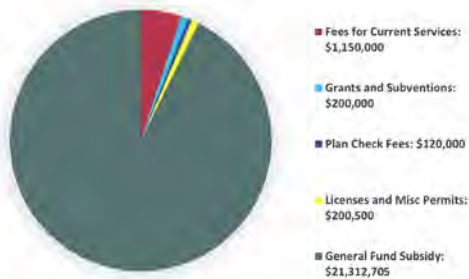
FY 2021/22 and FY 2022/23

Livermore-Pleasanton Fire Department

Operating Budget

The Livermore-Pleasanton Fire Department's (LPFD) core purpose is to make our communities safe for all citizens to live and work through the protection of life, property and the environment. The department, through the Fire Prevention Bureau, is responsible for minimizing fire risk through positive fire code enforcement and weed abatement. The Operations Bureau prepares for and responds to all emergency fire, medical, rescue and hazardous materials incidents. Five of the department's ten fire companies are based in the City of Pleasanton. The LPFD also trains at the City's training facility in east Pleasanton. The department provides training to citizens in order to improve their safety and self-reliance in emergencies, plus the department plays a key role in the citywide Emergency Preparedness Plan.

Department Revenue



Total Department Revenues: \$22,983,205

Department Expenditures



Total Department Expenditures: \$22,983,205

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

FY 2021/22 and FY 2022/23

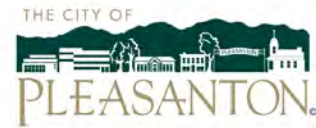
Department Goals & Objectives

- Coordinate construction of the new Station #3 Fire Station
- Expand partnership with Las Positas College to provide college unites and funding for existing LPFD training
- Adopt and implement a new strategic plan
- Restore LPFD outreach programs that were paused during the Covid-19 pandemic, including the training of additional CERT members
- With our partner agencies, implement Zonehaven, a communitywide emergency evacuation program
- Implement a behavioral health program with a focus on early recognition and prevention

FY 2019/20 and FY 2020/21

Department Accomplishments

- Decommissioned the retired Station #3 and move of all operations to a temporary facility
- In-serviced two Type 3 wildland fire engines for placement at Stations #2 & #4 to enhance protection of the Pleasanton Ridge
- Responded to the global Covid-19 pandemic including acquiring and incorporating appropriate personnel protection equipment, safe operating conditions and supporting EOC efforts
- Responded to lightening caused 'mega-fires' of 2020 including activation of the LPFD Community Emergency Response Team (CERT) to staff call center at base camp
- Implemented PerformYard, an employee performance software and evaluation program



Joe Testa
Interim Fire Chief

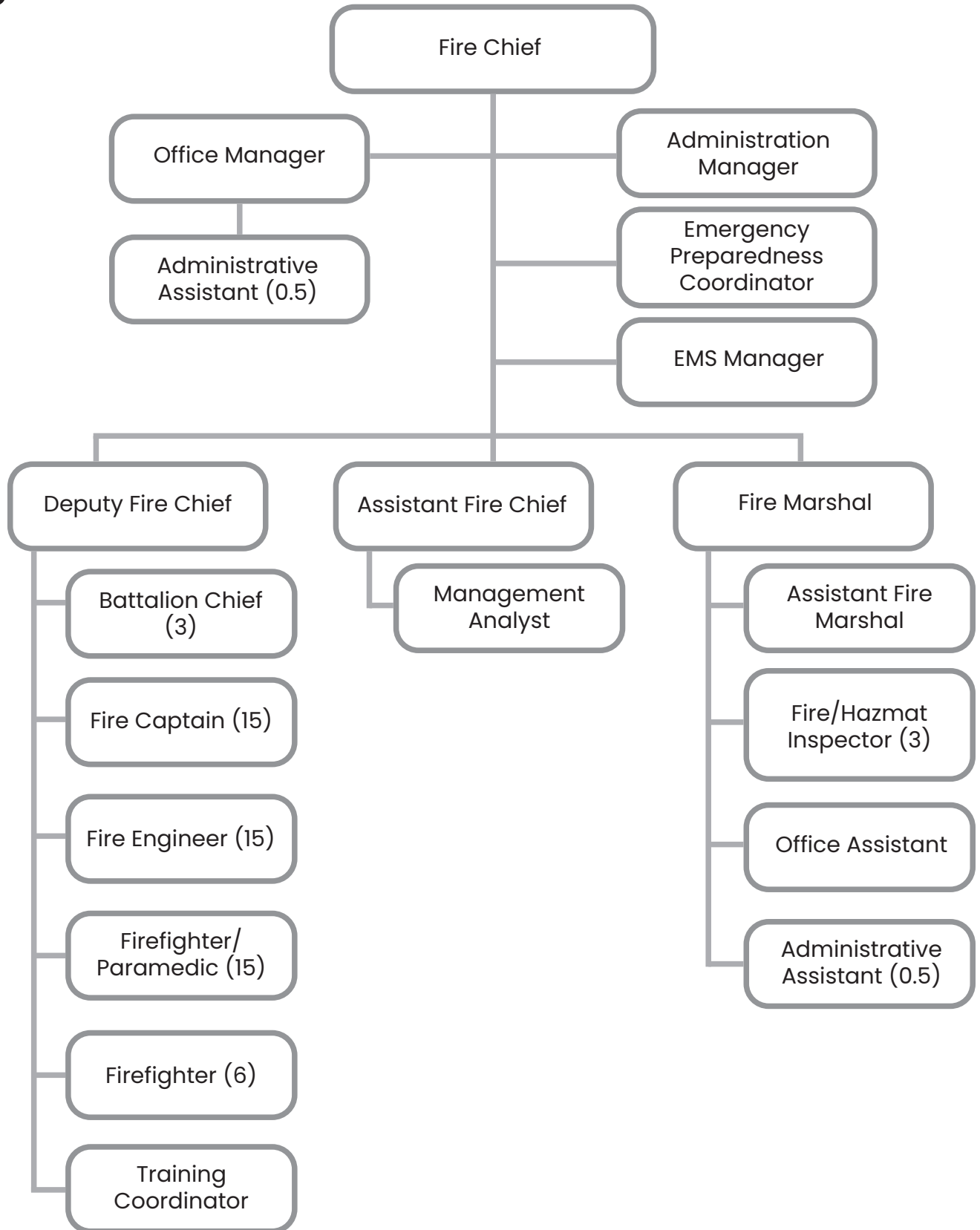
“The Department continues its focus on being a leader in all-risk emergency services adapting to the needs of our communities in a fiscally responsible and sustainable manner.”

Selected Livermore-Pleasanton Fire Department Council Priorities



Construction of New Fire Station #3

Organization Chart



LIVERMORE-PLEASANTON FIRE DEPARTMENT

Personnel Summary Pleasanton Only

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22				Projected FY 2022/23			
			Admin	Prevention	Operations	TOTAL	Admin	Prevention	Operations	TOTAL
Fire Chief	0.50	0.50	0.50			0.50	0.50			0.50
Deputy Fire Chief	0.50	0.50	0.50			0.50	0.50			0.50
Assistant Fire Chief	0.50	0.50	0.50			0.50	0.50			0.50
Battalion Chief	2.00	2.00	3.00			3.00	3.00			3.00 (1)
Fire Marshal	0.50	0.50		0.50		0.50		0.50		0.50
Assistant Fire Marshal	0.50	0.50		0.50		0.50		0.50		0.50
Emergency Prep Coordinator	0.50	0.50	0.50			0.50	0.50			0.50
EMS Manager	0.50	0.50	0.50			0.50	0.50			0.50
Management Analyst	0.50	0.50	0.50			0.50	0.50			0.50
Administration Manager	0.50	0.50	0.50			0.50	0.50			0.50
Fire Captain	15.00	15.00			15.00	15.00			15.00	15.00
Fire Engineer	15.00	15.00			15.00	15.00			15.00	15.00
Firefighter/Paramedic	15.00	15.00			15.00	15.00			15.00	15.00
Firefighter	6.00	6.00			6.00	6.00			6.00	6.00
Fire / Hazmat Inspector	3.00	3.00		3.00		3.00		3.00		3.00
Office Manager	0.50	0.50	0.50			0.50	0.50			0.50
Administrative Assistant	0.50	0.50	0.50			0.50	0.50			0.50
Office Assistant	1.00	1.00		1.00		1.00		1.00		1.00
Training Coordinator	0.25	0.25	0.25			0.25	0.25			0.25
Subtotal	62.75	62.75	7.75	5.00	51.00	63.75	7.75	5.00	51.00	63.75
Overtime	20.74	23.16	0.02	0.09	20.63	20.74	0.02	0.09	23.05	23.16
Temporary	2.16	2.16	2.16			2.16	2.16			2.16
TOTAL	85.65	88.07	9.94	5.09	71.63	86.65	9.94	5.09	74.05	89.07

(1) The FY 2021/22 budget adds 2.0 FTE Battalion Chief positions of which Pleasanton is funding 1.0 FTE.

Department Overview

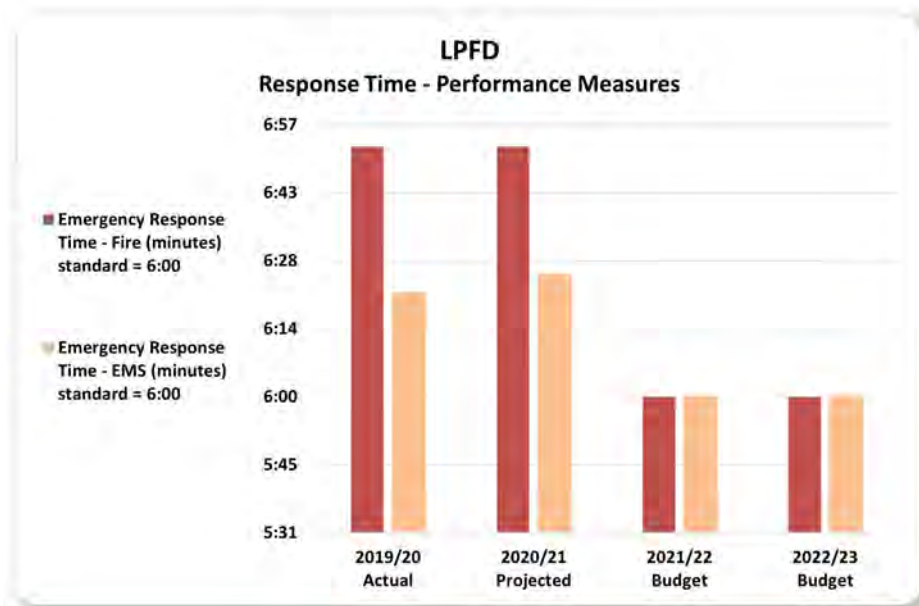
Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$1,101,860	\$1,048,863	\$1,150,000	\$1,200,000
Grants and Subventions	198,042	412,500	200,000	200,000
Plan Check Fees	92,299	120,000	120,000	120,000
Misc Reimbursements	28,766	-	-	-
Licenses and Misc Permits	534,467	208,500	200,500	300,500
Contributions and Donations	295	-	-	-
General Fund Subsidy	19,735,057	22,794,313	21,312,705	21,790,960
Total Division Revenue & Subsidy	\$21,690,786	\$24,584,176	\$22,983,205	\$23,611,460
Expenditures				
Salaries	\$18,613,635	\$20,689,076	\$20,504,505	\$20,913,245
Benefits	82,872	1,230,000	-	-
Transport and Training	78,101	483,550	85,250	91,250
Repair and Maintenance	844,241	328,500	355,861	545,222
Materials and Supplies	2,071,937	1,853,050	2,037,589	2,061,743
Total Division Expenditures	\$21,690,786	\$24,584,176	\$22,983,205	\$23,611,460

Performance Measures

Pleasanton Only

Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
FIRE OPERATIONS				
Number of emergency responses	5,624	6,000	N/A	N/A
Fires Extinguished	167	N/A	N/A	N/A
Emergency Response Time - Fire (minutes) standard = 6:00	6:53	6:53	6:00	6:00
Emergency Response Time - EMS (minutes) standard = 6:00	6:22	6:26	6:00	6:00
FIRE PREVENTION				
Inspections conducted	1,460	1400	1400	1400
Annual Fire Inspection Program	498	450	450	450



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FY 2021/22 and FY 2022/23

Police Department

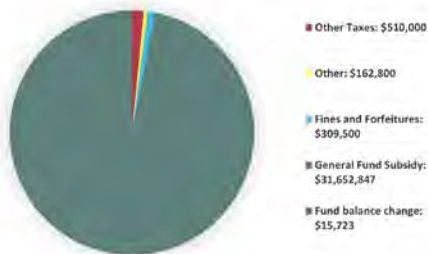
Operating Budget

Police Department

Operating Budget

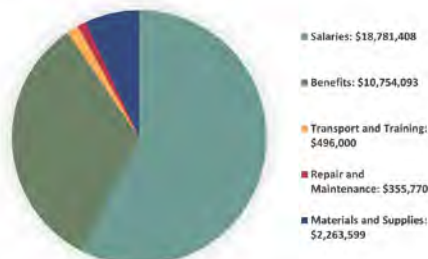
The Pleasanton Police Department, is committed to our community and working in collaboration with citizens, businesses, and leaders to reduce crime, maintain safety, and preserve an outstanding quality of life. Through the efforts of our sworn and civilian staff, we focus on effectively managing calls for service and facilitating problem solving throughout the city while maintaining fiscally responsible business practices. We continue to explore a variety of ways to understand and address the public’s needs while navigating the cultural and philosophical changes in our society.

Department Revenue



Total Department Revenues: \$32,650,870

Department Expenditures



Total Department Expenditures: \$32,650,870

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

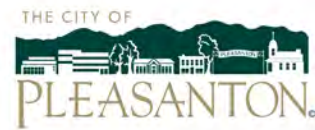
Department Goals & Objectives

- Maintain emergency response times under 4 minutes
- Achieve non-emergency response times under 20 minutes
- Fulfill staffing needs with a focus on diversity and creative recruiting methods
- Provide ongoing Crisis intervention Training to all field staff
- Implement a comprehensive Alternative Response Program for individuals in mental health crisis
- Reaffirm our commitment to serve the Pleasanton Unified School District while defining the role of police within our schools
- Develop and launch a Chief’s Community Advisory Board
- Develop a Police Department Strategic Plan to establish organizational priorities
- Acquire a Command Vehicle for in-field command and control of the City
- Enhance the digital forensic capabilities of our Criminal Investigation Unit
- Implement an electronic ticket citation system and collection of stop data in compliance with the Racial Identity Profiling Act
- Enhance community engagement and recruitment efforts with a Police Open House

FY 2019/20 and FY 2020/21

Department Accomplishments

- Managed the COVID-19 restrictions in collaboration with other City departments to include: maintained 100 percent level of police, managed the downtown street closures, COVID 19 test site, food bank site, and vaccination site, and adapted programs to a virtual setting to maintain relationships with our diverse community
- Upgraded our radio system, doubling the bandwidth
- Deployed new technology including a public facing, map-based, crime reporting software and a transparency webpage called "Policing in Pleasanton"
- Increased our followership amongst our social media platforms by ~ 90%
- Implemented a stationary Automated License Plate Reader (ALPR) system at key intersections resulting in 546 notifications of wanted or stolen vehicles
- Deployed an integrated body-worn camera and Taser system resulting in better video capture



David Swing
Police Chief

“As members of our diverse community, we remain steadfast in our mission to provide exceptional service. This budget ensures our team will continue to be well trained, well equipped, and allow for technology based solutions which help us work smarter and encourage community engagement.”

Selected Police Department Council Priorities



Implement Alternative Mental Health Response Pilot Program

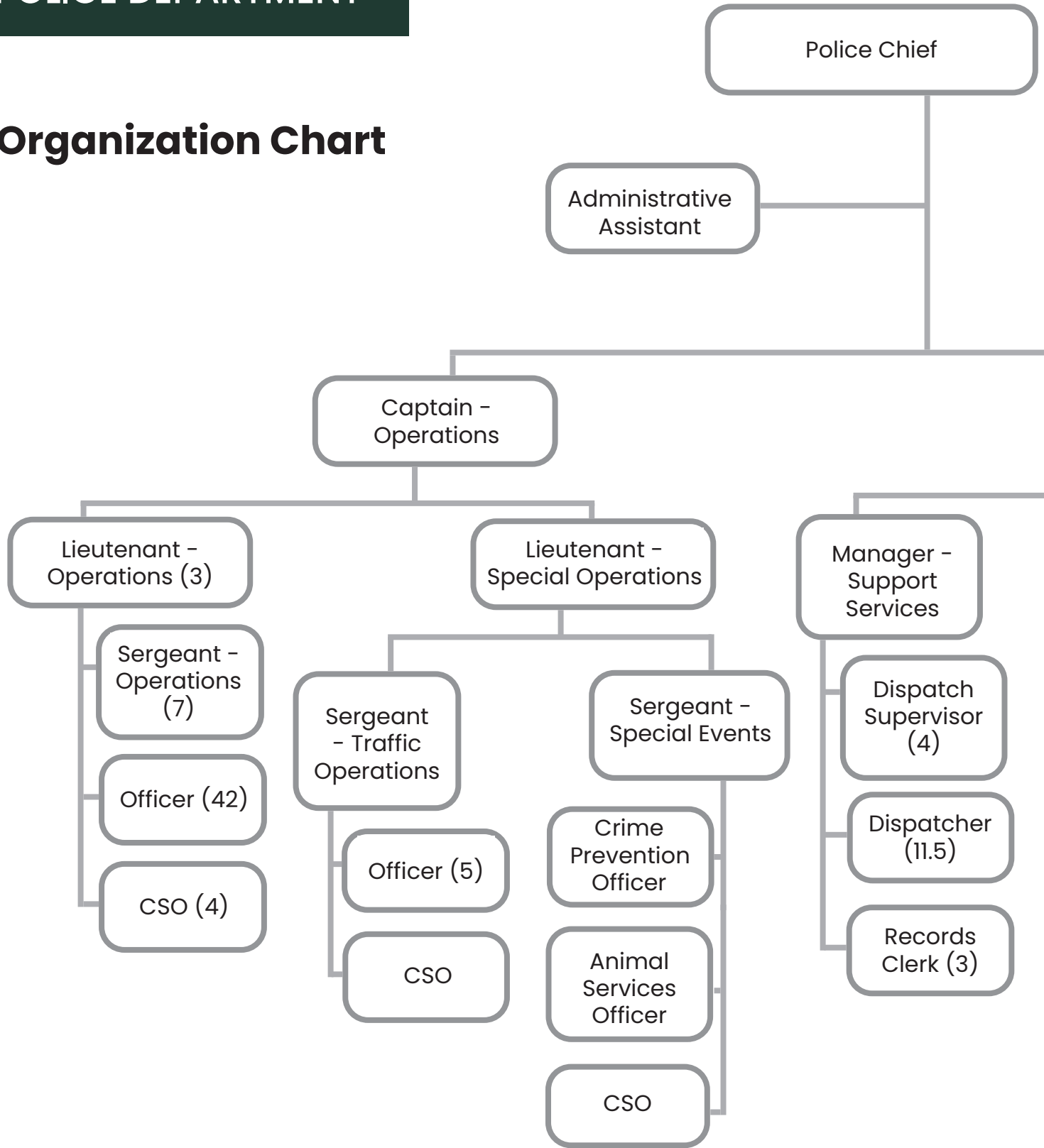


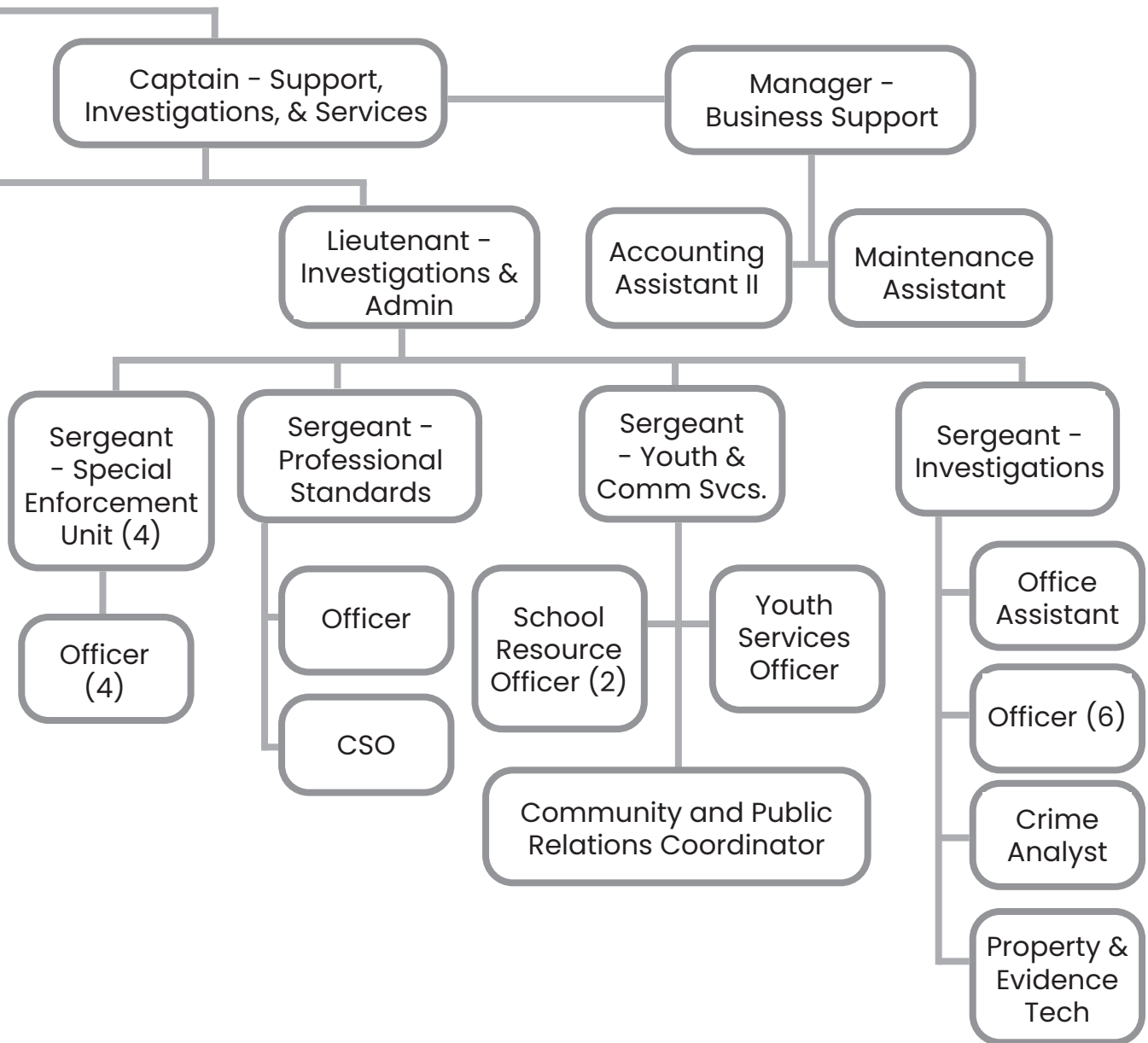
Implement Police Chief's Community Advisory Board



Develop a Memorandum of Understanding with PUSD to memorialize the role of Officers working within the schools

Organization Chart





Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22					Projected FY 2022/23						
			Admin	Sup- port Svcs	Oper- ations	Investi- gations	Special Oper- ations	TOTAL	Admin	Sup- port Svcs	Oper- ations	Investi- gations	Special Oper- ations	TOTAL
Police Chief	1.00	1.00	1.00						1.00					1.00
Police Captain	2.00	2.00			1.00	1.00					1.00	1.00		2.00
Police Lieutenant	5.00	5.00			3.00	1.00	1.00				3.00	1.00	1.00	5.00
Police Sergeant	13.00	13.00	1.00		7.00	3.00	2.00		1.00		7.00	3.00	2.00	13.00
Police Officer	62.00	62.00	1.00		42.00	13.00	6.00		1.00		42.00	13.00	6.00	62.00
Management Analyst	1.00	1.00	1.00						1.00					1.00
Administrative Assistant	1.00	1.00	1.00						1.00					1.00
Office Assistant	1.00	1.00				1.00					1.00			1.00
Police Support Services Manager	1.00	1.00		1.00						1.00				1.00
Crime Analyst	1.00	1.00				1.00					1.00			1.00
Dispatch Supervisor	4.00	4.00		4.00						4.00				4.00
Dispatcher	11.50	11.50		11.50						11.50				11.50
Accounting Assistant II	1.00	1.00	1.00						1.00					1.00
Police Records Clerk	3.00	3.00		3.00						3.00				3.00
Animal Services Officer	1.00	1.00					1.00						1.00	1.00
Property Evidence Tech	1.00	1.00				1.00					1.00			1.00
Community Service Officer	7.00	7.00	1.00		4.00		2.00		1.00		4.00		2.00	7.00
Community & Public Relations Coordinator	1.00	1.00				1.00							1.00	1.00
Maintenance Assistant	1.00	1.00	1.00						1.00					1.00
Subtotal	118.50	118.50	8.00	19.50	57.00	22.00	12.00	118.50	8.00	19.50	57.00	22.00	12.00	118.50
Overtime	9.39	5.78	0.30	1.15	6.10	1.10	0.35	9.00	0.30	1.15	6.10	1.10	0.35	9.00
Temporary	3.70	3.20	1.75	1.00	0.45	0.25	-	3.45	1.75	1.00	0.45	0.25	-	3.45
Total	131.59	127.48	10.05	21.65	63.55	23.35	12.35	130.95	10.05	21.65	63.55	23.35	12.35	130.95

Department Overview

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$24,578	\$36,100	\$36,100	\$36,100
Other Taxes	512,847	500,000	510,000	510,000
Grants and Subventions	359,048	26,000	200	200
Interest Income and Rent	-	-	-	-
Interfund Revenue	19,739	30,000	30,000	30,000
Fines and Forfeitures	240,932	121,500	309,500	309,500
Misc Reimbursements	103,917	70,000	65,000	65,000
Miscellaneous Revenue	15,760	14,500	14,500	14,500
Contributions and Donations	8,750	2,000	2,000	2,000
Licenses and Misc Permits	12,230	9,000	15,000	15,000
General Fund Subsidy	27,658,279	28,365,276	31,652,847	33,645,726
(Addition To)/Reduction in Fund Balance	(215,978)	16,723	15,723	15,723
Total Department Revenue & Subsidy	\$28,740,102	\$29,191,099	\$32,650,870	\$34,643,749
Expenditures				
Salaries	\$16,463,080	\$16,778,039	\$18,781,408	\$19,258,834
Benefits	9,002,171	9,775,200	10,754,093	11,767,918
Transport and Training	410,382	404,250	496,000	511,000
Repair and Maintenance	807,461	254,681	355,770	698,790
Materials and Supplies	1,951,473	1,978,929	2,263,599	2,407,207
Capital Outlay	105,535	-	-	-
Total Department Expenditures	\$28,740,102	\$29,191,099	\$32,650,870	\$34,643,749

POLICE DEPARTMENT

Administration Division

General Fund

Comprised of the Office of the Chief, Professional Standards, and Business Services, collectively manages department training, recruitment, background and internal investigations, the department budget, grant oversight, fleet and building maintenance, procurement, and special projects.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Grants and Subventions	\$265,467	\$26,000	\$200	\$200
Misc Reimbursements	2,817	-	-	-
Miscellaneous Revenue	20	3,500	3,500	3,500
Contributions and Donations	8,750	2,000	2,000	2,000
General Fund Subsidy	2,944,984	2,899,662	3,311,574	3,470,224
(Addition To)/Reduction in Fund Balance	(215,978)	16,723	15,723	15,723
Total Division Revenue & Subsidy	\$3,006,060	\$2,947,885	\$3,332,997	\$3,491,647
Expenditures				
Salaries	\$1,261,133	\$1,090,338	\$1,225,124	\$1,236,903
Benefits	630,613	663,438	732,321	789,486
Transport and Training	376,708	353,400	469,000	464,000
Repair and Maintenance	11,394	5,900	4,900	4,950
Materials and Supplies	620,677	834,809	901,652	996,308
Capital Outlay	105,535	-	-	-
Total Division Expenditures	\$3,006,060	\$2,947,885	\$3,332,997	\$3,491,647

Investigation Division

General Fund

Includes Investigations, Youth and Community services, and Special Enforcement. Responsibilities include investigations of property crimes, crimes against persons, and sexual assaults, school programs, volunteers, explorers and community engagement, homeless outreach, and special assignments.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
General Fund Subsidy	\$5,882,344	\$5,748,239	\$6,082,882	\$6,367,822
Total Division Revenue & Subsidy	\$5,882,344	\$5,748,239	\$6,082,882	\$6,367,822
Expenditures				
Salaries	\$3,594,113	\$3,345,741	\$3,668,818	\$3,751,140
Benefits	2,015,196	2,095,248	2,133,295	2,338,437
Transport and Training	19	2,250	3,000	3,000
Repair and Maintenance	-	1,300	1,000	1,000
Materials and Supplies	273,016	303,700	276,769	274,245
Total Division Expenditures	\$5,882,344	\$5,748,239	\$6,082,882	\$6,367,822

Operations Division

Comprised entirely of uniformed personnel, this division partners with the community to work collectively on proactive problem solving to address the causes of crime while positively impacting quality of life issues and community concerns.

General Fund

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$150	-	-	-
Other Taxes	512,847	\$500,000	\$510,000	\$510,000
Grants and Subventions	93,581	-	-	-
Fines and Forfeitures	8,388	-	-	-
Misc Reimbursements	53,978	40,000	40,000	40,000
Miscellaneous Revenue	2,515	-	-	-
General Fund Subsidy	12,738,021	13,665,587	14,703,752	15,863,139
Total Division Revenue & Subsidy	\$13,409,480	\$14,205,587	\$15,253,752	\$16,413,139
Expenditures				
Salaries	\$7,957,447	\$8,844,708	\$9,650,286	\$9,942,778
Benefits	4,286,585	4,868,256	5,065,986	5,575,896
Transport and Training	11,960	28,400	4,000	24,000
Repair and Maintenance	793,967	243,581	345,170	688,140
Materials and Supplies	359,521	220,642	188,310	182,325
Total Division Expenditures	\$13,409,480	\$14,205,587	\$15,253,752	\$16,413,139

Special Operations Division

Includes the Traffic, Animal Services, Special Events and Crime Prevention units and is responsible for traffic, parking, permits, animal protection, humane education, and permitted events.

General Fund

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$19,739	\$30,000	\$30,000	\$30,000
Interfund Revenue	19,739	30,000	30,000	30,000
Fines and Forfeitures	232,544	121,500	309,500	309,500
Misc Reimbursements	47,122	30,000	25,000	25,000
Miscellaneous Revenue	6,400	5,000	5,000	5,000
Licenses and Misc Permits	7,505	8,000	10,000	10,000
General Fund Subsidy	2,822,835	2,880,304	3,529,375	3,758,900
Total Division Revenue & Subsidy	\$3,155,884	\$3,104,804	\$3,938,875	\$4,168,400
Expenditures				
Salaries	\$1,635,657	\$1,577,950	\$1,867,145	\$1,909,804
Benefits	962,787	1,022,976	1,297,758	1,432,594
Transport and Training	21,695	20,200	20,000	20,000
Repair and Maintenance	980	1,300	1,200	1,200
Materials and Supplies	534,765	482,378	752,772	804,802
Total Division Expenditures	\$3,155,884	\$3,104,804	\$3,938,875	\$4,168,400

Support Services Division

Includes the Department’s records and communications areas providing efficient and personal responses to every request for service. Dispatchers answer all 911 emergency calls and send police personnel as needed to all calls for service.

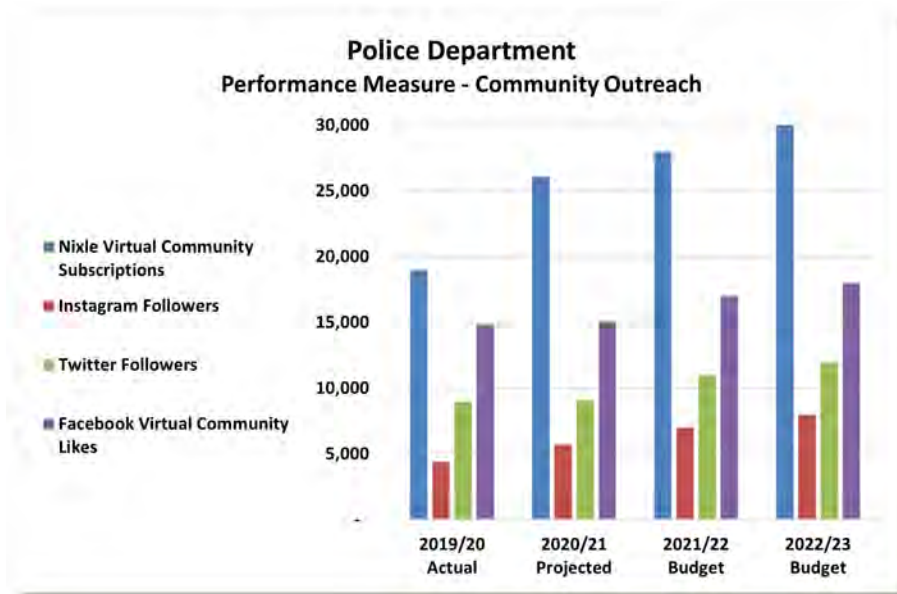
General Fund

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$4,689	\$6,100	\$6,100	\$6,100
Miscellaneous Revenue	6,825	6,000	6,000	6,000
Licenses and Misc Permits	4,725	1,000	5,000	5,000
General Fund Subsidy	3,270,095	3,171,484	4,025,264	4,185,641
Total Division Revenue & Subsidy	\$3,286,334	\$3,184,584	\$4,042,364	\$4,202,741
Expenditures				
Salaries	\$2,014,730	\$1,919,302	\$2,370,035	\$2,418,209
Benefits	1,106,990	1,125,282	1,524,733	1,631,505
Repair and Maintenance	1,120	2,600	3,500	3,500
Materials and Supplies	163,494	137,400	144,096	149,527
Total Division Expenditures	\$3,286,334	\$3,184,584	\$4,042,364	\$4,202,741

Performance Measures

Police Department

Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
POLICE OPERATIONS				
Emergency Response Time (minutes) standard = 4:00	3:45	4:00	4:00	4:00
Non-Emergency Response Time (minutes) standard = 20:00	20:54	20:00	20:00	20:00
Police Clearance Rate standard = 30%	27%	30%	30%	30%
COMMUNITY OUTREACH				
Nixle Virtual Community Subscriptions	19,000	26,100	28,000	30,000
Instagram Followers	4,400	5,700	7,000	8,000
Twitter Followers	8,980	9,100	11,000	12,000
Facebook Virtual Community Likes	14,880	15,100	17,000	18,000



FY 2021/22 and FY 2022/23

Community Development Department

Operating Budget

Community Development Department

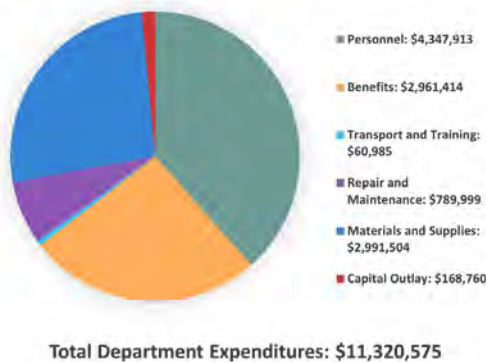
Operating Budget

The Community Development Department helps provide a sustainable, well-designed physical environment and transportation network to preserve and enhance the quality of life in Pleasanton. The Department includes Planning, Building and Safety, Code Enforcement, Transportation/Traffic Engineering, and Permit Center staff who combine to form a professional team that provides exceptional customer service and collaborative, innovative approaches to managing Pleasanton’s long-term and short-term development, and ensuring a safe and efficient transportation system for all users.

Department Revenue



Department Expenditures



Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

Department Goals & Objectives

- Monitor and respond to forthcoming Statewide housing legislation
- Complete the 6th Cycle Housing Element Update, including identification of housing sites to accommodate the assigned Regional Housing Need Allocation (RHNA)
- Design and construct West Las Positas Boulevard Bike and Ped Improvements in conjunction with the planned roadway reconstruction
- Complete the Johnson Drive Economic Development Zone (JDEDZ)
- Coordinate with the Pleasanton Unified School District to plan facilities for increased student population
- Restart the East Pleasanton Specific Plan process, as determined through the Housing Element process
- Complete planning for the 10x Genomics Campus
- Complete planning for the Lester property, and begin planning for the Merritt property and Stoneridge Mall area in conjunction with the Housing Element Update
- Complete planning for BART to Valley-Link project
- Continue to support State Route 84 widening
- Support the construction of I-680 Southbound Express Lane between Alcosta Boulevard and SR-84
- Design and construct interchange improvements at Sunol Boulevard and I-680
- Design Bike/Ped improvements on Santa Rita Road
- Implement a customer-facing on-line permitting and electronic plan-checking system

FY 2019/20 and FY 2020/21

Department Accomplishments

- Completed the Downtown Specific Plan Update
- Facilitated permitting and construction of the Sunflower Hill affordable housing project
- Adopted Accessory Dwelling Unit Ordinance in compliance with State law
- Implemented a virtual Permit Center during COVID-19, including interim electronic planning and building permit application systems
- Implemented technology to allow for video inspection services
- Provided support for local retailers and restaurants during COVID through streamlined, no-cost permits for outdoor dining and display and “pop up” parklets
- Upgraded 80 traffic signals to provide real-time performance monitoring
- Developed and implemented speed lump program
- Completed design for Foothill Road bicycle improvements and I-580 overcrossing improvements



Ellen Clark
Director of Community Development

“This two-year budget focuses on providing ongoing planning, permitting, transportation and code enforcement services to maintain our community’s high quality of life, guide future development, and support economic vitality.”

Selected Community Development Department

Council Priorities



Housing Element Update

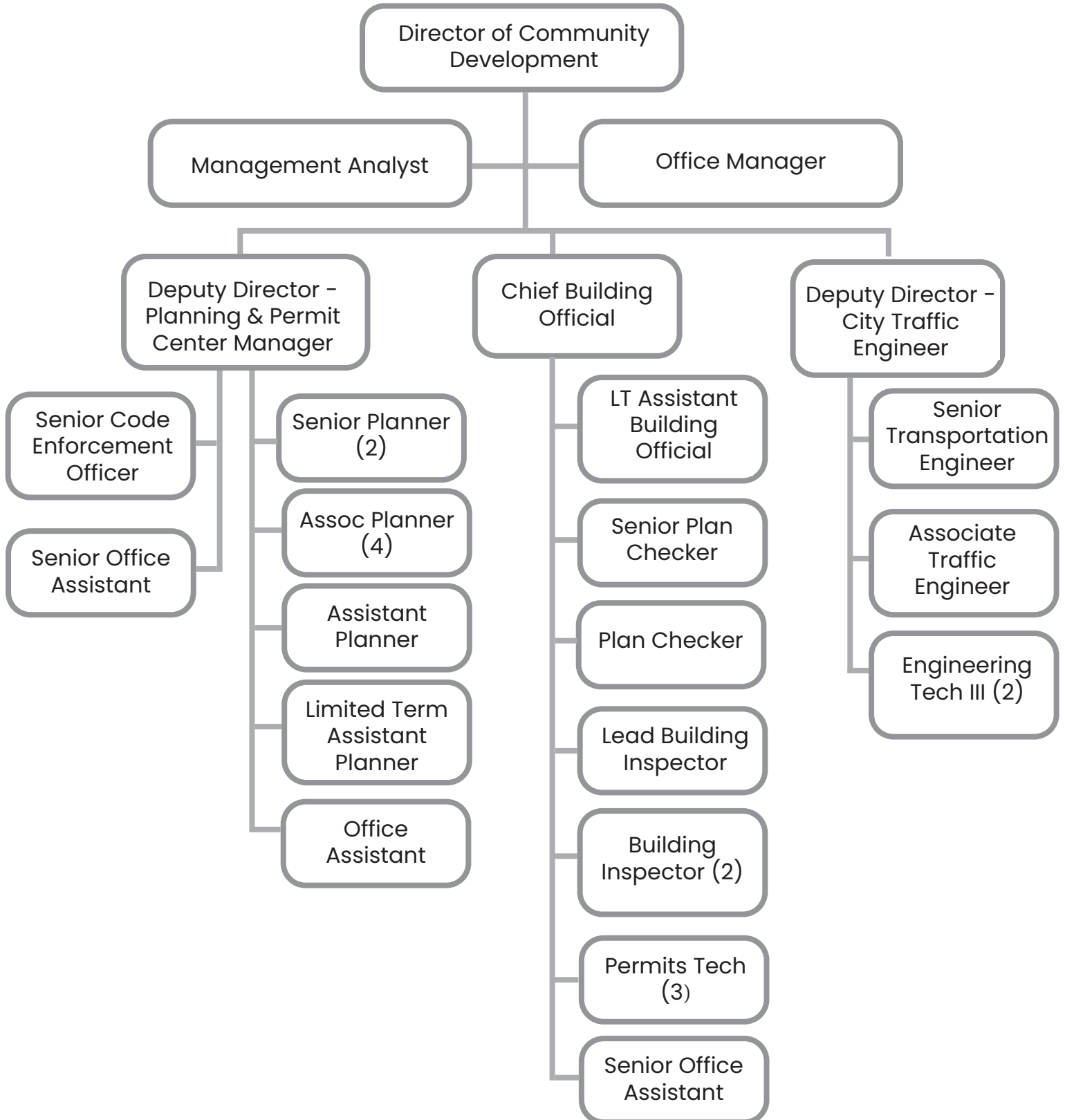


Climate Action Plan 2.0



West Las Positas Reconstruction and Bicycle/Pedestrian Improvements

Organization Chart



COMMUNITY DEVELOPMENT DEPARTMENT

Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22					Projected FY 2022/23							
			Admin	Building & Safety	Permit Center	Planning	Traffic	TOTAL	Admin	Building & Safety	Permit Center	Planning	Traffic	TOTAL	
Director of Community Development	1.00	1.00	1.00						1.00	1.00					1.00
Deputy Director - City Traffic Engineer	1.00	1.00						1.00	1.00				1.00		1.00
Deputy Director - Planning & Permit Center Manager	1.00	1.00				1.00			1.00			1.00			1.00
Management Analyst	1.00	1.00	1.00						1.00	1.00					1.00
Office Manager	1.00	1.00	1.00						1.00	1.00					1.00
Sr. Office Assistant	2.00	2.00		1.00	1.00				2.00		1.00	1.00			2.00
Office Assistant	1.00	1.00				1.00			1.00			1.00			1.00
Sr. Planner	2.00	2.00				2.00			2.00			2.00			2.00
Associate Planner	5.00	5.00				4.00			4.00			4.00			4.00
Assistant Planner						1.00			1.00			1.00			1.00
Sr. Code Enforcement Officer	1.00	1.00			1.00				1.00		1.00				1.00
Associate Traffic Engineer	1.00	1.00						1.00	1.00				1.00		1.00
Engineering Tech II/III	2.00	2.00						2.00	2.00				2.00		2.00
Sr. Transportation Engineer	1.00	1.00						1.00	1.00				1.00		1.00
Chief Building Official	1.00	1.00		1.00					1.00	1.00					1.00
Permit Center Manager	1.00	1.00							-						-
Sr. Plan Checker		1.00		1.00					1.00		1.00				1.00
Plan Checker	2.00	1.00		1.00					1.00		1.00				1.00
Lead Building Inspector	1.00	1.00		1.00					1.00		1.00				1.00
Building Inspector	2.00	2.00		2.00					2.00		2.00				2.00
Permit Technician	2.00	2.00		3.00					3.00		3.00				3.00
Subtotal	29.00	29.00	3.00	10.00	2.00	9.00	5.00	29.00	29.00	3.00	10.00	2.00	9.00	5.00	29.00
Overtime	0.43	0.60	0.04	0.09	0.03	0.28	0.01	0.45	0.45	0.04	0.09	0.03	0.28	0.01	0.45
Temporary	1.21	0.38	0.60				0.28	0.88	0.88	0.60				0.28	0.88
Limited Term - Assistant Planner						1.00		1.00	1.00			1.00			1.00
Limited Term - Assistant Building Official	1.00	1.00		1.00				1.00	1.00		-				-
TOTAL	31.64	30.98	3.64	11.09	2.03	10.28	5.29	32.33	32.33	3.64	10.09	2.03	10.28	5.29	31.33

- (1) 1.0 FTE vacant Associate Planner will be reclassified as an Assistant Planner
- (2) Convert vacant Permit Center Manager to Permit Technician
- (3) Convert existing Limited Term Assistant Building Official to Limited Term Assistant Planner. Limited Term Assistant Building Official eliminated in FY 2022/23

Department Overview

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$2,694	\$4,000	\$4,000	\$4,000
Grants and Subventions	30,771	610,000	-	-
Building Permits	1,782,104	2,200,000	2,500,000	2,500,000
Internal Services Charges	250,000	75,000	400,000	400,000
Interfund Revenue	32,440	25,305	25,305	25,305
Plan Check Fees	1,697,882	1,302,500	1,502,500	1,902,500
Development Fees	-	14,500	14,500	14,500
Misc Reimbursements	151,441	638,632	935,000	135,000
Planning Fees	102,334	214,500	174,500	174,500
General Fund Subsidy	5,330,250	5,106,894	5,958,010	6,330,056
(Addition To)/Reduction in Fund Balance	(58,415)	264,000	(193,240)	(193,240)
Total Department Revenue & Subsidy	\$9,321,501	\$10,455,331	\$11,320,575	\$11,292,621
Expenditures				
Salaries	\$3,939,642	\$3,989,561	\$4,347,913	\$4,282,836
Benefits	2,746,841	2,842,083	2,961,414	3,046,348
Transport and Training	37,639	33,035	60,985	74,485
Repair and Maintenance	611,278	322,749	789,999	1,366,088
Materials and Supplies	1,895,266	3,017,903	2,991,504	2,354,104
Capital Outlay	90,835	250,000	168,760	168,760
Total Department Expenditures	\$9,321,501	\$10,455,331	\$11,320,575	\$11,292,621

Community Development Administration Division General Fund

This Division is responsible for the department administration, including budget, personnel administration, interdivision coordination, and special projects for the entire department.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Development Fees	-	\$14,500	\$14,500	\$14,500
General Fund Subsidy	\$882,280	893,344	884,516	903,173
Total Division Revenue & Subsidy	\$882,280	\$907,844	\$899,016	\$917,673
Expenditures				
Salaries	\$436,461	\$495,377	\$504,057	\$504,057
Benefits	296,684	352,071	322,034	338,370
Transport and Training	1,212	1,200	10,000	10,000
Repair and Maintenance	7,718	2,346	2,321	4,642
Materials and Supplies	140,205	56,850	60,604	60,604
Total Division Expenditures	\$882,280	\$907,844	\$899,016	\$917,673

COMMUNITY DEVELOPMENT DEPARTMENT

Permit Center Division

General Fund

The Permit Center is the portal for our customers to interact with the Community Development Department. Our Permit Center Counter and online portal, www.PleasantonPermits.com, enable our community to obtain development information and process their development applications and permits with the Planning, Building, Engineering and Traffic Divisions.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Grants and Subventions	-	\$189,600	-	-
General Fund Subsidy	\$406,052	306,085	\$309,997	\$321,368
Total Division Revenue & Subsidy	\$406,052	\$495,685	\$309,997	\$321,368
Expenditures				
Salaries	\$164,822	\$83,708	\$87,930	\$93,494
Benefits	148,018	121,127	70,267	75,474
Transport and Training	1,538	1,500	5,000	5,000
Materials and Supplies	91,674	289,350	146,800	147,400
Total Division Expenditures	\$406,052	\$495,685	\$309,997	\$321,368

Traffic Engineering Division

General Fund & Internal Service Fund

This Division is responsible for planning and operating the roadways, sidewalks, and bikeways in the City to provide for the safe and efficient movement of people, goods and services within Pleasanton.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Internal Services Charges	\$250,000	\$75,000	\$400,000	\$400,000
Interfund Revenue	32,440	25,305	25,305	25,305
Plan Check Fees	6,516	2,500	2,500	2,500
Misc Reimbursements	76,441	75,050	10,000	10,000
General Fund Subsidy	2,092,858	1,878,308	2,493,443	3,095,486
(Addition To)/Reduction in Fund Balance	(58,415)	264,000	(193,240)	(193,240)
Total Division Revenue	\$2,399,840	\$2,320,163	\$2,738,008	\$3,340,051
Expenditures				
Salaries	\$846,849	\$803,318	\$833,048	\$833,048
Benefits	567,563	558,219	550,289	578,561
Transport and Training	12,170	12,830	14,830	14,830
Repair and Maintenance	526,718	297,046	772,681	1,331,452
Materials and Supplies	355,705	398,750	398,400	413,400
Capital Outlay	90,835	250,000	168,760	168,760
Total Division Expenditures	\$2,399,840	\$2,320,163	\$2,738,008	\$3,340,051

COMMUNITY DEVELOPMENT DEPARTMENT

Planning Division

General Fund

The Planning Division protects and promotes the public health, safety, and general welfare through the development and administration of the General Plan and other planning, zoning, transportation, and environmental regulations.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Grants and Subventions	-	\$420,400	-	-
Misc Reimbursements	\$75,000	563,582	\$925,000	\$125,000
Planning Fees	102,334	214,500	174,500	174,500
General Fund Subsidy	2,501,428	2,262,702	2,620,495	2,696,045
Total Division Revenue & Subsidy	\$2,678,762	\$3,461,184	\$3,719,995	\$2,995,545
Expenditures				
Salaries	\$1,334,627	\$1,360,755	\$1,558,880	\$1,563,542
Benefits	939,739	964,837	1,057,491	1,115,821
Transport and Training	5,264	5,616	12,266	20,266
Repair and Maintenance	23,434	7,123	4,558	9,116
Materials and Supplies	375,698	1,122,853	1,086,800	286,800
Total Division Expenditures	\$2,678,762	\$3,461,184	\$3,719,995	\$2,995,545

Building & Safety Division

General Fund

This Division safeguards the citizens of Pleasanton against faulty or inappropriate building, plumbing, mechanical and electrical construction practices. Through plan review and field inspection, the division provides guidance in compliance with state and local construction laws as they relate to seismic, wind, and fire life safety.

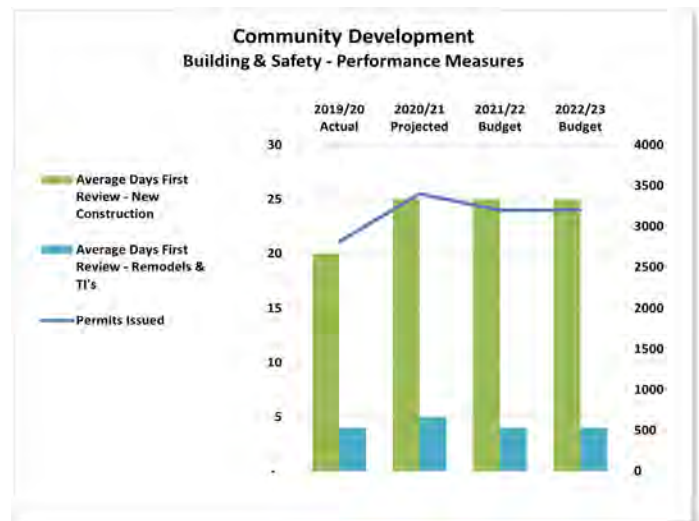
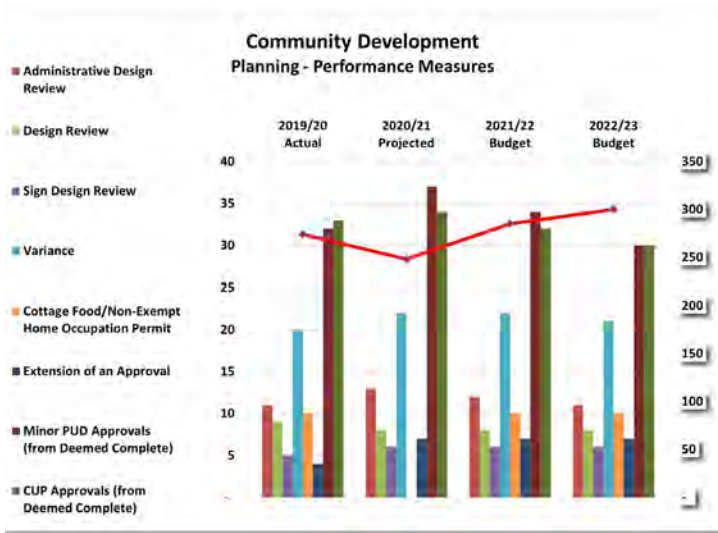
	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$2,694	\$4,000	\$4,000	\$4,000
Grants and Subventions	30,771	-	-	-
Building Permits	1,782,104	2,200,000	2,500,000	2,500,000
Plan Check Fees	1,691,366	1,300,000	1,500,000	1,900,000
General Fund Subsidy	(552,368)	(233,545)	(350,441)	(686,016)
Total Division Revenue & Subsidy	\$2,954,567	\$3,270,455	\$3,653,559	\$3,717,984
Expenditures				
Salaries	\$1,156,883	\$1,246,403	\$1,363,998	\$1,288,695
Benefits	794,837	845,829	961,333	938,122
Transport and Training	17,455	11,889	18,889	24,389
Repair and Maintenance	53,408	16,234	10,439	20,878
Materials and Supplies	931,984	1,150,100	1,298,900	1,445,900
Total Division Expenditures	\$2,954,567	\$3,270,455	\$3,653,559	\$3,717,984

COMMUNITY DEVELOPMENT DEPARTMENT

Performance Measures

Community Development Department

Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
BUILDING & SAFETY				
Permits Issued	2,810	3,400	3,200	3,200
Average Days First Review - New Construction	20	25	25	25
Average Days First Review - Remodels & TI's	4	5	4	4
PLANNING				
Number of Planning Cases	274	248	285	300
Average Days Issued:				
Administrative Design Review	11	13	12	11
Design Review	9	8	8	8
Sign Design Review	5	6	6	6
Variance	20	22	22	21
Cottage Food/Non-Exempt Home Occupation Permit	10	-	10	10
Extension of an Approval	4	7	7	7
Minor PUD Approvals (from Deemed Complete)	32	37	34	30
CUP Approvals (from Deemed Complete)	33	34	32	30
Minor PUD Approvals (from Deemed Complete)	32	37	34	30
CUP Approvals (from Deemed Complete)	33	34	32	30
TRAFFIC ENGINEERING				
Intersections Operating Level of Service (LOS) E or worse	5	-	3	3



FY 2021/22 and FY 2022/23

Engineering Department

Operating Budget

Engineering Department

Operating Budget

The Engineering Department designs, bids, and constructs public infrastructure and other public facilities. The projects include new improvements as identified in the Capital Improvement Program as well as major maintenance of aging infrastructure. The department also reviews, approves, and inspects public infrastructure designed and constructed in conjunction with the development of private property. The department includes four division: General Engineering (including Administration and Capital Improvement), Private Development, Construction Management and Inspection, and Landscape Architecture. The department also manages the City's public right of way by issuing permits and monitoring the work of all utility companies operating within Pleasanton and the City's Heritage Tree Preservation Program.

Department Revenue



Total Department Revenues: \$4,811,494

Department Expenditures



Total Department Expenditures: \$4,811,494

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

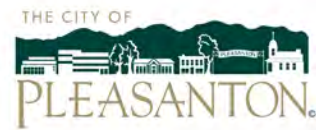
Department Goals & Objectives

- Design and construct all Capital Improvement Projects within allocated budgets
- Condition proposed Private Development Projects with respect to Public Infrastructure and Stormwater Pollution Prevention During the Entitlement Process
- Review Private Developments Plans for conformance with City Standards
- Inspect all Capital Improvement Projects and Private Development Projects for conformance with approved Plans and Specifications
- Complete the construction of Fire Station #3 located at 3200 Santa Rita Road
- Construct the Downtown Parking Lot and Trail Improvements from Abbie to Bernal
- Complete the design for and construction of the Augustin Bernal Mountain Bike Trail
- Complete the public outreach and design of the skatepark to be located in the Ken Mercer Sports Park
- Complete design and construction of the Nevada Street Beautification Project
- Design and seek funding for the West Las Positas Street Reconstruction project

FY 2019/20 and FY 2020/21

Department Accomplishments

- Reconstructed over 3.7 million square feet of asphalt pavement street surface
- Installed slurry seal on over 3.8 million square feet of street surface
- Completed major maintenance on five city operated bridges
- Renovated Upper Ruby Hills, Moller Ranch and Laurel Creek water reservoir tanks
- Permitted and inspected installation of approximately 23 miles of fiber optic communication lines by MCI/Verizon and Comcast
- Completed design and construction of the Pioneer Cemetery Entry and Wayfinding Improvements and the South Hill Improvements
- Completed construction of the Concession Stand #2 Replacement project and the Softball Field House and Score Shacks renovation project in Ken Merce Sport Park
- Remodeled the library office space
- Renovated the play equipment at Orloff Park and Hansen Park
- Completed renovation of bocce ball courts at Centennial Park and basketball courts at Meadowlark, Ken Mercer, Orloff, and Kottinger Village Parks



“The Engineering Department’s budget will provide the necessary resources to implement the City’s Capital Improvement Program and to ensure infrastructure built by private developers complies with City Standards.”



Steve Kirkpatrick
Director of Engineering

Selected Engineering Department Council Priorities



Johnson Drive Economic Development Zone Transportation Improvements

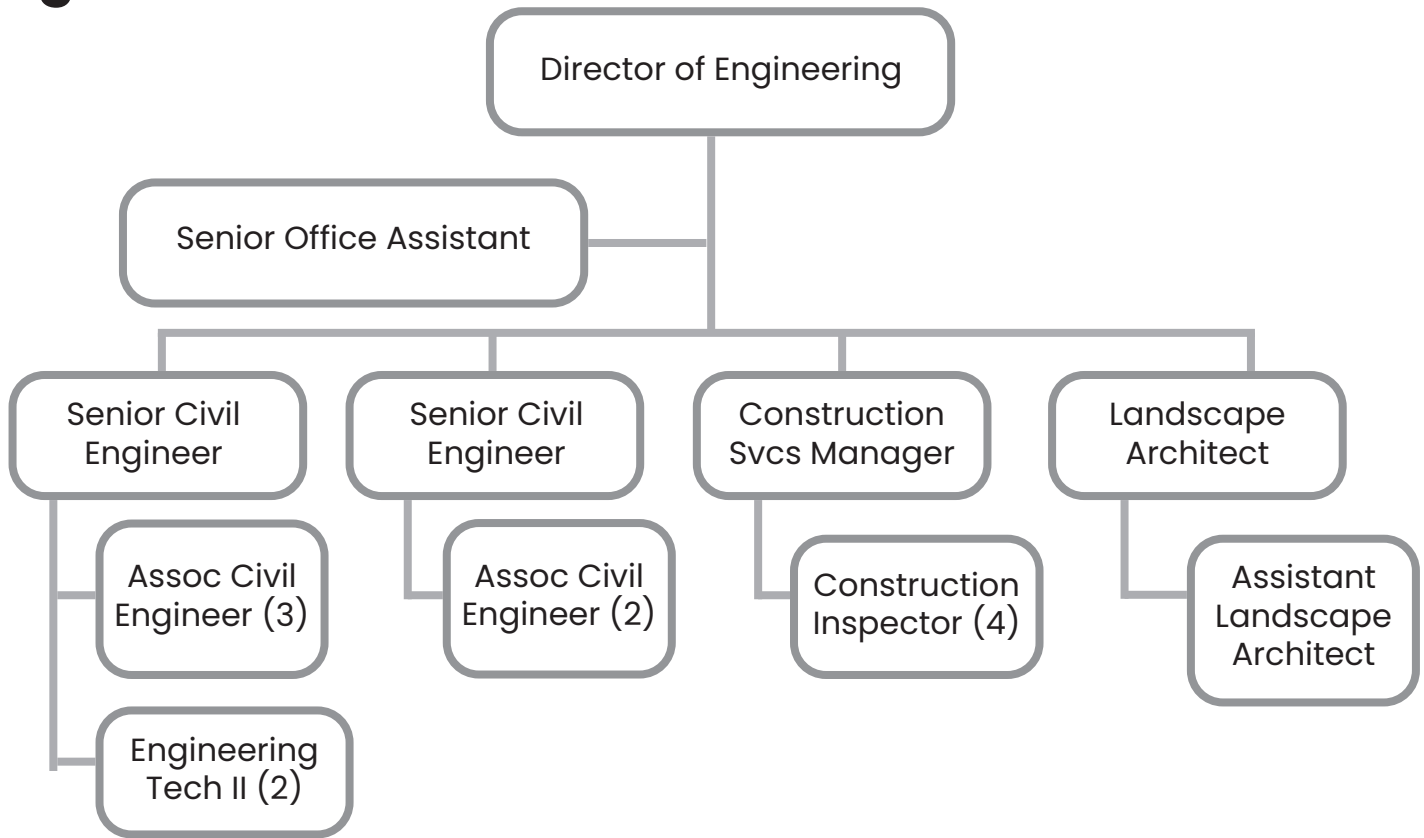


Bernal Ave/First St/Sunol Blvd Intersection Improvements



Downtown Corridor Parking & Trail Improvement – Bernal Ave. to Abbie St.

Organization Chart



Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 19/20	Projected FY 20/21
Director of Engineering	1.00	1.00	1.00	1.00
Sr. Office Assistant	1.00	1.00	1.00	1.00
Sr. Civil Engineer	2.00	2.00	2.00	2.00
Associate Civil Engineer	4.00	4.00	5.00	5.00
Construction Inspector	4.00	4.00	4.00	4.00
Construction Services Manager	1.00	1.00	1.00	1.00
Engineering Technician II	2.00	2.00	2.00	2.00
Landscape Architect	1.00	1.00	1.00	1.00
Landscape Architect Assistant	1.00	1.00	1.00	1.00
Subtotal	17.00	17.00	18.00	18.00
Overtime	0.24	0.24	0.24	0.24
Temporary	0.18	0.18		
TOTAL	17.42	17.42	18.24	18.24

(i) 1.0 FTE Associate Civil Engineer was reported in Enterprise Funds under OSD in previous years

Department Overview

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Interfund Revenue	\$477,140	\$582,888	\$582,888	\$582,888
Interest Income and Rent	11,226	6,000	7,000	7,500
Fines and Forfeitures	33,880	-	-	-
Plan Check Fees	163,955	200,000	100,000	100,000
Misc Reimbursements	35,219	16,034	16,034	16,034
Public Works Fees	179,417	176,500	176,500	176,500
Assessments	207,331	209,754	212,562	213,946
Planning Fees	31,595	5,000	5,000	5,000
Licenses and Misc Permits	396,392	846,580	145,000	145,000
Contributions and Donations	52,115	10,000	10,000	10,000
General Fund Subsidy	2,391,541	2,842,398	3,565,907	3,689,939
(Addition To)/Reduction in Fund Balance	(40,975)	(38,932)	(9,397)	(10,507)
Total Department Revenue & Subsidy	\$3,938,836	\$4,856,222	\$4,811,494	\$4,936,300
Expenditures				
Salaries	\$1,890,989	\$2,125,633	\$2,476,092	\$2,490,027
Benefits	1,348,756	1,504,088	1,641,111	1,732,553
Transport and Training	9,772	16,000	23,000	23,000
Repair and Maintenance	93,840	30,977	22,629	42,058
Materials and Supplies	595,479	1,179,524	648,662	648,662
Total Department Expenditures	\$3,938,836	\$4,856,222	\$4,811,494	\$4,936,300

ENGINEERING DEPARTMENT

GHAD Division Special Revenue Fund

A GHAD is an assessment district, financed by homeowners within the development, that will be used to pay for any landslide repairs and related geologic repair work.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Interfund Revenue	\$784	\$783	\$783	\$783
Assessments	53,505	54,363	55,450	56,560
(Addition To)/Reduction in Fund Balance	(40,975)	(38,932)	(9,397)	(10,507)
Total Division Revenue & Subsidy	\$13,314	\$16,214	\$46,836	\$46,836
Expenditures				
Materials and Supplies	\$13,314	\$16,214	\$46,836	\$46,836
Total Division Expenditures	\$13,314	\$16,214	\$46,836	\$46,836

Engineering Services Division

General Fund

This Division is responsible for the administration and coordination of all divisions of the department as well as designing and constructing City infrastructure such as roadways, sidewalks, public buildings, and sewer/water/stormwater facilities.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Interfund Revenue	\$240,289	\$282,105	\$282,105	\$282,105
Misc Reimbursements	17,083	15,534	15,534	15,534
Assessments	153,826	155,391	157,112	157,386
Licenses and Misc Permits	40,550	35,000	35,000	35,000
General Fund Subsidy	1,626,454	2,382,117	2,074,079	2,131,157
Total Division Revenue & Subsidy	\$2,078,202	\$2,870,147	\$2,563,830	\$2,621,182
Expenditures				
Salaries	\$845,101	\$1,021,544	\$1,176,859	\$1,182,154
Benefits	630,097	698,687	795,142	838,896
Transport and Training	6,567	16,000	23,000	23,000
Repair and Maintenance	38,333	14,106	11,503	19,806
Materials and Supplies	558,104	1,119,810	557,326	557,326
Total Division Expenditures	\$2,078,202	\$2,870,147	\$2,563,830	\$2,621,182

Construction Inspection Division

General Fund

This division ensures that all infrastructure construction, whether related to the Capital Improvement Program or Private Development, is constructed as per plans, Code and City Standards.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Interfund Revenue	\$236,067	\$300,000	\$300,000	\$300,000
Misc Reimbursements	10,006	-	-	-
Public Works Fees	151,368	140,000	150,000	150,000
Licenses and Misc Permits	349,344	810,000	110,000	110,000
General Fund Subsidy	259,751	(109,878)	602,848	647,975
Total Division Revenue & Subsidy	\$1,006,536	\$1,140,122	\$1,162,848	\$1,207,975
Expenditures				
Salaries	\$564,171	\$663,491	\$695,036	\$703,088
Benefits	391,235	461,462	458,387	486,037
Transport and Training	2,940	-	-	-
Repair and Maintenance	46,616	14,169	9,425	18,850
Materials and Supplies	1,574	1,000	-	-
Total Division Expenditures	\$1,006,536	\$1,140,122	\$1,162,848	\$1,207,975

Landscape Architect Division

General Fund

This Division is responsible for designing/constructing park and streetscape amenities, as well as administering the Landscape and Lighting Districts and Heritage Tree Ordinance.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Interest Income and Rent	\$11,226	\$6,000	\$7,000	\$7,500
Fines and Forfeitures	33,880	-	-	-
Misc Reimbursements	520	500	500	500
Contributions and Donations	52,115	10,000	10,000	10,000
General Fund Subsidy	364,242	477,501	483,724	494,363
Total Division Revenue & Subsidy	\$461,983	\$494,001	\$501,224	\$512,363
Expenditures				
Salaries	\$256,225	\$268,107	\$278,233	\$278,233
Benefits	178,483	185,692	181,790	191,228
Transport and Training	265	-	-	-
Repair and Maintenance	8,891	2,702	1,701	3,402
Materials and Supplies	18,119	37,500	39,500	39,500
Total Division Expenditures	\$461,983	\$494,001	\$501,224	\$512,363

Private Development Division

This Division ensures that infrastructure constructed by private developers is designed in conformance with Code and City Standards

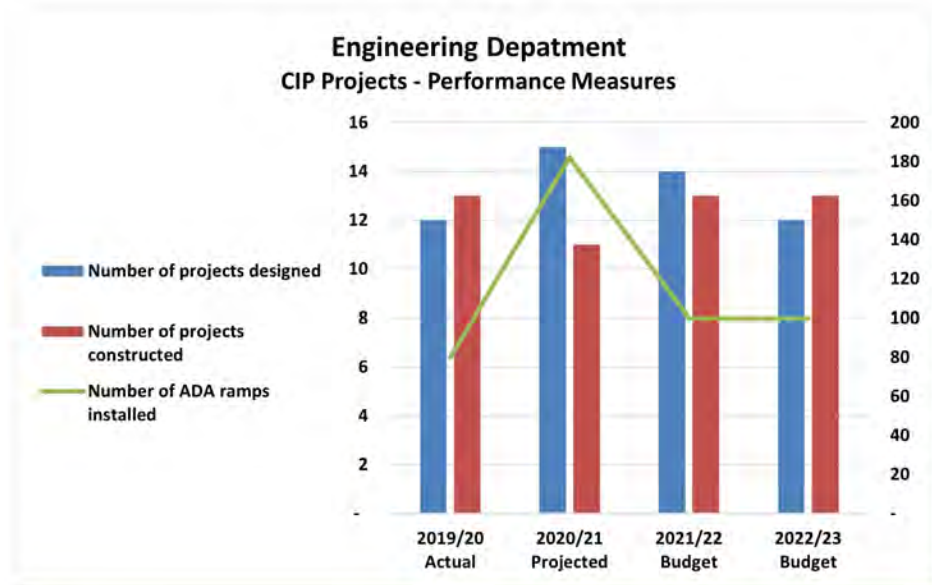
General Fund

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Plan Check Fees	\$163,955	\$200,000	\$100,000	\$100,000
Misc Reimbursements	7,610	-	-	-
Public Works Fees	28,049	36,500	26,500	26,500
Planning Fees	31,595	5,000	5,000	5,000
Licenses and Misc Permits	6,498	1,580	-	-
General Fund Subsidy	141,094	92,658	405,256	416,444
Total Division Revenue & Subsidy	\$378,801	\$335,738	\$536,756	\$547,944
Expenditures				
Salaries	\$225,492	\$172,491	\$325,964	\$326,552
Benefits	148,941	158,247	205,792	216,392
Materials and Supplies	4,368	5,000	5,000	5,000
Total Division Expenditures	\$378,801	\$335,738	\$536,756	\$547,944

Performance Measures

Engineering Department

Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
CAPITAL PROJECTS				
Number of projects designed	12	15	14	12
Number of projects constructed	13	11	13	13
TRANSPORTATION				
Streets Resurfaced (sft million)	4.13	2.79	2.8	2.7
Number of ADA ramps installed	80	182	100	100
Sidewalk Repaired (sft)	2,980	5,750	3,500	3,500
Curb and Gutter Repaired (lft)	2,170	1,725	1,700	1,700
LANDSCAPE ARCHITECTURE				
Number of Heritage Tree Removal Applications	230	325	325	325
Acres of Maintenance Districts maintained	157	157	157	157
LAND DEVELOPMENT				
Number of encroachment and utility permits issued	582	829	850	880



FY 2021/22 and FY 2022/23

**Economic Development &
Community Engagement
Department**

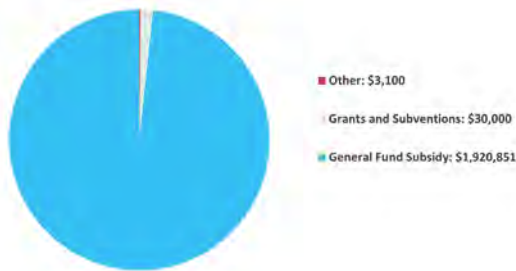
Operating Budget

Economic Development & Community Engagement Department

Operating Budget

The Economic Development and Community Engagement Department is responsible for programs that help promote a positive community climate and stable economic base to sustain the city's exceptional quality of life. Economic Development staff provides business retention and attraction services, collaborates on local, regional and state business-supporting activities, manages the pRide and Commendable Commutes programs, administers an active business license program and serves as ombudsmen for the business community. Communications staff oversees the City's communications and community engagement program and manages media channels, prepares informational materials, serves as a primary liaison with media, and develops communications outreach and strategies for strategic projects and programs.

Department Revenue



Total Department Revenues: \$1,953,951

Department Expenditures



Total Department Expenditures: \$1,953,951

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

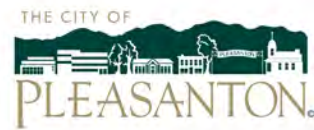
Department Goals & Objectives

- Implement the City's Economic Development Strategic Plan, continuing to strengthen Pleasanton's local economy
- Oversee the City's Business Assistance Program, including the COVID Business Support Fund loan program
- Conduct a business recovery survey of Pleasanton companies
- Develop a Small Business Start-up Kit to guide businesses new to and expanding in Pleasanton
- Promote the benefits of purchasing in Pleasanton through support local campaigns
- Design a program to expand life sciences industry sector in Pleasanton
- Support and assist local retail centers, including the proposed expansion of Stoneridge Shopping Center, and recruitment and retention of retail in Downtown Pleasanton
- Maximize inPleasanton.com platforms to promote the city's retail and hospitality sectors
- Conduct tri-annual Employer & Residential Transportation Survey to identify and address commute patterns
- Enhance the City's communications strategy including update of the City's website, and expand community awareness and engagement through social media activity and outreach efforts including community and business e-newsletters and Pleasanton Progress

FY 2019/20 and FY 2020/21

Department Accomplishments

- Implemented the City's Economic Development Strategic Plan, with emphasis on business retention and expansion and long-term economic resilience
- Guided Economic Vitality Committee recommendation for local preference policy to City Council for consideration and adoption
- Initiated a Business Assistance Program, including a Business Support Fund loan program to sustain local small business during COVID
- Introduced a Shop Small Support Local campaign for Downtown Pleasanton
- Generated awareness of the city's growing life sciences industry sector in collaboration with i-GATE and Innovation Tri-Valley and promoted to commercial brokers
- Leveraged inPleasanton.com platforms to promote the city's retail and hospitality sectors, generating awareness of allowed activities during COVID
- Promoted walking and bicycle safety education and awareness campaigns
- Implemented the City's Communication and Community Engagement Plan, including initiation of an update of the City's website
- Executed communications to increase community engagement through social media activity and new Pleasanton community and business e-newsletters



This year's budget focuses the City's outreach and support efforts on COVID recovery activities for



Pamela Ott
Deputy City Manager
Economic Development

businesses and residents toward reinforcing a strong and sustainable local economy, as well as augmenting communication efforts by expanding community awareness and engagement across all City platforms.

Selected Economic Development & Community Engagement Department Council Priorities



Develop Coordinated Business Support Program

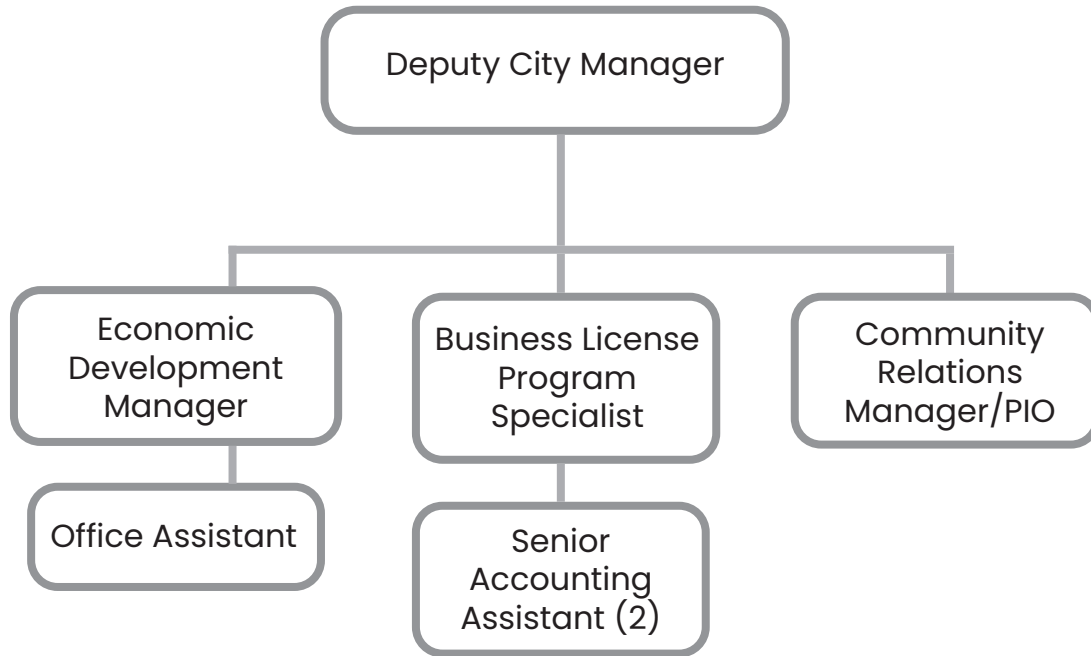


Expand Pleasanton Life Sciences Industry Sector



Redesign City Website

Organization Chart



Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22				Projected FY 2022/23			
			Economic Dev.	Business License	Comm.	TOTAL	Economic Dev.	Business License	Comm.	TOTAL
Deputy City Manager	1.00	1.00	1.00			1.00	1.00			1.00
Economic Development Manager	1.00	1.00	1.00			1.00	1.00			1.00
Senior Accounting Assistant	2.00	2.00		2.00		2.00		2.00		2.00
Office Assistant	0.50	0.50	0.50			0.50	0.50			0.50
Business License Program Specialist	1.00	1.00		1.00		1.00		1.00		1.00
Community Relations Manager/PIO	1.00	1.00			1.00	1.00			1.00	1.00
Subtotal	6.50	6.50	2.50	3.00	1.00	6.50	2.50	3.00	1.00	6.50
Overtime	0.01	0.01		0.01		0.01		0.01		0.01
Temporary	0.22	0.14		0.14		0.14		0.14		0.14
TOTAL	6.73	6.65	2.50	3.15	1.00	6.65	2.50	3.15	1.00	6.65

Department Overview

Operating Budget

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$290	\$800	\$800	\$800
Misc Reimbursements	1,673	2,300	2,300	2,300
Grants and Subventions	7,396	10,000	30,000	30,000
General Fund Subsidy	1,862,636	1,829,332	1,920,851	1,976,791
Total Department Revenue & Subsidy	\$1,871,995	\$1,842,432	\$1,953,951	\$2,009,891
Expenditures				
Salaries	\$926,982	\$955,935	\$1,023,280	\$1,026,114
Benefits	601,350	589,145	644,131	678,302
Transport and Training	18,490	18,470	17,200	18,470
Repair and Maintenance	8,877	3,778	3,785	6,475
Materials and Supplies	154,596	275,104	265,555	280,530
Loan Expenditures	161,700	-	-	-
Total Department Expenditures	\$1,871,995	\$1,842,432	\$1,953,951	\$2,009,891

Economic Development Division

General Fund

The Economic Development division focuses on the retention, expansion, and attraction of businesses within Pleasanton. This division manages programs that support local businesses and further develop and enhance the business environment, and works in partnership with local and regional organizations to promote the economic vitality of the community.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
General Fund Subsidy	\$578,304	\$607,979	\$891,905	\$921,854
Total Division Revenue & Subsidy	\$578,304	\$607,979	\$891,905	\$921,854
Expenditures				
Salaries	\$320,913	\$306,767	\$506,916	\$509,316
Benefits	203,110	188,352	281,634	296,828
Transport and Training	8,099	4,000	4,000	4,000
Repair and Maintenance	1,184	860	855	1,210
Materials and Supplies	44,998	108,000	98,500	110,500
Total Division Expenditures	\$578,304	\$607,979	\$891,905	\$921,854

Transportation Systems Division

General Fund

This division manages the City's Transportation Systems Management (TSM) program, which supports the adopted General Plan policies to reduce vehicle trips through the implementation of voluntary trip reduction programs. The TSM program coordinates the citywide employer-based program Commendable Commutes

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Grants and Subventions	\$7,396	\$10,000	\$30,000	\$30,000
General Fund Subsidy	186,064	309,374	30,167	30,659
Total Division Revenue & Subsidy	\$193,460	\$319,374	\$60,167	\$60,659
Expenditures				
Salaries	\$110,894	\$179,628	-	-
Benefits	66,618	79,575	-	-
Transport and Training	3,738	4,200	\$4,200	\$4,200
Repair and Maintenance	1,632	496	492	984
Materials and Supplies	10,578	55,475	55,475	55,475
Total Division Expenditures	\$193,460	\$319,374	\$60,167	\$60,659

Business License Division

General Fund

The Business License division actively pursues business license revenue through identification and notification of the business license tax requirement. Business License staff processes approximately 9,200 licenses annually and works closely with the state, county, and local agencies along with the Pleasanton Downtown Association to assist in educating the business community about City requirements and compliance.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Fees for Current Services	\$290	\$800	\$800	\$800
Misc Reimbursements	1,673	2,300	2,300	2,300
General Fund Subsidy	710,840	531,775	545,537	561,646
Total Division Revenue & Subsidy	\$712,803	\$534,875	\$548,637	\$564,746
Expenditures				
Salaries	\$280,928	\$279,155	\$292,604	\$293,038
Benefits	210,531	217,899	217,515	229,102
Transport and Training	1,720	4,770	3,500	4,770
Repair and Maintenance	6,061	2,422	2,438	4,281
Materials and Supplies	51,863	30,629	32,580	33,555
Loan Expenditures	161,700	-	-	-
Total Division Expenditures	\$712,803	\$534,875	\$548,637	\$564,746

Communications Division

General Fund

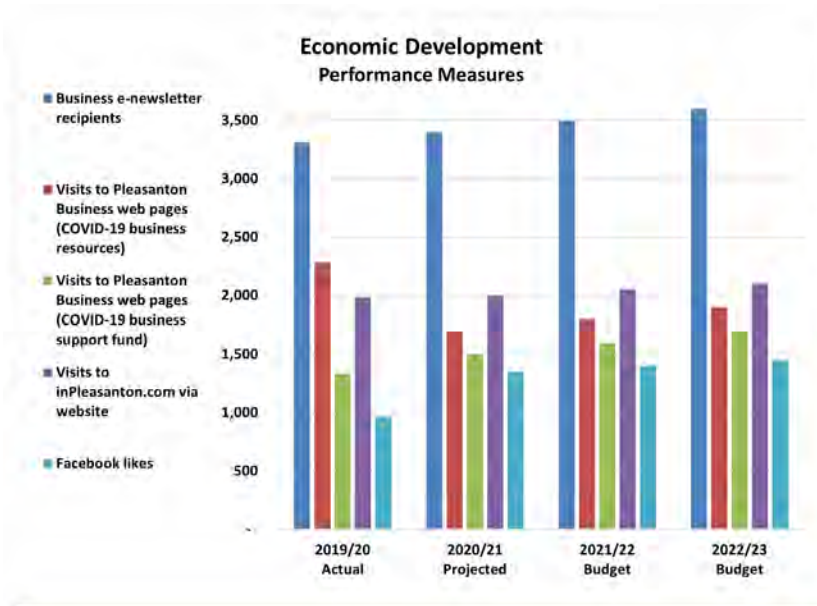
The Communications division supports the City's internal and external communication activities, including liaison to press and media outlets; pitching stories; responding on deadline to press inquiries; drafting news releases; preparing remarks for presentations; developing reports, newsletters, proclamations and commendations; overseeing website content development and editing.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
General Fund Subsidy	\$387,428	\$380,204	\$453,242	\$462,632
Total Division Revenue & Subsidy	\$387,428	\$380,204	\$453,242	\$462,632
Expenditures				
Salaries	\$214,247	\$190,385	\$223,760	\$223,760
Benefits	121,091	103,319	144,982	152,372
Transport and Training	4,933	5,500	5,500	5,500
Materials and Supplies	47,157	81,000	79,000	81,000
Total Division Expenditures	\$387,428	\$380,204	\$453,242	\$462,632

Performance Measures

Economic Development and Community Engagement Department

Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
BUSINESS ENVIRONMENT				
Office Space Vacancy	0.10	0.14	0.13	0.12
Business Licenses	8,723	8,900	8,950	9,000
Annual number of jobs	62,101	62,500	63,000	63,500
BUSINESS OUTREACH & SUPPORT				
Business Visits	19	20	24	24
Business e-newsletter recipients	3,312	3,400	3,500	3,600
Visits to Pleasanton Business web pages (COVID-19 business resources)	2,285	1,700	1,800	1,900
Visits to Pleasanton Business web pages (COVID-19 business support fund)	1,337	1,500	1,600	1,700
Visits to inPleasanton.com via website	1,984	2,000	2,050	2,100
Facebook likes	968	1,350	1,400	1,450
Companies participating in "Commendable Commutes"	15	15	15	15



FY 2021/22 and FY 2022/23

**Library and Recreation
Department**

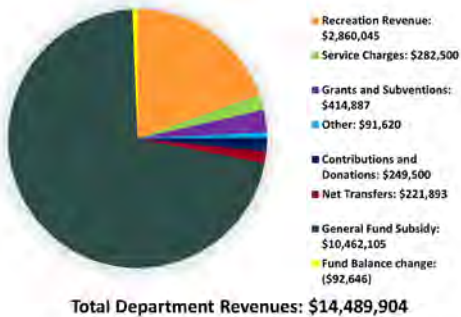
Operating Budget

Library and Recreation Department

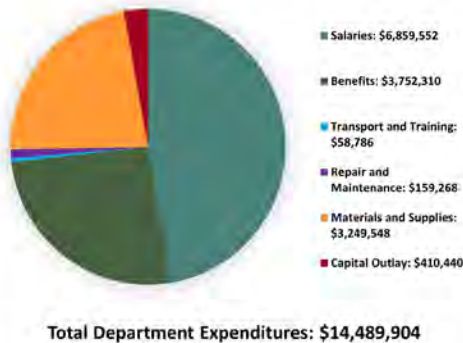
Operating Budget

With a vision to inspire a vibrant community, the Library and Recreation Department is structured around the shared values of integrity, collaboration, customer service, inclusiveness, and innovation. The department oversees library services; senior services; the City's performing, literary, visual, cultural and public art activities; environmental education; facility rentals; a variety of indoor and outdoor camps, classes, events, sports and aquatics for all ages; as well as cemetery, homeless and paratransit services.

Department Revenue



Department Expenditures



Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

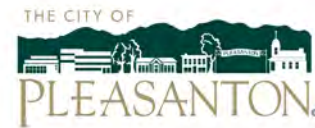
Department Goals & Objectives

- Support outreach and community engagement for the Lions Wayside Park Upgrade project and Century House Master Plan
- Reopen recreational facilities, programs and services in alignment with all County and State Public Health guidance
- Deliver inclusive programs and services that meet the needs and interests of the community
- Foster effective communication and engagement with the community to encourage participation in city-sponsored activities and events
- Implement a new recreation software, library management system, and library application to improve efficiency and increase access to services
- Foster a productive and engaged workforce committed to providing quality service

FY 2019/20 and FY 2020/21

Department Accomplishments

- Created virtual Library and Recreation programs and services to meet community needs during the COVID-19 pandemic
- Launched virtual field trips to assist students and teachers with online learning
- Eliminated daily library overdue fines and introduced the automatic renewal of materials to remove barriers to access and increase positive interactions with the community
- Implemented online library card applications to facilitate remote borrowing
- Assisted local non-profits with safety net services during the COVID-19 pandemic
- Provided emergency childcare services during the COVID-19 pandemic
- Implemented all recommendations of the paratransit study, including contracting with Black Tie Transportation for day-to-day operations
- Implemented the Pleasanton Youth Theater Company
- Implemented year one of the five-year departmental strategic plan
- Assisted in the community engagement process for Pleasanton Pioneer Cemetery Phases III and IV
- Implemented one-year pilot program with Lifetimes Activities for operation of bocce programs
- Hosted the 125th Anniversary Celebration of Pleasanton in conjunction with the Pleasanton Downtown Association
- Developed a Human Services Communications Plan



Heidi Murphy
Director of Library and Recreation

“For this budget, our focus is to bring back programs and services for the community in new, innovative and more cost-efficient ways to meet the diverse needs and interests of our community.”

Library and Recreation Department Council Priorities



All-abilities Playground

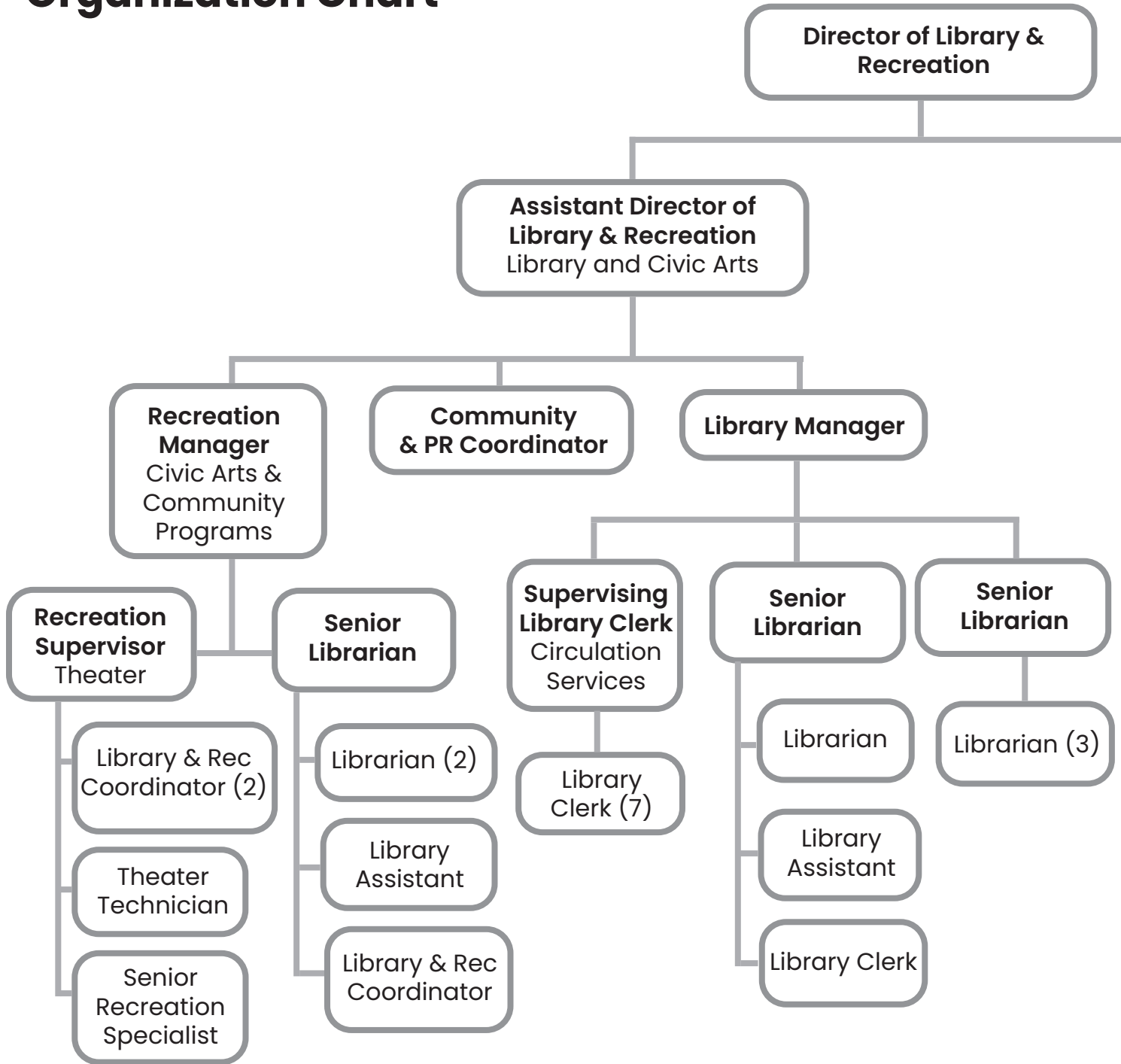


New Skatepark

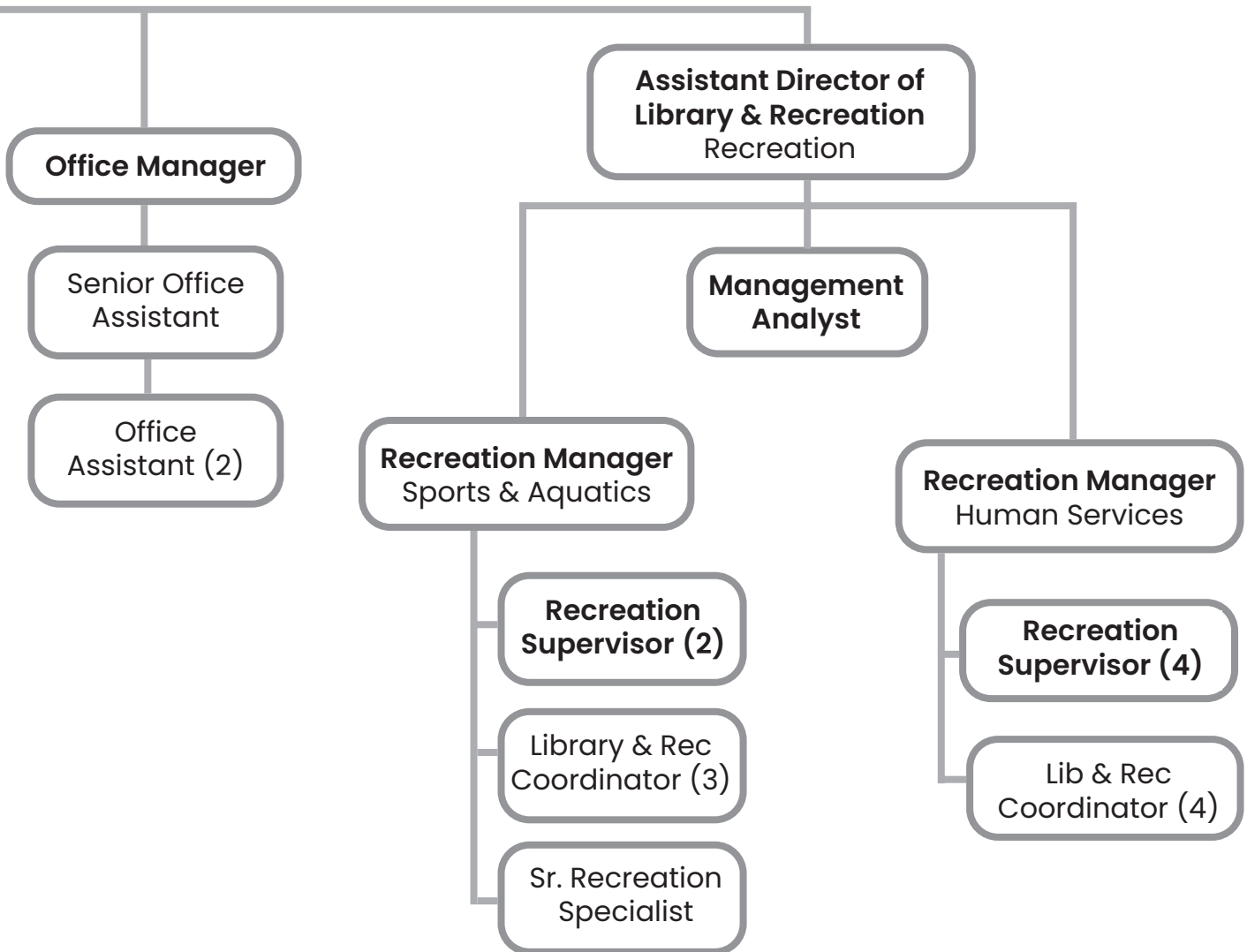


New Cricket Pitch and Practice Facilities

Organization Chart



LIBRARY AND RECREATION DEPARTMENT



LIBRARY AND RECREATION DEPARTMENT

Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22				Projected FY 2022/23			
			Admin	Library	Recreation	TOTAL	Admin	Library	Recreation	TOTAL
Director of Library and Recreation	1.00	1.00	1.00			1.00	1.00			1.00
Assistant Director of Library and Recreation	2.00	2.00	2.00			2.00	2.00			2.00
Management Analyst	1.00	0.50	1.00			1.00	1.00			1.00
Office Manager	1.00	1.00	1.00			1.00	1.00			1.00
Library Manager	1.00	1.00	1.00			1.00	1.00			1.00
Office Assistant/Sr. Office Assistant	3.00	3.00	2.40		0.60	3.00	2.40		0.60	3.00
Community & Public Relations Coordinator	1.00	1.00	1.00			1.00	1.00			1.00
Recreation Manager	3.00	3.00	2.81		0.19	3.00	2.81		0.19	3.00
Library/Recreation Coordinator	10.85	11.00	1.00	0.60	8.40	10.00	1.00	0.60	8.40	10.00
Theater Technician	1.00	1.00			1.00	1.00			1.00	1.00
Recreation Supervisor	6.00	6.00			6.00	6.00			6.00	6.00
Senior Recreation Program Specialist	2.00	2.00			2.00	2.00			2.00	2.00
Senior Librarian	3.00	3.00		3.00		3.00		3.00		3.00
Librarian	5.75	5.75		5.75		5.75		5.75		5.75
Supervising Library Clerk	1.00	1.00		1.00		1.00		1.00		1.00
Library Clerk	6.25	6.25		7.50		7.50		7.50		7.50
Library Assistant	3.00	3.00		2.00		2.00		2.00		2.00
Paratransit Dispatcher	1.00	1.00				-				-
Subtotal	52.85	52.50	13.21	19.85	18.19	51.25	13.21	19.85	18.19	51.25
Overtime	0.41	0.41	0.04		0.25	0.29	0.05		0.27	0.32
Temporary	78.14	25.04	3.85	1.02	42.04	46.91		1.02	48.03	49.05
TOTAL	131.40	77.95	17.10	20.87	60.48	98.45	13.26	20.87	66.49	100.62

- (1) In 2020/21, a Management Analyst position was shared between City Manager (0.5) and Library and Recreation (0.5). 1.0 FTE is being added so each department has 1.0 FTE each
- (2) 0.10 FTE Enterprise Fund - Cemetery
- (3) 0.10 FTE Enterprise Fund - Cemetery; 0.09 FTE Enterprise Fund Paratransit
- (4) 1.0 FTE Library and Recreation Coordinator will be eliminated
- (5) 1.0 FTE Library Assistant was deleted and replaced with 1.25 FTE Library Clerks
- (6) 1.0 FTE Paratransit Dispatcher will be eliminated

Department Overview

Operating Budget - All Funds

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$225,800	\$235,500	\$282,500	\$282,500
Interest	27,002	17,100	19,500	19,500
Internal Services Charges	-	300	50,000	50,000
Grants and Subventions	464,767	552,226	414,887	322,887
Interfund Revenue	34,530	-	-	-
Recreation Revenue	2,301,292	773,550	2,860,045	4,116,030
Misc Reimbursements	15,985	1,338	-	-
Miscellaneous Revenue	36,742	1,750	21,120	37,120
Net Transfers	120,204	266,717	221,893	317,881
Library Revenue	13,299	2,000	1,000	1,000
Contributions and Donations	276,425	243,050	249,500	253,000
General Fund Subsidy	10,111,998	9,876,326	10,462,105	10,181,417
(Addition To)/Reduction in Fund Balance	5,224	(363,716)	(92,646)	(243,004)
Total Department Revenue	\$13,633,268	\$11,606,141	\$14,489,904	\$15,338,331
Expenditures				
Salaries	\$6,528,434	\$5,414,822	\$6,859,552	\$6,955,981
Benefits	3,563,992	3,680,965	3,752,310	3,968,964
Transport and Training	51,876	26,894	58,786	38,286
Repair and Maintenance	245,632	88,526	159,268	296,686
Materials and Supplies	2,966,531	2,073,127	3,249,548	3,782,974
Capital Outlay	276,803	321,807	410,440	295,440
Total Department Expenditures	\$13,633,268	\$11,606,141	\$14,489,904	\$15,338,331

LIBRARY AND RECREATION DEPARTMENT

Library & Recreation Administration Division

General Fund

With a vision to inspire a vibrant community, the Library and Recreation Department is structured around the shared values of integrity, collaboration, customer service, inclusiveness, and innovation. The department oversees library services; senior services; the City's performing, literary, visual, cultural and public art activities; environmental education; facility rentals; a variety of indoor and outdoor camps, classes, events, sports and aquatics for all ages; as well as cemetery, homeless and paratransit services. This division is also responsible for oversight of the departmental budget and personnel management.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Recreation Revenue	\$635	\$10	-	-
Misc Reimbursements	50	-	-	-
Miscellaneous Revenue	27,545	1,000	\$2,000	\$2,000
Library Revenue	13,299	2,000	1,000	1,000
Contributions and Donations	219,876	201,000	202,000	203,500
General Fund Subsidy	2,814,323	3,368,720	3,473,838	3,375,927
(Addition To)/Reduction in Fund Balance	12,794	(194,600)	(194,300)	(194,300)
Total Division Revenue & Subsidy	\$3,088,522	\$3,378,130	\$3,484,538	\$3,388,127
Expenditures				
Salaries	\$1,387,060	\$1,650,815	\$1,800,262	\$1,607,881
Benefits	964,716	1,013,361	1,138,078	1,200,705
Transport and Training	30,867	23,300	58,100	37,600
Repair and Maintenance	96,680	35,680	81,338	154,676
Materials and Supplies	609,199	654,974	406,760	387,265
Total Division Expenditures	\$3,088,522	\$3,378,130	\$3,484,538	\$3,388,127

LIBRARY AND RECREATION DEPARTMENT

Civic Arts Division

General Fund

The Civic Arts Division provides oversight and supervision of arts and cultural programs throughout the City, including serving as liaison to the Civic Arts Commission. This division programs the City's Firehouse Arts Center and Amador Theaters, coordinates arts and cultural classes and events for youth and teens, oversees the Harrington Gallery and public art and manages contract instructor classes for all ages

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Internal Services Charges	-	-	\$50,000	\$50,000
Interest Income and Rent	\$3,311	\$2,600	3,000	3,000
Recreation Revenue	799,695	131,331	1,001,673	1,530,418
Misc Reimbursements	8,382	-	-	-
Contributions and Donations	33,032	42,050	47,500	49,500
General Fund Subsidy	1,145,902	805,438	619,191	618,085
(Addition To)/Reduction in Fund Balance	44,593	36,900	(31,000)	(31,000)
Total Division Revenue	\$2,034,915	\$1,018,319	\$1,690,364	\$2,220,003
Expenditures				
Salaries	\$715,895	\$432,626	\$612,195	\$688,774
Benefits	344,414	344,841	307,950	323,845
Transport and Training	589	136	136	136
Repair and Maintenance	41,958	14,843	20,627	35,754
Materials and Supplies	895,933	162,373	709,456	1,131,494
Capital Outlay	36,126	63,500	40,000	40,000
Total Division Expenditures	\$2,034,915	\$1,018,319	\$1,690,364	\$2,220,003

LIBRARY AND RECREATION DEPARTMENT

Human Services Division

General Fund

The Human Services Division provides oversight and supervision of the City's Senior Center and senior programs; Pleasanton Paratransit Services; Recreation for Adults with Developmental Disabilities (RADD); Gingerbread Preschool; Youth and Teen programs and services; homeless liaison services; Alviso Adobe and environmental education; Human Services Commission; Youth Commission; and the Community Grant programs.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Interfund Revenue	\$4,033	-	-	-
Recreation Revenue	655,370	\$240,192	\$844,980	\$1,249,880
Misc Reimbursements	-	1,026	-	-
Miscellaneous Revenue	8,897	750	19,120	35,120
Contributions and Donations	23,517	-	-	-
General Fund Subsidy	1,143,402	890,283	1,017,156	745,630
Total Division Revenue & Subsidy	\$1,835,219	\$1,132,251	\$1,881,256	\$2,030,630
Expenditures				
Salaries	\$440,929	\$399,564	\$438,181	\$465,383
Benefits	4,642	-	550	550
Transport and Training	17,923	10,216	11,419	16,638
Repair and Maintenance	265,546	120,053	291,225	350,575
Materials and Supplies	269,909	322,303	348,485	394,930
Total Division Expenditures	\$1,835,219	\$1,132,251	\$1,881,256	\$2,030,630

LIBRARY AND RECREATION DEPARTMENT

Library Division

General Fund

The Library Division provides oversight and supervision for the services and programs of the Library, including serving as liaison to the Friends of the Library. The staff provides information and research assistance, literacy and ESL services, computer and technology support, and library programming for patrons of all ages. This division selects, orders, receives, pays for and catalogs new library materials. It includes the support staff who check library materials in and out, administer fees and return items to their correct position on the shelves.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Grants and Subventions	\$51,334	\$35,000	\$73,000	\$73,000
Interfund Revenue	30,497	-	-	-
Interest Income and Rent	-	300	-	-
General Fund Subsidy	3,495,462	3,662,096	3,880,768	3,977,613
Total Division Revenue & Subsidy	\$3,577,293	\$3,697,396	\$3,953,768	\$4,050,613
Expenditures				
Salaries	\$1,781,712	\$1,832,347	\$1,803,494	\$1,819,034
Benefits	1,240,876	1,326,217	1,346,530	1,427,835
Transport and Training	-	1,422	-	-
Materials and Supplies	314,028	345,103	548,304	548,304
Capital Outlay	240,677	192,307	255,440	255,440
Total Division Expenditures	\$3,577,293	\$3,697,396	\$3,953,768	\$4,050,613

Recreation Services Division

General Fund

The Recreation Administration Division provides oversight and supervision of Youth Sports, Adult Sports and Aquatics operations throughout the City. This division programs the City's sports fields in conjunction with local sports leagues; is the liaison to the Sports Council; and partners with the Pleasanton Unified School District to co-operate all three middle school gyms.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Recreation Revenue	\$845,592	\$402,017	\$1,013,392	\$1,335,732
Misc Reimbursements	7,553	312	-	-
General Fund Subsidy	1,512,909	1,149,789	1,471,152	1,464,162
Total Division Revenue & Subsidy	\$2,366,054	\$1,552,118	\$2,484,544	\$2,799,894
Expenditures				
Salaries	\$1,233,669	\$650,612	\$1,363,500	\$1,594,286
Benefits	454,940	445,216	492,782	520,984
Transport and Training	1,199	-	-	-
Repair and Maintenance	20,680	7,634	12,529	23,258
Materials and Supplies	655,566	448,656	615,733	661,366
Total Division Expenditures	\$2,366,054	\$1,552,118	\$2,484,544	\$2,799,894

LIBRARY AND RECREATION DEPARTMENT

Cemetery Enterprise Fund

Pleasanton Pioneer Cemetery is overseen by the Library and Recreation Department. An Office Assistant coordinates the day to day operations and provides project management assistance. The cemetery is maintained under service contracts with Graham Hitch Mortuary providing sales and burial coordination and Monte Vista Memorial Gardens providing grounds maintenance and burial services. The program currently operates with a General Fund subsidy.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$205,447	\$232,500	\$282,500	\$282,500
Interest	18,411	11,000	13,000	13,000
Net Transfers	50,000	50,000	50,000	50,000
(Addition To)/Reduction in Fund Balance	(36,316)	(54,208)	9,154	10,408
Total Division Revenue	\$237,542	\$239,292	\$354,654	\$355,908
Expenditures				
Salaries	\$46,351	\$17,059	\$20,385	\$20,687
Benefits	14,510	25,957	14,949	15,901
Repair and Maintenance	-	350	350	350
Materials and Supplies	176,681	195,926	318,970	318,970
Total Division Expenditures	\$237,542	\$239,292	\$354,654	\$355,908

LIBRARY AND RECREATION DEPARTMENT

Paratransit Enterprise Fund

Paratransit provides special transportation for Pleasanton residents age 70 and over, as well as residents of any age who are ADA (Americans with Disabilities Act) certified. The City offers door-to-door service (advance reservations required) within the City, as well as fixed-route, scheduled service between the Downtown area and various senior housing complexes through a contract with Black Tie Transportation.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$20,353	\$3,000	-	-
Grants and Subventions	413,433	517,226	\$341,887	\$249,887
Interest	5,280	3,500	3,500	3,500
Miscellaneous Revenue	300	-	-	-
Net Transfers	70,204	216,717	171,893	267,881
(Addition To)/Reduction in Fund Balance	(15,847)	(151,808)	123,500	(28,112)
Total Division Revenue	\$493,723	\$588,635	\$640,780	\$493,156
Expenditures				
Salaries	\$257,568	\$228,945	\$119,835	\$27,835
Benefits	103,607	125,809	13,840	14,311
Transport and Training	14,579	2,036	-	-
Repair and Maintenance	68,391	19,803	33,005	66,010
Materials and Supplies	49,578	146,042	359,100	385,000
Capital Outlay	-	66,000	115,000	-
Total Division Expenditures	\$493,723	\$588,635	\$640,780	\$493,156

LIBRARY AND RECREATION DEPARTMENT

Performance Measures

Library and Recreation Department

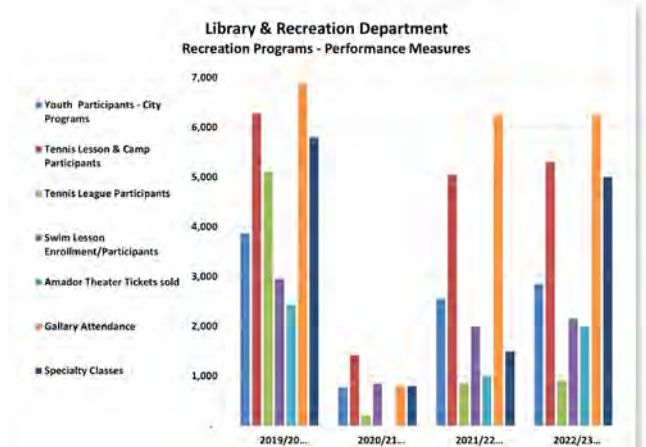
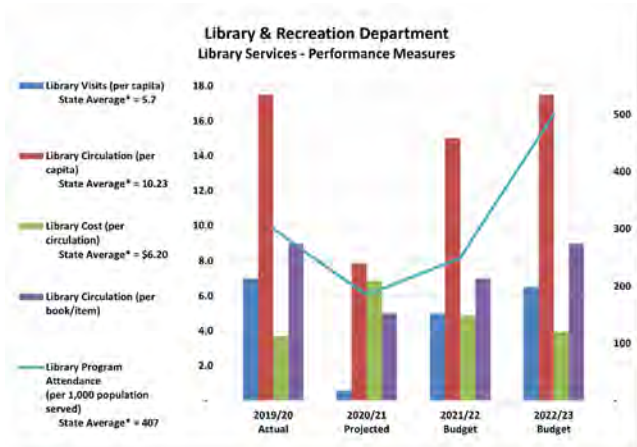
Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
RECREATION SERVICES DIVISION				
Youth Sports Program-				
Youth Participants - City Programs	3,875	770	2,546	2,850
Youth Participants - Non-City Youth Leagues	8,280	12,792	5,547	6,210
Adult Sports & Sports Facility Program -				
Adult Softball	3,915	-	2,755	2,936
Adult Leagues	1,395	-	268	300
Sport Field Rentals (Days)	255	363	363	363
Tennis Program -				
Tennis Court Reservations	11,735	5,066	25,892	27,188
Tennis Lesson & Camp Participants	6,285	1,419	5,046	5,298
Tennis League Participants-City	1,040	60	198	208
Tennis League Participants-USTA	4,075	150	660	693
Aquatic Center -				
Aquatic Center Drop-In Participants	30,590	8,476	21,000	25,000
Swim Lesson Enrollment/Participants	2,950	850	2,000	2,150
City (DBAC) Swim League Participants	-	-	-	-
Masters Participants	140	138	138	138
Seahawks Participants	375	240	240	240
Swim Meets (Days)	12	-	2	4
Firehouse Arts Center -				
Performances/Shows	106	5	60	80
Misc. Rentals	27	1	18	24
Civic Arts Stage Co. Participants	99	-	-	-
Drama, Tech, Improv Camp & Class Participants	581	276	577	615
Tickets Sold for Performances	15,910	100	9,000	12,800
Amador Theater -				
Performances/Shows	18	-	1	2
Rentals - PUSD	42	-	10	10
Rentals - City	150	-	5	5
Misc. Rentals	18	-	6	12
Tickets Sold for Performances	2,430	-	1,000	2,000
Literary & Visual Arts				
Number of Art Exhibits	280	60	280	280
Gallery Attendance	6,890	800	6,250	6,250
Specialty Classes				
Enrollments/Participants	5,800	800	1,500	5,000

LIBRARY AND RECREATION DEPARTMENT

Performance Measures

Library and Recreation Department

Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
LIBRARY				
Library Visits (per capita) State Average* = 5.7	7.0	0.6	5.0	6.5
Library Circulation (per capita) State Average* = 10.23	17.5	7.9	15.0	17.5
Library Cost (per circulation) State Average* = \$6.20	3.7	6.9	4.9	3.9
Library Circulation (per book/item)	9.0	5.0	7.0	9.0
Library Program Attendance (per 1,000 population served) State Average* = 407	300	185	250	500
Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
HUMAN SERVICES DIVISION				
RADD Program - Enrollments/Participants	1,770	850	682	960
Senior Program - Enrollments/Participants	75,265	49,000	60,000	62,000
Gingerbread Preschool/Daycamp Program- Enrollments/Participants	1,900	22	1,512	1,944
Youth/Teen Program - Enrollments/ Participants	2,055	218	1,100	1,400
Alviso Adobe -				
Ridge Runners Enrollments/Participants	780	154	360	720
Class & Special Event Participants	1,088	223	500	1,000
Onsite School Tours & Offsite Classroom Visits	130	97	125	125
Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
PARATRANSIT ENTERPRISE				
Door-to-Door Route Trips	7,580	1,980	5,000	5,500



FY 2021/22 and FY 2022/23

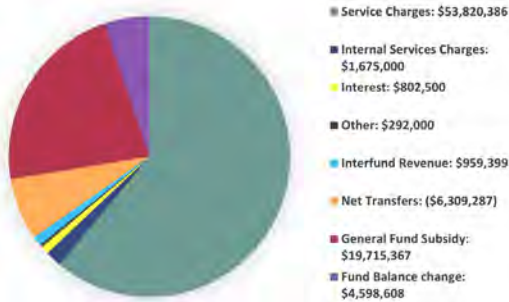
**Operations
Services
Department**
Operating Budget

Operations Services Department

Operating Budget

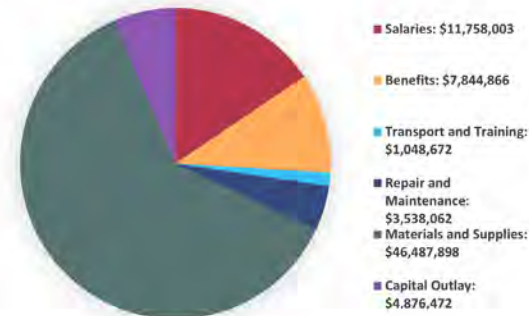
The Department provides high-quality essential services that improve and maintain public infrastructure to protect and enrich the lives of our residents. This is accomplished through six major divisions: Administration, Business Services, Operations (Facilities, Fleet, Streets and Traffic Maintenance) Parks, Environmental Services and Utilities and Utilities Planning. The Department is also responsible for managing the operator agreement for the Callippe Preserve Golf Course.

Department Revenue



Total Department Revenues: \$75,553,973

Department Expenditures



Total Department Expenditures: \$75,553,973

Major Revenue and Expenditure categories from Projected FY 2021/22 Budget; for full data, see table in department section.

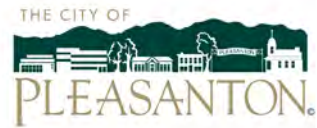
Department Goals & Objectives

- Design and construct a PFAS treatment facility and Well rehabilitation
- Meet emerging regulatory requirements for water, wastewater, storm, and water conservation
- Complete the Utilities Rates Study
- Conduct a Callippe Preserve Banquet Event Markey Analysis
- Implement and enhance customer service and business process technologies
- Develop an Urban Forest Master Plan
- Develop a Sidewalk Maintenance Program
- Upgrade the Department’s Computerized Maintenance Management System (CMMS)

FY 2019/20 and FY 2020/21

Department Accomplishments

- Supported the organization and community in COVID-19 response and recovery efforts
- Implemented a Pesticide Posting Program
- Evaluated the East Bay Community Energy Program and joined the JPA
- Created the City's first comprehensive Water System Model
- Developed division Strategic Plans in alignment with the Department Strategic Implementation Action Plan



Kathleen Yurchak
Director of Operations
Services and Utilities

“This year’s budget was developed to focus on maintaining public infrastructure, meeting regulatory requirements, and enhancing customer service and business process technologies.”

Selected Operations Services Department Council Priorities



Participate with regional agencies on studies of water supply alternatives and addressing water quality issues, e.g. PFAS

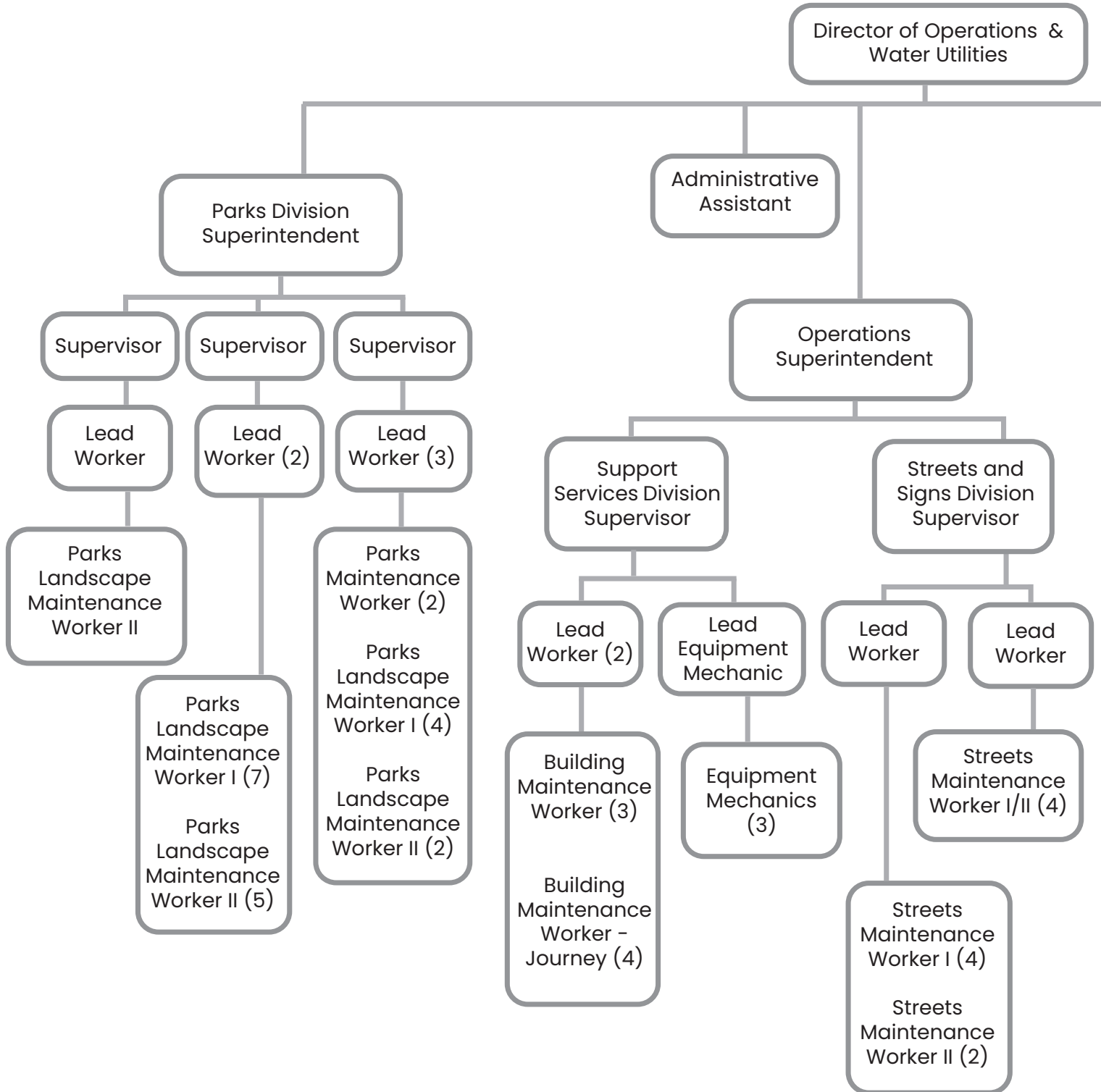


Update the City’s Water and Sewer Master Plan, including Connection Fees

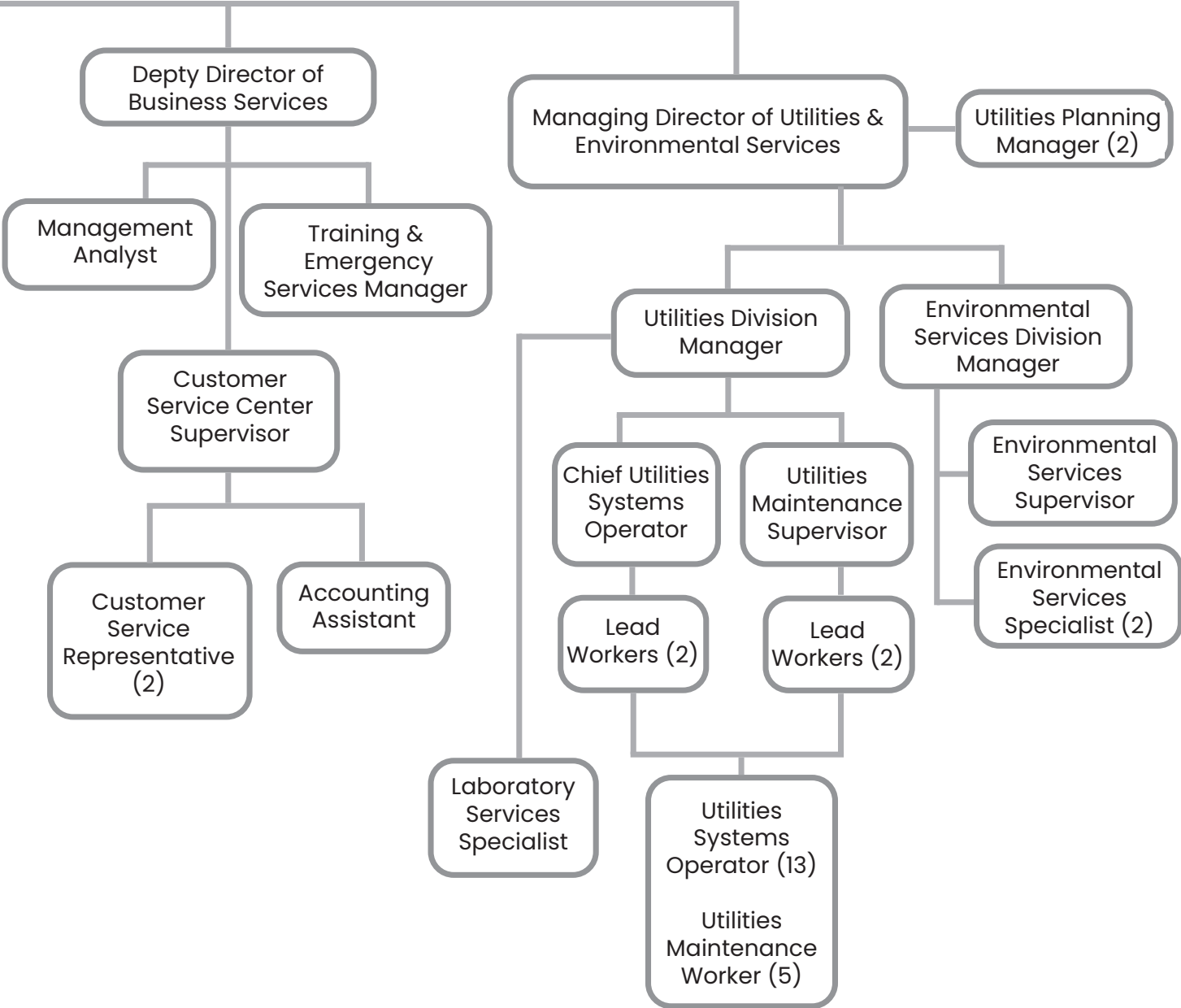


Pilot Use of Alternative Pesticide Management Treatment at Designated Parks

Organization Chart



OPERATIONS SERVICES DEPARTMENT



OPERATIONS SERVICES DEPARTMENT

Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22									Total
			General Fund				Enterprise Fund					
			Admin	Parks	Streets/ Signs	Facilities/ Fleet	Water	Sewer	Storm Drain	Recycled Water		
Director of Operations Services	1.00	1.00	0.50					0.25	0.25			1.00
Managing Director of Utilities & Environment	1.00	1.00						0.50	0.50			1.00
Deputy Director of Business Services	1.00	1.00	0.20					0.80				1.00
Park Landscape Maintenance Worker	21.00	21.00		21.00								21.00
Operations Services Lead Worker	10.00	10.00		6.00	2.00	2.00						10.00
Street Maint Worker I/II	10.00	10.00			10.00							10.00
Building Maint Worker Journey/I	7.00	7.00				7.00						7.00
Operations Services Supervisor	5.00	5.00		3.00	1.00	1.00						5.00
Equipment Mechanic	3.00	3.00				3.00						3.00
Lead Equipment Mechanic	1.00	1.00				1.00						1.00
Operations Superintendent	1.00	1.00			0.50	0.50						1.00
Park Maintenance Superintendent	1.00	1.00		1.00								1.00
Training & Emergency Services Manager	1.00	1.00	0.80					0.10	0.10			1.00
Administrative Assistant	1.00	1.00	0.50					0.25	0.25			1.00
Management Analyst	1.00	1.00	0.50					0.25	0.25			1.00
Utilities System Operator I/II	10.00	10.00						6.00	5.00	1.00	1.00	13.00 (1)
Utilities Maintenance Worker	8.00	8.00						5.00				5.00 (1)
Lead Utilities System Operator	4.00	4.00						2.00	1.37	0.63		4.00
Customer Service Representative	2.00	2.00						2.00				2.00
Environmental Services Specialist	0.50	0.50									2.00	2.00 (2)
Utilities Planning Manager	2.00	2.00						1.10	0.90			2.00
Accounting Assistant	1.00	1.00						1.00				1.00
Associate Utility Engineer	1.00	1.00										- (3)
Chief Utilities Systems Operator	1.00	1.00						0.50	0.30	0.10	0.10	1.00
Customer Service Center Supervisor	-	-						1.00				1.00 (4)
Environmental Compliance Supervisor	1.00	1.00								1.00		1.00
Utilities Division Manager	1.00	1.00						0.50	0.30		0.20	1.00

OPERATIONS SERVICES DEPARTMENT

Personnel Summary

Continued

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2021/22									Total
			General Fund				Enterprise Fund					
			Admin	Parks	Streets/ Signs	Facilities/ Fleet	Water	Sewer	Storm Drain	Recycled Water		
Utilities Systems Maintenance Supervisor	1.00	1.00					0.50	0.30	0.10	0.10	1.00	
Water Conservation Technician	1.00	1.00									-	(5)
Environmental Services Manager	1.00	1.00							0.17	0.33	0.50	(5)
GIS Technician	0.50	0.50					0.25	0.25			0.50	
GIS Coordinator	0.34	0.34					0.17	0.17			0.34	
Director of Finance	0.20	0.20					0.10	0.10			0.20	
Director of Information Technology	0.10	0.10					0.05	0.05			0.10	
Sr. Customer Service Representative	1.00	1.00									-	(4)
Laboratory Services Specialist	1.00	1.00					1.00				1.00	
Subtotal	102.64	102.64	2.50	31.00	13.50	14.50	23.32	10.09	3.00	3.73	101.64	
Overtime	1.18	1.18		0.08	0.23	0.10	0.68	0.33	0.17	0.01	1.60	
Temporary	20.56	12.26	1.85	5.20	2.55	1.50	3.12	0.80	0.75	1.35	17.12	
TOTAL	124.38	116.08	4.35	36.28	16.28	16.10	27.12	11.22	3.92	5.09	120.36	

- (1) 3.0 FTE Utilities Maintenance Workers promoted to Utilities System Operators
- (2) Added 0.5 FTE Environmental Services Specialist; converted 1.0 FTE Water Conservation Technician to 1.0 FTE Environmental Services Specialist
- (3) Removed 1.0 FTE Associate Utility Engineer from Operations Services Department and added 1.0 FTE to the Engineering Department as an Associate Civil Engineer
- (4) 1.0 FTE Customer Service Center Supervisor position replaced 1.0 FTE Sr. Customer Services Representative
- (5) Converted 1.0 FTE Water Conservation Technician to 1.0 FTE Environmental Services Specialist
- (6) Existing 1.0 FTE Environmental Services Manager was reduced to 0.5 FTE

OPERATIONS SERVICES DEPARTMENT

Personnel Summary

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2022/23									Total
			General Fund				Enterprise Fund					
			Admin	Parks	Streets/ Signs	Facilities/ Fleet	Water	Sewer	Storm Drain	Recycled Water		
Director of Operations Services	1.00	1.00	0.50					0.25	0.25			1.00
Managing Director of Utilities & Environment	1.00	1.00						0.50	0.50			1.00
Deputy Director of Business Services	1.00	1.00	0.20					0.80				1.00
Park Landscape Maintenance Worker	21.00	21.00		21.00								21.00
Operations Services Lead Worker	10.00	10.00		6.00	2.00	2.00						10.00
Street Maint Worker I/II	10.00	10.00			10.00							10.00
Building Maint Worker Journey/I	7.00	7.00				7.00						7.00
Operations Services Supervisor	5.00	5.00		3.00	1.00	1.00						5.00
Equipment Mechanic	3.00	3.00				3.00						3.00
Lead Equipment Mechanic	1.00	1.00				1.00						1.00
Operations Superintendent	1.00	1.00			0.50	0.50						1.00
Park Maintenance Superintendent	1.00	1.00		1.00								1.00
Training & Emergency Services Manager	1.00	1.00	0.80					0.10	0.10			1.00
Administrative Assistant	1.00	1.00	0.50					0.25	0.25			1.00
Management Analyst	1.00	1.00	0.50					0.25	0.25			1.00
Utilities System Operator I/II	10.00	10.00						6.00	5.00	1.00	1.00	13.00 (1)
Utilities Maintenance Worker	8.00	8.00						5.00				5.00 (1)
Lead Utilities System Operator	4.00	4.00						2.00	1.37	0.63		4.00
Customer Service Representative	2.00	2.00						2.00				2.00
Environmental Services Specialist	0.50	0.50									2.00	2.00 (2)
Utilities Planning Manager	2.00	2.00						1.10	0.90			2.00
Accounting Assistant	1.00	1.00						1.00				1.00
Associate Utility Engineer	1.00	1.00										- (3)
Chief Utilities Systems Operator	1.00	1.00						0.50	0.30	0.10	0.10	1.00
Customer Service Center Supervisor	-	-						1.00				1.00 (4)
Environmental Compliance Supervisor	1.00	1.00							1.00			1.00
Utilities Division Manager	1.00	1.00						0.50	0.30		0.20	1.00

OPERATIONS SERVICES DEPARTMENT

Personnel Summary

Continued

Position	Actual FY 2019/20	Adjusted FY 2020/21	Projected FY 2022/23									Total	
			General Fund				Enterprise Fund						
			Admin	Parks	Streets/ Signs	Facilities/ Fleet	Water	Sewer	Storm Drain	Recycled Water			
Utilities Systems Maintenance Supervisor	1.00	1.00						0.50	0.30	0.10	0.10	1.00	
Water Conservation Technician	1.00	1.00										-	(5)
Environmental Services Manager	1.00	1.00								0.17	0.33	0.50	(5)
GIS Technician	0.50	0.50					0.25	0.25				0.50	
GIS Coordinator	0.34	0.34					0.17	0.17				0.34	
Director of Finance	0.20	0.20					0.10	0.10				0.20	
Director of Information Technology	0.10	0.10					0.05	0.05				0.10	
Sr. Customer Service Representative	1.00	1.00										-	(4)
Laboratory Services Specialist	1.00	1.00					1.00					1.00	
Subtotal	102.64	102.64	2.50	31.00	13.50	14.50	23.32	10.09	3.00	3.73	101.64		
Overtime	1.18	1.18		0.08	0.23	0.10	0.68	0.39	0.17	0.01		1.66	
Temporary	20.56	12.26	0.75	5.20	2.55	1.55	3.21	0.80	0.80	1.35		16.21	
TOTAL	124.38	116.08	3.25	36.28	16.28	16.15	27.21	11.28	3.97	5.09	119.51		

- (1) 3.0 FTE Utilities Maintenance Workers promoted to Utilities System Operators
- (2) Added 0.5 FTE Environmental Services Specialist; converted 1.0 FTE Water Conservation Technician to 1.0 FTE Environmental Services Specialist
- (3) Removed 1.0 FTE Associate Utility Engineer from Operations Services Department and added 1.0 FTE to the Engineering Department as an Associate Civil Engineer
- (4) 1.0 FTE Customer Service Center Supervisor position replaced 1.0 FTE Sr. Customer Services Representative
- (5) Converted 1.0 FTE Water Conservation Technician to 1.0 FTE Environmental Services Specialist
- (6) Existing 1.0 FTE Environmental Services Manager was reduced to 0.5 FTE

OPERATIONS SERVICES DEPARTMENT

Department Overview

Operating Budget - All Funds

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$47,705,763	\$51,144,666	\$53,820,386	\$56,252,868
Internal Services Charges	3,750,000	1,125,000	1,675,000	1,675,000
Interest	998,949	640,000	802,500	829,500
Fees for Current Services	71,972	2,000	2,000	10,000
Interfund Revenue	1,071,166	934,839	959,399	959,399
Misc Reimbursements	419,399	235,000	240,000	250,000
Miscellaneous Revenue	417,969	122,000	50,000	50,000
Assessments	1,141	-	-	-
Net Transfers	(7,227,836)	(7,489,062)	(6,309,287)	(7,130,794)
General Fund Subsidy	20,427,500	18,179,439	19,715,367	22,365,117
(Addition To)/Reduction in Fund Balance	651,491	9,229,173	4,598,608	5,280,898
Total Department Revenue	\$68,287,514	\$74,123,055	\$75,553,973	\$80,541,988
Expenditure				
\$68,287,514	\$74,123,055	\$75,553,973	\$80,541,988	\$11,231,593
Benefits	5,968,132	6,142,468	6,913,871	7,288,936
Transport and Training	898,052	1,028,009	1,070,710	1,066,210
Repair and Maintenance	4,214,663	3,984,445	3,859,739	3,874,739
Materials and Supplies	40,385,167	44,138,419	45,510,108	47,141,451
Capital Outlay	631,115	4,933,935	7,095,660	5,373,250
Total Department Expenditures	\$68,287,514	\$74,123,055	\$75,553,973	\$80,541,988

OPERATIONS SERVICES DEPARTMENT

Administration Division

General Fund

The Administration Division oversees personnel, budget, policies and procedures. This division also implements the departments Strategic Plan, City Council (Priorities and Agenda reports), and oversees Callippe Preserve Golf Course Agreement and collaborates with regional water and wastewater agencies

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Misc Reimbursements	\$133,444	\$100,000	\$140,000	\$150,000
Miscellaneous Revenue	16,560	-	-	-
General Fund Subsidy	861,333	859,483	917,217	871,685
Total Division Revenue & Subsidy	\$1,011,337	\$959,483	\$1,057,217	\$1,021,685
Expenditures				
Salaries	\$439,568	\$418,362	\$478,468	\$428,468
Benefits	288,162	286,426	250,008	262,690
Transport and Training	18,225	34,508	34,751	30,751
Repair and Maintenance	71,429	103,583	143,286	156,572
Materials and Supplies	193,953	115,604	150,704	142,204
Capital Outlay	-	1,000	-	1,000
Total Division Expenditures	\$1,011,337	\$959,483	\$1,057,217	\$1,021,685

Callippe Golf

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$3,225,018	\$3,915,466	\$4,161,886	\$4,324,368
Interest	9,169	3,000	3,000	3,000
Net Transfers	(8,585)	(255,553)	(208,094)	(216,218)
(Addition To)/Reduction in Fund Balance	-	-	(154,019)	(160,971)
Total Division Revenue	\$3,225,602	\$3,662,913	\$3,802,773	\$3,950,179
Expenditures				
Materials and Supplies	\$3,160,847	\$3,662,913	\$3,802,773	\$3,950,179
Capital Outlay	64,755	-	-	-
Total Division Expenditures	\$3,225,602	\$3,662,913	\$3,802,773	\$3,950,179

OPERATIONS SERVICES DEPARTMENT

Parks Division

General Fund

The Parks Maintenance Division maintains over 385 developed acres of parkland at 46 sites, City facility landscape maintenance, and 832 acres of open space which includes 23 miles of trails. The manages the City's Urban Forest, weed abatement, street median maintenance and irrigation, and projects.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Internal Services Charges	\$500,000	\$150,000	\$500,000	\$500,000
Interest	106,770	75,000	90,000	80,000
Misc Reimbursements	9,215	-	-	-
Net Transfers	(1,236,311)	(755,000)	(755,000)	(755,000)
General Fund Subsidy	9,331,518	8,359,295	9,444,271	10,674,775
(Addition To)/Reduction in Fund Balance	1,772,036	1,987,793	940,000	1,667,000
Total Division Revenue	\$10,483,228	\$9,817,088	\$10,219,271	\$12,166,775
Expenditure				
Salaries	\$2,810,097	\$2,659,252	\$3,093,427	\$3,133,842
Benefits	2,020,515	2,057,574	2,141,952	2,275,071
Transport and Training	66,953	58,146	60,292	92,500
Repair and Maintenance	1,061,629	493,154	961,561	1,641,947
Materials and Supplies	4,215,950	4,337,169	3,922,039	4,283,415
Capital Outlay	308,084	211,793	40,000	740,000
Total Division Expenditures	\$10,483,228	\$9,817,088	\$10,219,271	\$12,166,775

OPERATIONS SERVICES DEPARTMENT

Streets and Signs Division

Internal Service Fund
& General Fund

The Streets and Signs Division maintains City streets, sidewalks, and sound walls. Maintains streets, pathways and parking lot lights, street sweeping, traffic signs, pavement markings, and seasonal leaf pick up. The Sign Shop also fabricates signs, banners, posters, and laser fabrication.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Internal Services Charges	\$250,000	\$75,000	\$150,000	\$150,000
Interest	43,844	27,000	35,000	35,000
Fees for Current Services	9,854	2,000	2,000	10,000
Interfund Revenue	239,139	235,064	235,064	235,064
Misc Reimbursements	105,186	5,000	5,000	5,000
Miscellaneous Revenue	946	-	-	-
Net Transfers	(200,000)	-	-	-
General Fund Subsidy	3,312,170	3,141,748	3,309,334	3,711,386
(Addition To)/Reduction in Fund Balance	(79,207)	118,000	35,000	35,000
Total Division Revenue	\$3,681,932	\$3,603,812	\$3,771,398	\$4,181,450
Expenditures				
Salaries	\$1,204,811	\$1,247,534	\$1,412,734	\$1,422,319
Benefits	840,760	914,656	973,272	1,029,245
Transport and Training	28,638	36,231	37,500	43,500
Repair and Maintenance	1,014,051	628,770	574,987	808,608
Materials and Supplies	582,955	606,621	602,905	707,778
Capital Outlay	10,717	170,000	170,000	170,000
Total Division Expenditures	\$3,681,932	\$3,603,812	\$3,771,398	\$4,181,450

OPERATIONS SERVICES DEPARTMENT

Facilities and Fleet Division

Internal Service Fund

The Facilities and Fleet Division is responsible for the maintenance of over 130 publicly owned structures and over 500,000 square feet of office space. Responsibilities includes custodial services, mechanical systems, maintenance of pools and pump systems. The Fleet section maintains over 300 vehicles and 100 pieces of equipment. Including procurement, repair, surplus, CARB compliance, Basic Terminal Inspection and DMV registration.

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Internal Services Charges	\$3,000,000	\$900,000	\$1,025,000	\$1,025,000
Interest	340,960	225,000	284,500	286,500
Interfund Revenue	121,667	90,794	90,794	90,794
Misc Reimbursements	15,585	20,000	20,000	20,000
Miscellaneous Revenue	81,977	-	-	-
Net Transfers	(905,860)	(1,505,363)	208,094	(572,282)
General Fund Subsidy	6,922,479	5,818,913	6,044,545	7,107,271
(Addition To)/Reduction in Fund Balance	(334,782)	4,879,862	862,733	855,730
Total Division Revenue	\$9,242,026	\$10,429,206	\$8,535,666	\$8,813,013
Expenditures				
Salaries	\$1,404,446	\$1,488,989	\$1,530,228	\$1,551,118
Benefits	998,532	1,082,338	1,051,216	1,116,685
Transport and Training	740,318	646,730	711,334	717,600
Repair and Maintenance	1,972,073	1,617,943	1,748,228	2,179,356
Materials and Supplies	2,257,445	3,014,365	1,893,188	2,035,411
Capital Outlay	1,869,212	2,578,841	1,601,472	1,212,843
Total Division Expenditures	\$9,242,026	\$10,429,206	\$8,535,666	\$8,813,013

Utilities Division – Enterprise Fund

The Utilities Division operates and maintains the City owned potable water, recycled water, sewer, and storm drain systems. The Division is responsible for health and safety compliance, infrastructure planning and replacement projects and water supply planning. The potable water system includes 18 pressure zones, 20 reservoirs, 14 pump stations, and 330 miles of piping. The sewer system includes 10 pump stations and 286 miles of piping. Customer Service includes customer work requests, Utility Billing services and dog licenses.

Environmental Services Division – Enterprise Fund

The Environmental Services Division provides oversight of recycled water connections, water conservation and education, backflow protection, industrial and storm water inspections, and regulatory compliance.

Water

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$26,506,419	\$28,160,000	\$30,160,000	\$31,960,000
Fees for Current Services	62,118	-	-	-
Interfund Revenue	510,778	431,041	431,041	431,041
Interest	348,945	200,000	250,000	275,000
Misc Reimbursements	140,994	75,000	40,000	40,000
Miscellaneous Revenue	39,578	70,000	50,000	50,000
Net Transfers	(2,240,388)	(3,003,000)	(3,665,188)	(3,752,871)
(Addition To)/Reduction in Fund Balance	(447,254)	1,717,130	1,528,481	1,623,719
Total Division Revenue	\$24,921,190	\$27,650,171	\$28,794,334	\$30,626,889
Expenditures				
Salaries	\$2,630,575	\$2,743,116	\$3,028,435	\$3,076,620
Benefits	1,664,876	1,805,472	1,984,699	2,111,539
Transport and Training	69,438	144,000	121,500	144,000
Repair and Maintenance	272,194	58,000	55,000	60,000
Materials and Supplies	20,278,507	21,114,233	21,854,700	23,464,730
Capital Outlay	5,600	1,785,350	1,750,000	1,770,000
Total Division Expenditures	\$24,921,190	\$27,650,171	\$28,794,334	\$30,626,889

OPERATIONS SERVICES DEPARTMENT

Sewer

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$15,175,511	\$15,750,000	\$16,150,000	\$16,550,000
Interfund Revenue	803	2,500	2,500	2,500
Interest	211,188	110,000	140,000	150,000
Misc Reimbursements	14,975	35,000	35,000	35,000
Assessments	406	-	-	-
Net Transfers	(368,877)	(856,000)	(1,069,953)	(1,015,277)
(Addition To)/Reduction in Fund Balance	(1,556,401)	167,938	1,099,877	1,021,125
Total Division Revenue	\$13,477,605	\$15,209,438	\$16,357,424	\$16,743,348
Expenditures				
Salaries	\$1,029,609	\$1,176,786	\$1,442,419	\$1,468,779
Benefits	692,526	808,228	952,215	1,013,269
Transport and Training	21,702	55,000	60,000	65,000
Repair and Maintenance	124,823	26,500	30,000	37,000
Materials and Supplies	11,608,945	11,843,924	12,557,790	12,944,300
Capital Outlay	-	1,299,000	1,315,000	1,215,000
Total Division Expenditures	\$13,477,605	\$15,209,438	\$16,357,424	\$16,743,348

Storm Drain

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$520,037	\$508,000	\$540,000	\$550,000
Interfund Revenue	198,779	175,440	200,000	200,000
Interest	(326)	-	-	-
Assessments	735	-	-	-
Miscellaneous Revenue	-	52,000	-	-
Net Transfers	130,000	330,000	625,000	625,000
(Addition To)/Reduction in Fund Balance	387,431	208,670	(18,914)	(5,484)
Total Division Revenue	\$1,236,656	\$1,274,110	\$1,346,086	\$1,369,516
Expenditures				
Salaries	\$370,946	\$465,825	\$451,148	\$451,361
Benefits	289,048	305,058	267,344	279,561
Transport and Training	13,471	9,295	9,795	11,295
Repair and Maintenance	28,803	37,133	25,000	25,000
Materials and Supplies	534,388	456,799	592,799	602,299
Total Division Expenditures	\$1,236,656	\$1,274,110	\$1,346,086	\$1,369,516

OPERATIONS SERVICES DEPARTMENT

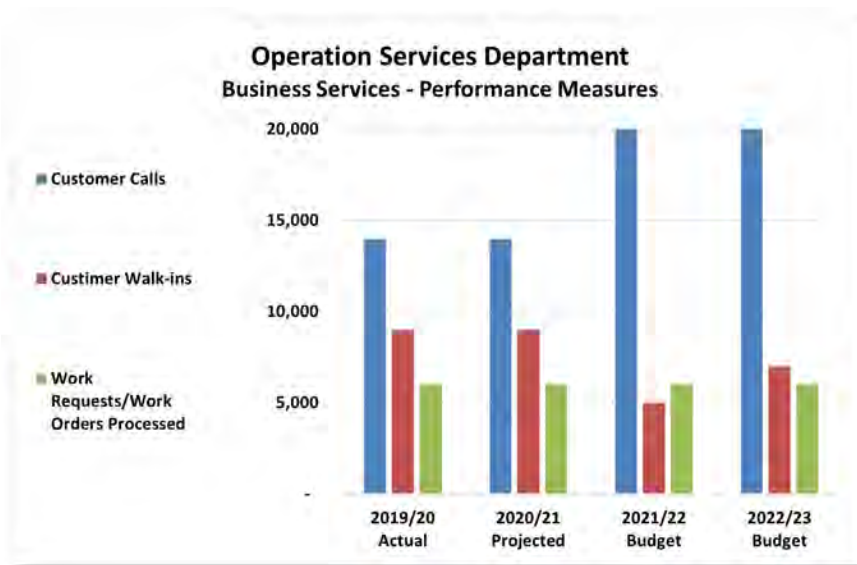
Recycled Water

	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	Projected FY 2020/23
Revenue				
Service Charges	\$2,278,778	\$2,811,200	\$2,808,500	\$2,868,500
Miscellaneous Revenue	278,908	-	-	-
Interest	(61,601)	-	-	-
Net Transfers	(2,397,815)	(1,444,146)	(1,444,146)	(1,444,146)
(Addition To)/Reduction in Fund Balance	909,668	149,780	305,450	244,779
Total Division Revenue	\$1,007,938	\$1,516,834	\$1,669,804	\$1,669,133
Expenditures				
Salaries	\$180,932	\$257,765	\$321,144	\$321,144
Benefits	141,457	171,069	224,160	235,989
Transport and Training	1,412	16,000	13,500	16,000
Materials and Supplies	684,137	1,072,000	1,111,000	1,096,000
Total Division Expenditures	\$1,007,938	\$1,516,834	\$1,669,804	\$1,669,133

Performance Measures

Operations Services Department

Measure	Actual 2019/20	Projected 2020/21	Budget 2021/22	Budget 2022/23
PARKS, MEDIANS, AND TRAILS MAINTENANCE				
Open Space Lands Maintained	329.50	413.75	413.75	413.75
Walking and Hiking Trails (miles maintained per employee)	12.00	12.50	12.50	12.50
ENVIRONMENTAL SERVICES - Recycled Water Compliance, Urban Runoff, and Water Conservation				
GPCD / Compliance with the water use target? (gallons / (Yes or No))	161/Yes	159/Yes	170/Yes	180/Yes
% of water leaks resolved among those customers notified	80%	55%	60%	65%
Percent of Backflow Test Compliance	97%	98%	100%	100%
BUSINESS SERVICES - Utility Billing and Customer Services				
Customer Calls	14,000	14,000	20,000	20,000
Customer Walk-ins	9,000	9,000	5,000	7,000
Work Requests/Work Orders Processed	6,000	6,000	6,000	6,000
UTILITIES - Water, Sewer, Storm/Drain, and Recycled Water				
Water Main Leaks	36	40	40	40
Sewer Overflows	1	4	4	4
OSD ADMINISTRATION				
Invoices Processed	4,800	5,200	6,400	8,000
# of Department Trainings	12	11	12	12
SUPPORT SERVICES - Building and Vehicle Maintenance				
# of Work Orders Completed	2,109	2,109	3,000	3,000
SUPPORT SERVICES - Building and Vehicle Maintenance				
Sidewalk Deflection Repairs	252	2,000	2,000	2,000
# of Cubic Yards of Leaf Debris Collected (Nov-Jan)	1,500	1,500	1,500	1,500



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Capital Improvement Program Overview

The City of Pleasanton prepares a four-year Capital Improvement Plan (CIP) 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. City Council appropriates funds for the first two years of the four-year CIP. The four-year CIP is reviewed bi-annually to enable the City Council to reassess projects in the program and allocate funds.

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 \$50,000 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 FY 2021/22 – FY 2024/25 Capital Improvement Program located on the City's website: www.cityofpleasantonca.gov. The information provided in this section is from the original adopted FY 2021/22 – FY 2024/25 CIP.

Capital Improvement Program Summary

The FY 2021/22 – FY 2024/25 CIP includes 61 City projects¹ totaling approximately \$68.4 million. The charts below show the capital expenditures, by CIP category, for FY 2021/22 and FY 2022/23, which are the only appropriations included in the FY 2021/22 – FY 2024/25 CIP.

CIP Program Category	FY 2021/22	FY 2022/23	Totals
Miscellaneous	\$7,300,000	\$2,925,000	\$10,225,000
Parks	550,000	1,030,000	1,580,000
Sewer	3,425,000	2,275,000	5,700,000
Transportation and Street Infrastructure	12,635,000	7,450,000	20,085,000
Water	4,450,000	2,325,000	6,775,000
Total CIP	\$28,360,000	\$16,005,000	\$44,365,000

¹ Excluding fund transfers.

Significant Non-recurring Capital Projects

The FY 2021/22 – FY 2024/25 CIP includes several significant non-recurring projects. A project is considered significant if it has a measurable impact on the operating budget, or if the project rarely occurs. Once completed, these projects will be added to the City’s Repair and Replacement Plan or Paving Plan to be amortized over the life of the asset. Future budgets will include funding to cover the amortized replacement cost that will fund future repair and replacement costs. The table below identifies the annual amortization rate. City staff does not expect these projects to impact other areas of the operating budget or expect these projects to result in additional savings or revenues.

Project	Description	FY 2021/22 Budget	FY 2022/23 Budget	Totals	Impact to Annual Operating Budget	Notes
Design Lighting & Lightening Improvements on City’s Railroad Parking Lot	The project includes evaluation, design and construction and/or addition of new street lighting and lighting improvements for the parking at St Mary’s and the railroad track intersection.	\$100,000	\$0	\$100,000	NA	Design funds only. Operating budget impacts calculated once design is complete.
Design of Police Department Secured Police and Staff Vehicular Parking	The project will design additional secured parking around the police department for City police vehicles and police staff. The existing secured police vehicle parking lot will be expanded.		100,000	100,000	NA	Design funds only. Operating budget impacts calculated once design is complete.
Emergency Power Improvements	This project is to evaluate and implement improvements to emergency power systems that support the City’s water and sewer system.	600,000	1,500,000	2,100,000	105,000	Annual Replacement Accruals (year 1)
Design of PFAS Treatment and Wells Rehabilitation Project	This project includes the design of PFAS treatment to improve water quality and comply with potential future regulations. This project also includes rehabilitation of the City owned groundwater wells.	2,500,000		2,500,000	NA	Design funds only. Operating budget impacts calculated once design is complete.
Master Plan Location and Design of Pleasanton Cricket Pitch and Field	This project includes the public outreach and design of a cricket pitch. The design will be based on the feedback received from public and will include a conceptual design.	250,000		250,000	NA	Design funds only. Operating budget impacts calculated once design is complete.
Hopyard Road and Owens Drive Intersection Improvements	The project will make improvements to the south and north legs of the Owens Drive and Hopyard Road intersection and include fully protected bicycle and pedestrian improvements.	750,000		750,000	25,000	Annual Replacement Accruals (year 1)
Design Sunol Boulevard Interchange Improvements	This design project will include a Project Study Report to establish a project scope and cost, environmental documentation, and the preparation of plans and specifications.	1,750,000		1,750,000	NA	Design funds only. Operating budget impacts calculated once design is complete.
Bernal Avenue at First Street/Sunol Boulevard Intersection Improvements	The project is to improve capacity of the intersection and create a gateway to the City and Downtown. The intersection will include latest streets concepts creating fully protected intersections.	2,650,000		2,650,000	88,333	Annual Replacement Accruals (year 1)
West Las Positas Bicycle and Pedestrian Improvements	This project will install bicycle and pedestrian related improvements on West Las Positas Boulevard, which was identified as the highest priority corridor by the City’s Bicycle and Pedestrian Master Plan.	320,000	320,000	640,000	21,333	Annual Replacement Accruals (year 1)
Bernal Park and Ride Lot	This project will design and construct a Park and Ride facility with a minimum of 100 parking stalls. This facility is located at the southeast corner of Bernal Avenue and West Lagoon Road.		965,000	965,000	32,167	Annual Replacement Accruals (year 1)
Santa Rita Road at Valley Avenue Intersection Improvement	This project will design and construct a third southbound left turn lane from Valley Avenue to Santa Rita Road, a second westbound left turn lane from Santa Rita Road to Valley Avenue.	2,300,000		2,300,000	76,667	Annual Replacement Accruals (year 1)
I-580 Overcrossing Bicycle and Pedestrian Improvements	This project will create improved bicycle and pedestrian facilities from Pleasanton to Dublin, identified as a needed improvement in the City’s League of American Bicyclists “Bronze Award”	440,000		440,000	14,667	Annual Replacement Accruals (year 1)
Total Significant Non-recurring Capital Projects		\$11,660,000	\$11,660,000	\$14,545,000	\$363,167	

- **Budget Preparation Process**
- **Budget Calendar**
- **Glossary**
- **Acronyms**
- **Accounting Systems and Fund Structure**

Budget Preparation Process

The City of Pleasanton has adopted a number of fiscal management policies which help guide it through budget preparation and fiscal decision-making. In addition to these policies, City staff utilized Strategic Plans, the Fiscal Model, internal Enterprise and Replacement fiscal models and the CIP during the preparation of the two-year Operating Budget.

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

In addition to the documents discussed above, the Finance Department will also prepare 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 is included in the City's quarterly newsletter that will be issued in the summer of 2021. In addition, all of these documents will be readily available on the City's website at the following location: www.cityofpleasantonca.gov

Budget Guidelines

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

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

The City Manager and the Director of Finance 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 General Financial Policies. All budget transfers require the approval of the Director of Finance except those affecting personnel which must be approved by the City Manager.

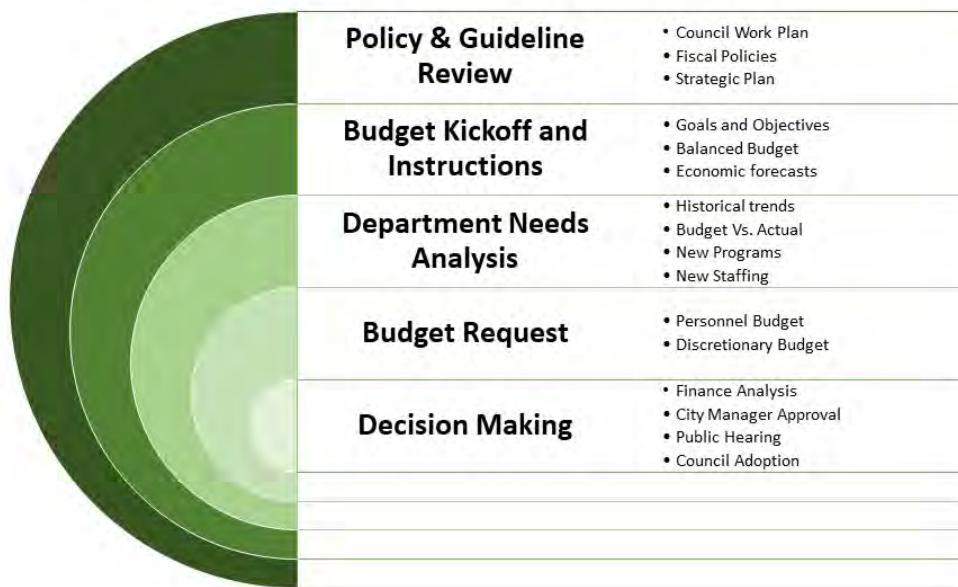
The following budgetary principles guided the City in preparation of this budget:

- 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 20% - 30% annual General Fund operating expenditures as reserves
- 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. recreation programs)
- The City will incorporate all budgetary decisions into its fiscal models in order to ensure responsible, long-range financial planning

Budget Development

Budget Development Process



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

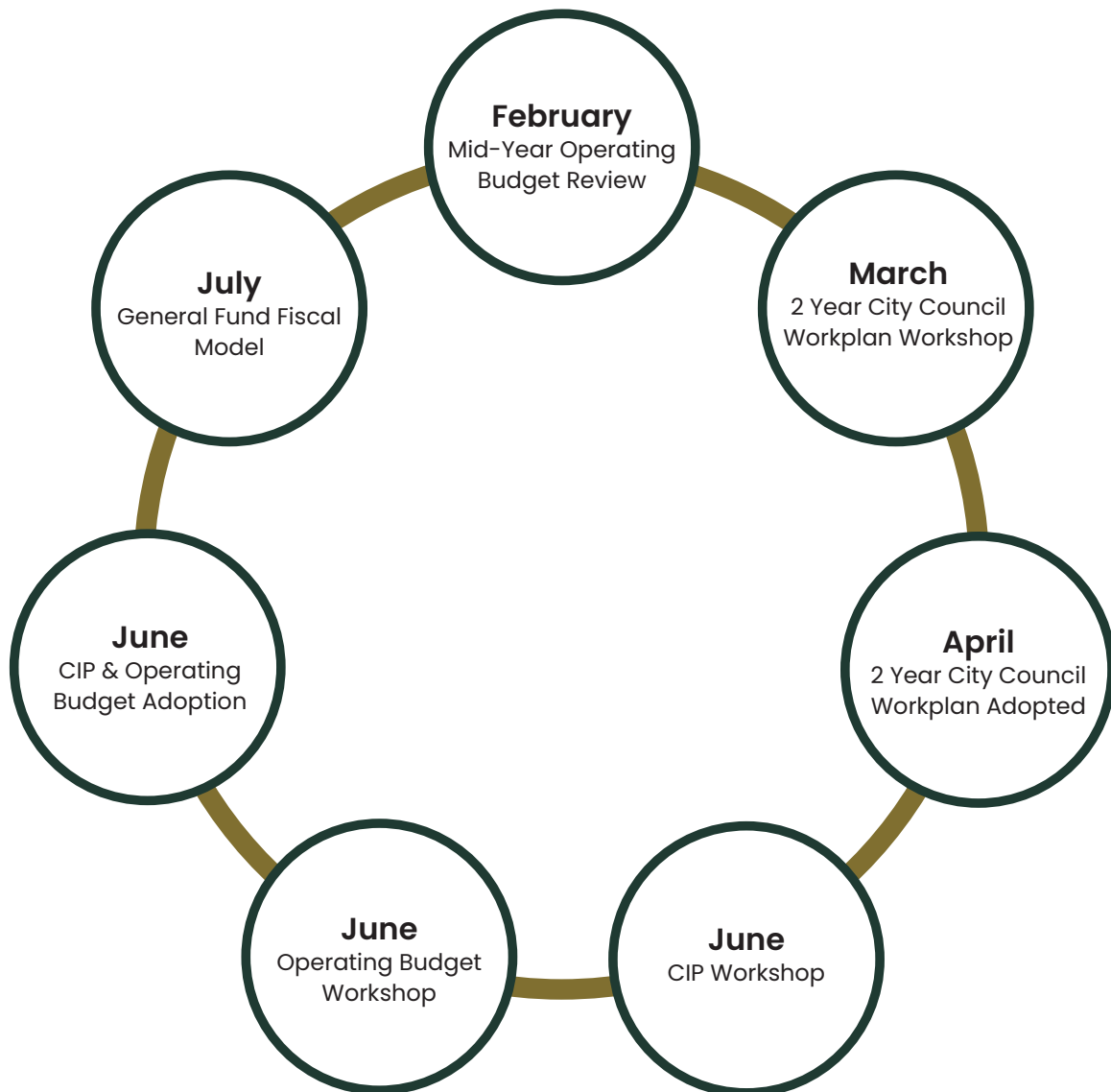
Development of the budget is dependent upon the City Council Work Plan. Departments begin the strategic planning process by developing strategic initiatives which support goals consistent with elements in the General Plan. A City Council Work Plan Workshop is held in March, every two years, to gather input from both the public and the City Council on the proposed initiatives. The City Manager uses the results of the workshop to develop the final draft of the Work Plan, The final draft of the Work Plan is presented to the City Council in April for approval and adoption.

Budgeting begins in February when an Operating Budget kick-off meeting is held for the departments. The Finance Department prepares a budget packet with instructions for the current budget process to ensure the operating budget is prepared in a manner consistent with current policies and guidelines. The budget packet includes all instructions and schedules.

Between February and March, 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 departmental revenues, budgets for supplies and services and preparing personnel requests and reallocations, required to both achieve the assigned strategic initiatives and maintain quality service levels for the community. The Finance Department is responsible for preparing non-departmental revenue, internal service, debt service, transfer and personnel related budgets.

Budget reports are prepared for review by the Director of Finance and the City Manager. Once all of the reviews are completed, and all revisions have been incorporated, the Finance Department prepares the Operating Budget document for presentation and review at an Operating Budget Workshop, held at the first City Council meeting in June to gather input from the public and the City Council. The proposed budget is used to create a ten-year General Fund Fiscal Model. The Finance Department incorporates changes from the Workshop into the draft budget and the final Operating Budget document is presented to City Council at the second meeting in June for formal adoption.

Budget Calendar



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.

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 Fund Description.

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 B

A half-cent transportation sales tax authorized by the passage of Alameda County in 2000. Measure B went into effect on April 1, 2002 and will expired on March 31, 2022. Funding can be used for street construction, repair and maintenance and for bicycle and pedestrian safety projects.

Measure BB

A half-cent transportation sales tax authorized by the passage of Alameda County in 2000. Measure BB went into effect on April 1, 2005 and will expired on March 31, 2022. The full one-cent sales tax will begin April 1, 2022 and will extend through March 31, 2045. Funding is to be used for transportation priorities that includes streets and roads improvements, bicycle/pedestrian enhancements, and transit related projects.

Measure F

The Vehicle Registration Fee ballot measure was passed in 2012 by Alameda County. Approximately 60% of Measure F funding is allocated directly to local agencies to be put towards the maintenance and improvement of essential transportation services and facilities. City applies it for repair and maintenance of local streets and roads and the improvement of traffic flow, public transportation, and bicyclist, pedestrian, and driver safety.

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 Pleasanton 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.

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

ABAG	Association of Bay Area Governments	HELP	Housing Enabled by Local Partnerships
AC	Air Conditioning or Alternating Current	HOME	Housing Opportunities Made Easy
ACE	Altamont Commuter Express	HR	Human Resources
ACTIA	Alameda County Transportation Improvement Authority	HUD	Housing and Urban Development
ACWMA	Alameda County Waste Management Authority	ICLEI	International Council for Local Environmental Initiatives
AD	Assessment District	IRS	Internal Revenue Service
ADA	Americans with Disabilities Act	IS	Information Services
AED	Automated External Defibrillator	IT	Information Technology
AMI	Area Median Income	JPA	Joint Powers Agreement or Authority
ATV	All-Terrain Vehicle	LAFCO	Local Agency Formation Commission
BACS	Bay Area Community Services	LAVWMA	Livermore Amador Valley Water Management Agency
BART	Bay Area Rapid Transit	LEED	Leadership in Energy & Environmental Design
BMR	Below Market Rate	LPFD	Livermore-Pleasanton Fire Department
BMX	Bicycle Motocross	MOU	Memorandum of Understanding
CAD	Computer Aided Dispatch	MTC	Metropolitan Transportation Commission
CAFR	Comprehensive Annual Financial Report	NPDES	National Pollutant Discharge Elimination System
CALTRANS	California Department of Transportation	NPID	North Pleasanton Improvement District
CAPE	Community Association for Preschool Education	O&M	Operations & Maintenance
CDBG	Community Development Block Grant	OPEB	Other Post-Employment Benefits
CDIAC	California Debt and Investment Advisory Commission	OSC	Operations Services Center
CERT	Citizens Emergency Preparedness Training	PDA	Pleasanton Downtown Association
CIP	Capital Improvement Program	PERS	Public Employees Retirement System
COP	Certificate of Participation	PG&E	Pacific Gas and Electric
COPPS	Community Oriented Policing & Problem Solving	PMC	Pleasanton Municipal Code
CoVWR	Committee of Valley Water Retailers	POST	Police Officers Standards & Training
CPAT	Candidate Physical Abilities Test	PTCWD	Pleasanton Township County Water District
CPR	Cardiopulmonary Resuscitation	PUD	Planned Unit Development
CPUC	California Public Utilities Commission	PUSD	Pleasanton Unified School District
CRIL	Community Resources for Independent Living	RADD	Recreational Activities for Developmentally Disabled
CSO	Community Service Officer	RFP	Request for Proposal
DARE	Drug Abuse Resistance Education	RMS	Records Management System
DSRSD	Dublin San Ramon Services District	SCADA	Supervisory Control And Data Acquisition
DTA	Downtown Association	SMMP	Stream Management Master Plan
DUI	Driving Under the Influence	SROVT	Solid, Realistic, Ongoing, Verifiable Trainings
EBMUD	East May Municipal Utility District	SSI	Supplemental Security Income
EBRPD	East Bay Regional Parks District	TANF	Temporary Aid to Needy Families
ECHO	Eden Council for Hope and Opportunity	TOT	Transient Occupancy Tax
EIR	Environment Impact Report	TSM	Transportation Systems Management
EMS	Emergency Medical Services	TVCVB	Tri-Valley Convention and Visitors Bureau
EOC	Emergency Operations Center	TVHOC	Tri-Valley Housing Opportunity Center
ERAF	Educational Revenue Augmentation Fund	TVTC	Tri-Valley Transportation Council
ESL	English as a Second Language	TVWRG	Tri-Valley Water Retailers Group
EVC	Economic Vitality Committee	UST	Underground Storage Tank
FEMA	Federal Emergency Response Agency	VFD	Variable Frequency Drives
GASB	Governmental Accounting Standards Board	VFW	Veterans of Foreign Wars
GHAD	Geologic Hazard Abatement District	VIPS	Volunteers in Police Services
GIS	Geographic Information Systems	VLF	Vehicle License Fees
HBPOA	Hacienda Business Park Owners Association	VOP	Veterans Organizations of Pleasanton
HCD	Housing and Community Development	YMPIC	Youth Master Plan Implementation Committee

Accounting System and Funds

There are many separate funds into which all City revenues are placed and from which all expenses are paid. A fund is an accounting entity with a complete set of self-balancing accounting records. Each fund has been established based on accounting principles that define use and restriction on the kind of resource received by that fund. The fund types that comprise the operating budget are described below.

General Fund – Accounts for general purpose revenues, e.g. sales taxes, property taxes, building permits and records the transactions of general government services, e.g. police, fire, maintenance of streets and parks, library and recreation.

Enterprise Funds – Used to account for the City's ongoing activities which are operated similarly to a business in the private sector. The City has included in the operating budget the operations and maintenance portions of the Water Fund, the Sewer Fund, the Storm Drain Fund, the Golf Fund, the Cemetery Fund, and the Transit Fund.

Internal Service Funds – Used to account for the financing of goods or services provided by one City department to other City departments on a cost-reimbursement basis. The City has internal service funds for Employee and Retiree Benefits, Vehicle, Equipment and Computer Replacement, Facilities Renovation, Street Light Replacement, Traffic Signal Replacement, Public Art Acquisition and Maintenance, Insurance, and Park and Median Renovation.

Special Revenue Funds – Used to account for specific revenue sources that are restricted by law to expenditures for specific purposes. In the operating budget, these include DARE, Asset Forfeiture, Recycling Funds (Measure D, Import Mitigation, Beverage Container Recycling, RPPP Recycled Products), Lower Income Housing, Downtown Parking, Landscape and Lighting Districts, Geologic Hazard Districts, HOME Program, Law Enforcement Services Grant, Used Oil Grant, HBPOA Maintenance District, Urban Forestry, Community Development Block Grant, Miscellaneous Donations, Another H.A.P.P.Y. Public Art Donations, Downtown Economic Development Loan and Abandoned Vehicles.

Trust Funds – Used to account for assets held by the City in a trustee capacity. The City has a trust fund for the Pleasanton Township County Water District #3 (PTCWD #3).

The City's accounting system operates on a modified accrual basis for the General Fund, the Debt Service Fund and the Special Revenue Funds. In these funds, revenues are recorded when they are received or when they are both measurable and available to finance the expenditures of the current period. Expenditures are recorded when liabilities are incurred. The City uses the accrual method of accounting for the Enterprise Funds and the Internal Service Funds where revenues and expenses are recorded when earned and incurred, respectively. For budgeting purposes, the City uses a Working Capital basis. This means that the focus is on changes in current spendable resources. The budgeted funds are adopted on a basis consistent with generally accepted accounting principles in the United States.

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Financial Policies Overview

The City of Pleasanton has established the following financial policies to provide guidance towards the City's fiscal stability as well as prudent and accountable management of the City's budget and funds:

- General Financial Policies
- Fee Policy
- Sewer Enterprise Financial Policy
- Water Enterprise Financial Policy
- City Debt Policy
- Investment Policy and Guidelines
- Reserve Policy

These policies are included in the subsequent sections of Appendix C.

General Financial Policies

A. GENERAL POLICIES

- The City will manage its financial assets in a sound and prudent manner.
- The City will maintain sound financial practices in accordance with State law, and direct its financial resources toward meeting the City's long-term goals.
- The City will maintain and further develop programs to assure its long-term ability to pay all the costs necessary to provide the level and quality of service required by its citizens.
- The City will maintain accounting systems in conformance with generally accepted accounting principles.
- The City will establish and maintain investment policies in accordance with State laws that stress safety and liquidity over yield.

B. REVENUE POLICIES

- The City will strive to maintain a diversified and stable revenue base that is not overly dependent on any land use, major taxpayer, revenue type, restricted revenue, inelastic revenue, or external revenue.
- The City will aggressively pursue revenue collection and auditing to assure that moneys due the City are accurately received in a timely manner.
- The City will seek Federal and State grants and reimbursements for mandated costs whenever possible.
- The City will investigate potential new revenue sources, particularly those which will not add to the tax burden of residents or local businesses.
- The City will work proactively with the League of California Cities and local communities to monitor legislation that may impact the City financially.

- The City will avoid targeting revenues for specific purposes whenever possible.
- The City will review user fees and charges and attempt to set them as close as possible to the cost of providing services, except as provided by the City's Fee Policy or specific direction.
- The City will impose user fees when appropriate.
- The City will adopt a user fee policy, which establishes desired levels of cost recovery and determines the minimum frequency of user fee reviews.
- The fees and charges will be set at a level that fully supports the total direct and indirect cost of the activity, including administrative overhead and depreciation, and in accordance with the City's Fee Policy.
- The City will prepare periodic financial reports of actual revenue received, for review by the City Council, to provide information on the status of the City's financial condition.
- The City will maintain and further develop methods to track major revenue sources and evaluate financial trends.
- The City will establish methods to maximize the accuracy of revenue forecasts.

C. COST OF SERVICES POLICIES

- The City will recover the costs of new facilities and infrastructure necessitated by development, consistent with State law.
- The City will consider requiring large developments to prepare a fiscal analysis, which measures direct and indirect costs and benefits to the City.

D. EXPENDITURE AND BUDGETING POLICIES

- The City will prepare a balanced budget, which means with current year revenues will pay for all current operating expenditures.
- Surplus fund balances may be used to increase reserves, fund Capital Improvement Projects, prepay pension liabilities, or other one-time uses.
- The City will deliver service in the most effective manner, including utilizing the services of volunteers in areas where it is economically viable.
- The budget will state the objectives of the operating programs, and identify the service and resources being provided to accomplish the specified objectives.
- The budget will fully account for and apportion all costs, fees, and General Fund transfers associated with the Enterprise Funds.
- Department expenditures are limited to:
 - Budgeted expenditures approved by the City Council as appropriated by major category:
 - Employee Services; Transportation and Training
 - Repairs and Maintenance, Materials, Supplies and Services; and Capital Outlay.

- All budget transfers require the approval of the City Manager or designee except those affecting personnel and capital outlay, which must be approved by the City Manager.
- Budget transfers required to hire additional permanent personnel require the City Council's approval.
- The City will have various expenditure controls in place to ensure the City does not over-expend its budget including (1) position requisition must be budgeted and approved by the City Manager, (2) Finance staff will review purchase and contract requests to ensure there are adequate funds and (3) mid-year budget reviews to forecast expenses and revenues through year-end to ensure the City ends the year with a balanced budget.
- The City will fully fund accrued unused vacation annually.
- The City will periodically update replacement and maintenance financing plans, and incorporate them into the Budget.

E. FUND BALANCE

- Fund balance from the prior fiscal year is total cash and investments less encumbrances. The budget year estimated fund balance includes prior year actual fund balance plus estimated revenues minus the expenditure budget.
- Long-term liabilities including Pension, OPEB and debt (bonds and loans) are excluded from fund balance.
- The Workers Compensation Fund balances include claims payable (estimated value of all claims the City has received that are still outstanding.)

F. CAPITAL IMPROVEMENT POLICIES

- The City will construct all capital improvements in accordance with an adopted capital improvement program.
- The City will develop a four-year plan for capital improvements to be updated at least bi-annually. Future capital revenues and expenditures will be projected annually for a four-year period based on changes in the community population, real estate development and/or replacement of the infrastructure.
- The City will coordinate preparation of the Capital Improvement Budget with preparation of the Operating Budget. Future operating costs associated with new capital improvements will be projected and included in Operating Budget forecasts.
- The City will identify the estimated costs and potential funding sources for each proposed capital project before it is submitted to Council for approval.
- The City will attempt to determine the least costly financing method for all new projects.
- The estimated cost of Capital replacement for enterprise funds such as water and sewer will be updated at least every two years to ensure that rates and charges are covering the full cost of operating these programs.

Fee Policy

(Adopted by Resolution No. 92-99)

The Fee Policy is established to assist all departments in determining how any specific fee should be established, to help assure equitable treatment of all citizens and to structure the maintenance of fees at a current cost level.

Furthermore, the Fee Policy establishes categories of services for which the City desires to collect such fees and upon which the level of cost recovery is determined.

A. GENERAL POLICY

It is the general policy of the City of Pleasanton to recover its costs of service from the individuals and/or groups served to the extent that individual members of the public are benefiting from specific City facilities or personnel in a way different from that enjoyed by all citizens. To the extent that the City organizes some of its activities into enterprise funds, such activities should recover all of their costs even if they benefit essentially all of the citizens.

B. CATEGORIES OF SERVICE

From a policy standpoint, the Council expects City services to be placed in one of six categories before a fee is established or considered for any specific service:

1. Development which impacts municipal infrastructure costs.

When additional housing or commercial units are being built, it is the City's policy to charge them for the costs of the additional roadways, road widening(s), traffic control devices, water/sewer lines or processing capacity, and other related capital costs the City must spend to support the new development and the impacts it creates. The policy of the City Council is that these fees will include all cost expended or expected to be expended by the City in creating or performing these support activities, either in cash or in such in-kind as may be approved by the City Manager, as provided by State legislation.

2. Fees or charges designed to discourage improper behavior.

This would include traffic fines, parking enforcement, vandalism repair, theft or willful destruction of City property, building code infractions, etc. There is no need for these charges to be constrained by the cost of the enforcement activity. While they should at least meet this cost, they will generally be expected to be more than the cost of enforcement to discourage repeat offenses.

3. Services designed to control activities which could be harmful to others.

This includes fire inspection fees, many types of police permits, building inspections, etc. In these cases, the individual has probably done nothing wrong, but is engaged in an activity which could be harmful to others if conducted incorrectly. These fees should be set at full cost recovery. Full cost recovery includes direct labor costs (salary and benefits), allocated cost of supervision, pro-rata departmental management costs, City-wide overhead allocation, and physical facility or equipment hourly costs. This does not include criminal activities for which there are other penalties.

4. Services clearly required by the payee which the City would not otherwise be required to perform.

These include most of category 3 above as well as most Planning, Engineering, and Building department activities which are focused on a single transaction or incident. Not included in this category are Police activities with criminal penalties. This would include copying costs when the nature of the transaction fits this description. All accidents resulting in harm to City property would fall into this category.

5. Services which are supportive of general City service policies, but require out-of-pocket expenses by the City for the benefit of the participating individuals.

Many recreation activities would fall into this category. It is the general policy of the City for these activities to pay for their out-of-pocket costs, including any City overtime involved, but not to be charged for the otherwise allocable overhead costs, indirect supervision time, or a pro-rata share of the facility being used. If the activities being offered preclude (or collectively preclude) the facility being available for general purpose use (such as swim classes vs. general “open pool” hours), a pro-rata share of facility costs may be assigned with consent of the Council. This category would also include copying costs in support of such programs.

6. Normal City services supporting all inhabitants.

The City performs a host of functions, from street maintenance to fire fighting to law enforcement as part of its services to all persons and property within the City limits. These general services are funded through a variety of taxing mechanisms and should not be funded by a fee for service. The key test for this type of service is that it is applied to all persons and property equally, not to a restricted subset of the population. Programs which are specifically tax or grant funded for a specific subset of the population (such as senior citizens) are also included in this category.

Exhibit I summarizes these categories and the fee rules associated with each.

EXHIBIT I

CATEGORY	COSTING METHODOLOGY	EXAMPLES OF FEES IN CATEGORY
A. Impact Fees	Based on capital costs of City infrastructure impacted by proposed development. Developed within AB1600 guidelines from State.	Residential construction fee Capital improvement fee Sewer connection fee Water connection fee Growth management fee "Affordable Housing" fee
B. Improper Behavior	Full City costs plus penalty amount where appropriate.	Traffic fines or parking enforcement Theft, willful destruction of property Vandalism
C. Control of Potentially Harmful Activities	Full cost recovery.	Fire Inspection Fees Pawn Shop Permits Building Inspection Fees
D. Services to/for an individual or group and enterprise fund activities	Full cost recovery.	Planning or Engineering work associated with processing of a subdivision map, building permits, or public R/W Company's exclusive rental of facility Water/Sewer monthly charges non-willful harm to City property
E. Service Supporting General City Policy	Out-of-pocket cost recovery.	Recreation Fee (unless facilities therefore not available to general public) Safety Training (CPR, fire prevention)
F. Normal City Services	No charge.	Street Maintenance, Park Maintenance, law enforcement, fire response, etc.

In addition to and overriding the above categories are enterprise fund activities. These are typically similar to category D above, in that the City would recover all of its costs and overhead. However, with enterprise funds including Water and Sewer, the capital costs required to support the activity are typically significant, and it is the City's policy to recover their costs directly from the users of the enterprise fund services. This includes depreciation or other method of provision for capital facility replacement. No other City services would normally include provision for replacement of capital facilities.

C. MAINTENANCE OF FEE LEVEL

The Policy of the City is to maintain fees at a level consistent with the costs associated with each service. To accomplish this, the City will:

1. Annual departmental submission of recommended fees.

Each department is directed every November to review its costs associated with each existing fee for service and to determine whether it has added any services during the year, or is contemplating adding any services in the upcoming fiscal year for which a fee should be charged. It should then report to the Finance Director by December 31 of each year as to the changing costs of providing services and/or the proposed new fees and the basis for each. It is not necessary for the department to report to the Finance Director on fees for which the only changes are basic inflationary changes. This directive is not intended to preclude departments bringing forth recommended adjustments at other times if State law or other circumstances make mid-year changes appropriate.

2. Finance Director annual report to Manager/Council

The Finance Director shall review the proposed fee changes and/or additions or deletions suggested by each department and report to the Manager and Council as part of the annual budget cycle on proposed changes. At this time, the Finance Director shall propose across the board adjustments to fees for City salary increases and other inflationary impacts.

3. Periodic review of overhead cost allocations.

Every five years the Finance Director shall analyze or cause to be analyzed the overhead and departmental management costs allocated to each fee.

4. Annual master fee schedule adjustment.

To facilitate annual adjustment, the City shall annually adopt a new master fee schedule. The City Attorney shall propose any new fee ordinances in a manner consistent with this intent, and revise any ordinances existing requiring such adjustment so that the amount of the fees can be changed with a single new resolution each year.

D. DAMAGE REIMBURSEMENT

1. Overall basis for charges.

The City will charge the person who has damaged, destroyed, or taken City property for the cost to the City to process the incident and to replace that item or items with a comparable new item which conforms to current City policies for the purpose the item serves, or to repair the item to a state comparable to its state at the time of the incident. Where the item damaged, destroyed, etc. was a vehicle, the City charges will not exceed the cost to replace the vehicle with a comparable vehicle of similar capabilities and use, plus its processing costs. All costs incurred by the City shall be included in the time and materials charged to the perpetrator, including time to determine the nature and extent of the problem, time to determine the most effective way to restore the previous situation, time to handle the parties involved, court costs and time if needed, staff report preparation time, and the reasonable costs allocated to these direct expenses to cover their pro-rata share of direct supervision, management, support facilities, equipment used in the repair, the general City overhead.

2. Costs of items acquired or installed to replace damaged property.

The actual hydrant, lamp post, sign or signpost, or other item acquired or installed should be charged to the claim. This cost should be determined by the actual out-of-pocket cost if purchased for this specific repair or the replacement cost value if taken out of storage. If the replacement is an upgrade from the item which was damaged, the charge should only be for the cost of the comparable item with two exceptions. First, if the only readily available item (or in an emergency, the only immediately available item) differs from the replace item, the City will charge the full cost. (Example -- they no longer make the old type, or the old type is not available on nights and weekends and we could not wait.) Second, if a wooden signpost was damaged, but the City standard for a signpost is now to use a metal signpost (or a larger wooden signpost), the City will charge for replacement at the current standard.

3. Staff labor time.

The City expends time handling the damage or theft. All of that time should be charged to the offending party at the fully burdened hourly rate of those staff members who deal with the problem(s). The types of time which might be incurred include:

a. Investigative Time

This is time required to determine who is responsible for the damage or theft. This could be incurred by a police officer, a member of the staff who observes the incident, or a staff member asking questions to find out what happened.

b. Solution Definition Time

This is time spent deciding the best thing to do to resolve the problem. It might include time spent taking a vehicle to three repair shops to get bids, time spent determining whether to sand-blast or paint over graffiti, etc.

c. Preparation Time

This is the time spent acquiring the materials needed to effect the repair or replacement. It could involve determining the specifications for the item, procurement time (including centralized purchasing if applicable), or adjustment of equipment centrally so that it can be used to effect the repair/replacement.

d. Repair/Replacement/Installation Time

This is the time actually spent replacing the item or repairing it. This included the travel time involved.

e. Participant Interaction Time

This is the time spent handling the parties involved in the incident.

f. Accounting/Billing/Office Time

This is the time spent determining the charges and preparing a bill. It would include Finance Department time.

g. Enforcement Time

This is the time spent in court, including officer testimony, City Attorney time, and Finance staff's small claims court appearance. These charges would be tracked for claiming in court if the incident goes to court.

4. Staff labor rates.

Each department involved in the claim should have a labor rate for the time it spends. The labor rate consists of the following items:

The direct annual salary of the individuals divided by their anticipated annual work hours ("hourly direct salary"). This can also be the average for a group of similar workers who might work on a claim -- i.e., a department-wide clerical rate or a division-wide electrician rate. Either of these approaches is equally valid.

The costs of the fringe benefits of the individual staff member divided by the anticipated number of hours to be worked that year. If you used a group rate above, you must use a group rate for this. If you used an individual rate above, it is permissible to use either an individual or group rate for fringe benefits. ("Direct Hourly Fringes") If the time spent was overtime, these costs should not be added.

Most City staff have a supervisor whose job is to manage and direct their time, provide technical or professional expertise and advice, etc. This person would typically manage several people, and might also be a producer of products. (Example -- a supervising accountant might spend half of his or her time supervising a function and half time performing advanced level accounting work.) The percentage of the supervisor's time which is management and supervision oriented should be divided by the number of personnel supervised, and the result would be a direct overhead to the staff person. For example, if that supervising accountant managed four junior accountants, one eighth of his or her salary (50%/4 personnel) and fringes should be allocated as "Direct Supervision" costs.

In addition to the above, the general management of the department should be added to the rate. This consists of the department head, his/her secretary, and the general expenses of the department. These costs are then divided by the direct salary costs of the rest of the department to determine the percentage which departmental overhead is of the direct departmental costs.

Citywide overhead (determined by this study to be approximately 33.89%) would be added to the result from the above step.

Reviewing all of the above, the formula for determining the hourly rate would be as follows:

$$\text{Rate} = (\text{hourly direct labor salary} + \text{direct fringe rate}) \times (1 + \text{supervision overhead \%}) \times (1 + \text{departmental overhead \%}) \times 1.3389 \text{ (Citywide overhead factor)}$$

If a rate for supervision or departmental overhead is not readily available, 15% and 5% will be used respectively. The actual rate, when calculated, will likely be higher than these, however.

5. Equipment used.

In addition to labor and materials used to repair/replace the damaged item, some operations require the use of City equipment. This includes passenger vehicles, police cruisers, and heavy equipment. The Support Services Division will provide an estimate of the appropriate hourly rate for passenger vehicles or Police cruisers. A heavy equipment rate can be developed by taking the original cost of

the unit and dividing it by the anticipated number of hours of use it will get in its life. For example, if a “cherry-picker” gets used 3 days each week for 8 hours a day and is expected to last 8 years, the procurement cost would be divided by 9,984 (23 hours per week x 52 weeks per year x 8 years). For example, if the units cost \$50,000 to procure, paint, decal, etc., the rate would be about \$5/hour. In addition to this, the appropriate hourly share of the annual maintenance, gas, oil, etc., must be added. An easier and equally acceptable approach for many types of equipment is to use 85% of the cost of renting the unit on a commercial basis. The 85% factor is used to eliminate the profit aspect of such a rate. (This approach should only be used if the City does not have similar equipment in another department.)

6. Materials, supplies, and out-of-pocket expenses.

These expenses will be included in the charges. In the case of water losses from a hydrant, an estimate will be made based on pressure, size of opening, and estimated duration of the unchecked flow.

E. PARK AND RECREATION SERVICES

The City Council authorizes staff to adjust fees and charges for services and facilities for up to twenty percent of the approved fees and charges without resubmitting the adjustment to the City Council.

The City Council authorizes staff to adjust to provide new programs/classes at a fee based on the cost of service or established guidelines, and that fees for such programs or classes be submitted to the Council for approval within a one-year period from initiation of the class or program.

The City Council authorizes the Recreation Supervisors or Director of Park and Community Services to continue to enter into contractual agreements for program services, in forms as approved by the City Attorney.

The cost of fee classes is set to attempt to return the full cost of the instructor(s) and materials plus an additional thirty percent for program supervision and office support.

Sewer Enterprise Financial Policy

(Adopted by Resolution No. 91-28)

The City of Pleasanton recognizes the importance of sound financial management of its sewer system utility. Its goals include the operation of the utility on an enterprise basis, with the maintenance of adequate reserves, and with financial provisions for funding future replacement and expansion of the system.

The purpose of this policy is to set forth guidelines to achieve these goals.

SCOPE - This policy applies to all Sewer Utility funds.

POLICY - The City shall operate the Sewer Utility on an enterprise basis, whereby the costs of service are borne entirely by the users.

The City shall maintain adequate reserves in the Sewer Maintenance and Operations (M&O) Fund to meet cash flow requirements and contingencies.

The City shall perform a sewer rate study at least bi-annually which determines sewer rates based on a cost of service analysis.

Sewer rates shall be set at a level to meet debt service requirements and to provide adequate annual capital replacement accruals.

The City shall establish and maintain a separate Sewer Capital Improvement Fund and a Sewer Capital Replacement Fund.

The Sewer Capital Improvement Fund shall be funded primarily by connection fees, and will provide for future expansion of the sewer utility.

The Sewer Capital Replacement Fund shall be funded primarily by replacement accruals charged to existing users through the sewer rate structure.

To construct replacement and expansion facilities, the City may utilize other financing alternatives such as debt financing, and seek other funding sources such as development exactions.

In addition to the specific financial policies stated above, the Sewer enterprise funds are subject to the "Financial Policies of the City of Pleasanton" which were adopted by Resolution No. 90-131.

Water Enterprise Financial Policy

(Adopted by Resolution No. 91-30)

The City of Pleasanton recognizes the importance of sound financial management of its water system utility. Its goals include the operation of the utility on an enterprise basis, with the maintenance of adequate reserves, and with financial provisions for funding future replacement and expansion of the system.

The purpose of this policy is to set forth guidelines to achieve these goals.

SCOPE - This policy applies to all Water Utility funds.

POLICY - The City shall operate the Water Utility on an enterprise basis, whereby the costs of service are borne entirely by the users.

The City shall maintain adequate reserves in the Water Maintenance and Operations (M&O) Fund to meet cash flow requirements and contingencies.

The City shall perform a water rate study at least bi-annually which determines water rates based on a cost of service analysis. Additionally, an annual cursory review shall be performed.

The water rate structure shall be designed to provide a balance between revenue stability and water conservation.

Water rates shall be set at a level to meet debt service requirements and to provide adequate annual capital replacement accruals.

The City shall establish and maintain a separate Water Expansion Fund and a Water Capital Replacement Fund.

The Water Expansion Fund shall be funded primarily by connection fees, and will provide for future expansion of the water system.

The City shall perform a water connection fee review at least bi-annually to ensure that future water customers contribute fairly and equitably towards expansion projects necessary to serve their needs. Reviews may be necessary within a shorter duration due to changing conditions or facility needs.

The Water Capital Replacement Fund shall be funded primarily by replacement accruals charged to existing users through the water rate structure.

To construct replacement and expansion facilities, the City may utilize other financing alternatives such as debt financing, and seek other funding sources such as development exactions. In addition to the specific financial policies stated above, the Water enterprise funds are subject to the "Financial Policies of the City of Pleasanton" which were adopted by Resolution No. 90-131.

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City Debt Policy

(Adopted by City Council January 17, 2017)

1. INTRODUCTION

The City of Pleasanton has established this Debt Management Policy to provide clear and comprehensive guidelines for the issuance and financial management of debt issued by the City of Pleasanton. This policy supports the City of Pleasanton's mission of providing responsive and high quality public services for its citizens and ensures that the City of Pleasanton is financially self-sustaining and fiscally strong. Finally, this Debt Policy requires that the City Council specifically authorize each debt financing by resolution.

2. SCOPE

The guidelines established by this policy will govern the issuance and management of all debt funded for long term capital financing needs and not for general operating functions. Changes in the capital markets and other unforeseen circumstances may require action which may deviate from this Debt Management Policy. In cases which require exceptions to this Debt Management Policy, the City Council approval will be necessary for implementation.

3. OBJECTIVES

The purpose of this Debt Policy is to establish prudent debt issuance guidelines to ensure that the City meets the following objectives:

- 3.1 To provide financial support for the City's strategic and capital plan objectives through the most safe and cost effective means of debt issuance
- 3.2 To ensure that the term of the debt shall not exceed the expected useful life of the capital improvement (Section 6)
- 3.3 To ensure that any debt instrument utilized be fully understood by Staff (Section 5)
- 3.4 To ensure that all debt obligations will be met in a timely & efficient manner (Section 4)
- 3.5 To mandate that the City comply with all debt covenants (Section 4)
- 3.6 To ensure that all required disclosure reports are filed on a timely basis (Section 9)
- 3.7 To maintain good communications with bond rating agencies & investors (Sections 8 & 9)
- 3.8 To preserve financial flexibility (Sections 6 & 9)

4. DEBT POLICY

- 4.1 The City will limit the use of debt so as not to place a burden on the fiscal resources of the City and its taxpayers.
- 4.2 The City will limit long-term borrowing to capital improvements or projects that cannot be financed from current revenues.

- 4.3 When capital projects are financed, the City will amortize the debt within a period not to exceed the expected useful life of the project.
- 4.4 The City will attempt to limit the General Fund annual debt service payments to 10% of the total General Fund revenue.
- 4.5 Whenever possible, the City will investigate the use of special assessment, revenue or other self-supporting bonds to limit the General Fund obligation for debt service payments.
- 4.6 The City will not use long-term debt for current operations.
- 4.7 The City will not use short-term borrowing to support routine operations, provided however, that it may be used to meet temporary cash flow needs.
- 4.8 The City will utilize inter-fund loans when possible to reduce the cost of financing capital improvements.

5. DELEGATION OF AUTHORITY

Pursuant to the provisions of Sections 37209 and 40805.5 of the Government Code of the State of California, the Finance Director (Director of Finance) shall be the head of the Finance Department and shall be responsible for all of the financial affairs of the City. This City Debt Management Policy grants the Director of Finance the authority to select the financing team, coordinate the administration and issuance of debt, communicate with the rating agencies, as well as to fulfill all the pre-issuance and post-issuance disclosure information.

The Director of Finance or designee will use the Request for Proposal (RFP) process to select various Financing Team Members. Below is a brief description of the main Financing Team, along with their functions, and the mandated frequency of soliciting RFP's.

The typical Debt Financing Team consists of:

5.1. Financial Advisor:

- Assists with capital planning and long term financial planning
- Coordinates the financing and debt issuance process
- Helps evaluate underwriter proposals and provides financial analysis and recommendations
- Assists with the securing of other professional services and other members of the financing team
- Monitors and evaluates market conditions for opportunities to issue debt at low interest rates
- Works with the City and Underwriter to develop investor outreach and market approach
- Manages competitive bid process
- Ensures negotiated prices are "fair" and reasonable in the marketplace

Requests for Proposals for Financial Advisors should be done on a periodic basis not to exceed ten (10) years but is subject to review after four years.

5.2. Bond Counsel:

- Prepare an approving legal opinion
- Provide expert and objective legal opinion and advice
- Prepare and review documents necessary to authorize, issue sale and delivery of the bonds, as well as coordination of the authorization and execution of closing documents
- Review legal issues relating to the structure of the bond issue
- Prepare election proceedings or pursue validation proceedings if necessary
- Review or prepare those sections of the official statement that relate to the Bonds, financing documents, bond counsel opinion, and tax exemption
- Assist the City in presenting information to bond rating organizations and credit enhancement providers relating to legal issues affecting the issuance of the Bonds
- Review or prepare the Notice of Sale of Bond Purchase Contract for the Bonds and review or draft the continuing disclosure undertaking of the City
- Post-issuance advice for bond covenant compliance

Requests for Proposals for Bond Counsel should be done on a periodic basis not to exceed ten (10) years but is subject to review after four years.

5.3. Underwriter:

- Provide the City with market knowledge
- Assist with credit analysis and preparation
- Premarketing of the Bonds
- Pricing and Sale of Bonds
- Trading of the Bonds

Underwriter services should be solicited through a Request for Proposal (RFP) for every bond issue, or by developing a pool of pre-qualified underwriters from which to select.

5.4. Trustee/Fiscal Agent/Paying Agent:

- Establishes and holds the funds and accounts relating to the bond issue
- Maintains the list of names and addresses of all registered owners of the bonds and recordings of transfers and exchanges of the bonds

- Acts as the authenticating agent
- Acts as the paying agent
- Protects the interests of the bondholders by monitoring compliance with covenants and acts on behalf of the bondholders in the event of default
- As the escrow agent holds the investments acquired with the proceeds of an advance refunding and uses those funds for payments on those investments to pay debt service on the refunding bonds
- As a dissemination agent acts on behalf of the issuer or other obligated person to disseminate annual reports and event notices to repositories under SEC Rule 15c2-12 RFP's for Trustee services should be done on a periodic basis if the recurring Trustee fees increase excessively (in excess of the prevailing Bay Area inflation rate).

6. TYPES OF DEBT

There are a number of market factors that will affect the success of a bond offering, and each should be carefully considered before selecting a method of sale. These factors include, but are not limited to, the following: 1) market perception of the City's credit quality, 2) interest rate volatility, 3) size of the proposed issue, 4) complexity of the proposed issue, and 5) competition with other issuers for investor interest (bond supply).

The Finance Director with the assistance of a financial advisor will examine and evaluate all available alternatives for new issues and make a recommendation to the City Manager. Factors that should be considered include: 1) Is the issuing option appropriate under existing laws? 2) Are there formal policies with respect to the method of sale? 3) Does the nature of the proposed offering suggest that one method of marketing is more efficient than another? And, 4) Have the City's past issuance practices yielded acceptable results? Only after review and acceptance by the City Manager, will the proposed new bond issuance be presented to the City Council for review and consent.

The following are the types of debt the City could issue:

6.1. New Money Bonds:

New Money bonds are bonds issued to finance the cost of capital improvement projects or other large and extraordinary costs as approved by the City Council.

6.2. Refunding Bonds:

Refunding bonds are bonds issued to refinance (refund) previously issued outstanding debt. The City may issue refunding bonds to refinance the principal of and interest on outstanding bonds or other debt to achieve debt service savings, restructure scheduled debt service, convert from or to a variable or fixed interest rate, change or modify the source(s) of payment and security for the refunded debt, or modify covenants otherwise binding upon the City. Refunding bonds may be issued either on a current or advance basis.

6.3. Revenue Bonds:

Revenue Bonds are generally issued by enterprise funds that are financially self-sustaining without the use of taxes and therefore rely on the revenues collected by the enterprise fund to repay the debt.

6.4. Fixed vs. Variable Rate Debt:

Fixed interest rate debt is typically preferred to maintain a more predictable debt service burden. Variable rate debt can be utilized on a limited basis when the potential advantages of capturing the lowest interest rates available in the current market that outweigh forecasted risks.

6.5. Variable Rate Debt Obligation (VRDO):

Predetermine intervals are set where the rate can be reset to current market conditions. VRDO's with a long maturity can be priced as short-term instruments making it potentially a less costly option in a normal upward sloping yield curve environment.

6.6. Assessment Bonds:

The Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 et seq.) allows the City to issue bonds to finance the "specific benefit" improvements on the real property within its jurisdiction provided by the City. Installments are collected by posting to the secure property tax roll of the county.

6.7. Mello Roos Bonds:

Mello-Roos districts may issue municipal bonds to help finance development projects. If voters in the area have elected to become a Mello-Roos district, they are responsible for the repayment of these bonds through a special tax, assessed annually based on the value of the properties within the district. Mello-Roos financed developments might include schools, roads, libraries, police and fire protection stations. This type of financing is named after Henry Mello and Mike Roos of the California legislature, who sponsored legislation in 1982 to authorize this form of financing.

6.8. General Obligation (GO) Bonds:

In California, GO Bonds require a supermajority voter approval. Most GO bonds are backed by the issuer's ability to level ad valorem tax in amounts sufficient to meet debt service requirements.

6.9. Certificate of Participation and Lease Revenue Bonds:

Also known as 'COP', this security that represents a share of an issuer's lease payment. When a City finances a public facility through a lease-purchase transaction, the interest in that City's lease payment often is assigned to a third party that issues certificates of participation. The certificates represent a share of the lease payment to be received by the investor.

Comparison of Financing Methods	
<p>General Obligation Bonds</p> <ul style="list-style-type: none"> * Strong market acceptance * Significant structuring flexibility * Favorable interest rates * No reserve fund requirement * No trustee required * Voter approval usually required * Pledge of general credit required * Difficult to enter market 	<p>Revenue Bonds</p> <ul style="list-style-type: none"> * Debt is secured by system users * Debt limits not applicable * Higher interest costs than GO's * Debt service reserve required * Trustee required * Voter approval usually not required * Coverage covenants usually included * Limited revenues available to secure debt
<p>Special Assessment & Mello Roos Bonds</p> <ul style="list-style-type: none"> * Voter approval usually not required * Debt limits may not apply * Debt is secured by beneficiaries * Complexity greater than GO's * Market concerns about defaults * Limited revenues to secure debt * Higher interest costs due to higher risk 	<p>Certificates of Participation</p> <ul style="list-style-type: none"> * Voter approval usually not required * Debt limits not applicable * Good market acceptance * Complexity greater than GO's * Risk of citizen opposition * Limited revenues to secure debt * Less secure than GO Bond

6.10. Competitive Sale of Bonds:

The terms and prices of the bonds will be negotiated by the City and various underwriters through a bidding process amongst approved, impartial underwriters and/or underwriting syndicates. Both the City and the underwriter collaborate in the origination and pricing of the bond issue. The issue is awarded to the underwriter judged to have submitted the best bid that offers the lowest interest rate, taking into account underwriting spread, interest rates and any discounts or premiums.

6.11. Negotiated Sale of Bonds:

A method of sale for bonds, notes, or other financing vehicles in which the City selects in advance, on the basis of proposals received or by other means, one of more underwriters to work with it in structuring, marketing and finally offering an issue to investors. The negotiated sale method is often used when the issue is: a first time sale by a particular issuer (a new credit), a complex security

structure, such as a variable rate transaction, an unusually large issue, or in a highly volatile or congested market.

6.12. Private Placement:

A private placement is a variation of a negotiated sale in which the City, usually with the help of a financial advisor will attempt to place the entire new issue directly with an investor. The investor will negotiate the specific terms and conditions of the financing before agreeing to purchase the issue. Private placements are generally undertaken because the transaction is complex or unique, requiring direct negotiations with the investor, or because the issue is small and a direct offering provides economies of scale.

6.13. Derivative Products:

Because of their complexity, unless otherwise amended, Derivative Products such as Interest Rate Swaps, Inverse Floaters, and other hybrid securities are prohibited from the City of Pleasanton’s Debt Management Policy.

7. DEBT CAPACITY

Article XVI, Section 18 of the California Constitution (the “debt limit”) prohibits cities from entering into indebtedness or liability that in any year exceeds the income and revenue provided for such year unless the City first obtains two- thirds voter approval for the obligation. Determining what the City’s debt capacity is at any point in time is difficult. It depends on a number of factors including market conditions, amount of undesignated fund balance in the General Fund, fluctuating cash balances, financial policies, management and staff experience, new or existing revenues available to support additional debt, and availability of financial consultants to assist in financial analysis. In the development of this Debt Policy, the goal is to serve as a framework within which the City can evaluate each potential debt issuance. This Debt Policy is not to be so restrictive that it interferes with the City’s legitimate efforts to prudently provide public services and facilities.

8. PERFORMANCE STANDARDS

The City of Pleasanton strives to maintain ‘investment grade’ standings in the municipal market. Below is an Investment Grade Table of the three (3) major rating agencies.

Investor’s Service Inc.	Standard & Poor’s Corporation	Fitch Investors Service, Inc.	Definition
Aaa	AAA	AAA	Highest rating assigned. Very strong security.
Aa	AA	AA	Very strong security. Only slightly below best rating.
A	A	A	Average security but more subject to adverse financial and economic developments.
Baa	BBB	BBB	Adequate capacity to secure debt. Adverse developments may affect ability to meet debt service requirements.

Note: Moody’s uses the designation “1” to indicate greater strength within the “Baa”, “A”, “Aa” categories. Standard & Poor’s and Fitch use “=” and “-” to indicate relative strength or weakness in the “BBB”, “A”, and “AA” categories.

8. MARKET RELATIONSHIPS

The Director of Finance will be responsible for maintaining relationships with investors, credit analysts, and rating agencies.

9. ON-GOING DEBT ADMINISTRATION

The Director of Finance will regularly review the City's outstanding obligations, particularly in declining interest rate environments. When rates begin to approach levels at which refunding is cost-effective, the City shall select a financing team to begin preparations for a refunding issue.

10.1. Continuing Disclosure:

The Finance staff will ensure that the City's annual financial statements and associated reports are posted on the City's web site. The City will also contract with Consultant(s) to comply with the Securities and Exchange Commission Rule 15c2 by filing its annual financial statements and other financial and operating data for the benefit of its bondholders on the Electronic Municipal Market Access (EMMA) website of the Municipal Securities Rulemaking Board (MSRB).

10.2. Arbitrage Rebate Compliance and Reporting:

The use and investment of bond proceeds must be monitored to ensure compliance with arbitrage restrictions. Existing regulations require that issuers calculate rebate liabilities related to any bond issues, with rebates paid to the Federal Government every five years and as otherwise required by applicable provisions of the Internal Revenue Code and regulations.

The Director of Finance shall contract with a specialist to ensure that proceeds and investments are tracked in a manner that facilitates accurate, complete calculations, and if necessary, timely rebate payments.

10.3 Use of Bond Proceeds:

The Director of Finance shall report to the City Council annually at the same time as the City's annual audited financial statements the actual use of bond proceeds to ensure the use is consistent with intended use and that the proceeds are spent in accordance with tax requirements

10. DEBT MANAGEMENT POLICY REVIEW

The Director of Finance shall review this Debt Management Policy at a minimum of every five (5) years and recommend any changes to the City Manager and City Council.

11. SOURCES FOR THIS DEBT POLICY

- California Debt Issuance Primer, California Debt and Investment Advisory Commission (CDIAC)
- Debt Issuance and Management Guide for Smaller Governments, Governmental Finance Officers Association (GFOA)

- Debt Management Policies from:
 - ✓ Bay Area Toll Authority
 - ✓ City of Pasadena
 - ✓ City of San Luis Obispo
 - ✓ Port Commission of the City and County of San Francisco
 - ✓ San Diego Water Authority
 - ✓ City of Pittsburg, CA

City of Pleasanton Municipal Debt Management Policy Glossary of Terms

- **Advance Refunding:** For purposes of certain tax and securities laws and regulations, a refunding in which the refunded issue remains outstanding for a period of more than 90-days after the issuance of the refunding issue. The proceeds of the refunding issue are generally invested in Treasury securities or federal agency securities (although other instruments are sometimes used), with principal and interest from these investments being used (with limited exceptions) to pay principal and interest on the refunded issue. Bonds are “escrowed to maturity” when the proceeds of the refunding issue are deposited in a escrow account for investment in an amount sufficient to pay the principal of and interest on the issue being refunded on the original interest payment and maturity dates, although in some cases an issuer may expressly reserve its right (pursuant to certain procedures delineated by the Securities and Exchange Commission) to consider “pre-refunded” when the refunding issue’s proceeds are escrowed only until a call date or dates on the refunded issue, with the refunded issue redeemed at that time.

- **Amortization:** The gradual reduction in principal and interest of an outstanding debt according to a specific repayment schedule, which details specific dates and repayment amounts on those dates.

- **Arbitrage:** In the municipal market, arbitrage refers to the difference between the tax-exempt interest rate paid by the borrower and the interest rate at which the proceeds of the issue are invested. The Internal Revenue Code contains specific regulations concerning the amount that can be earned from the investment of tax-exempt proceeds.

- **Call Provisions:** Mandatory or optional provisions that allow or require an issuer to prepay or refinance a bond prior to its stated maturity date. These provisions identify which bonds may be called, when they may be called, and what premium, if any, must be paid upon redemption prior to the stated maturity date of the bond.

- **Capitalized Interest:** Specific interest payments of a bond issue which are funded in advance, or capitalized, through proceeds of the same bond issue. These proceeds are set aside in a specially designated fund in order to pay these designated interest payments.

- **Current Refunding:** A refunding transaction where the municipal securities being refunded will all mature or be redeemed within 90-days or less from the date of issuance of the refunding issue.

- **Debt Affordability:** The principal amount of debt that an issuer can afford within the constraints of net revenues and debt coverage requirements.
- **Debt Service Coverage:** The ratio of the net revenue stream pledged against a debt to the debt service payments to the debt. Debt service coverage ratios are most often used by rating agencies to determine repayment sufficiency with respect to bonds secured by a specific revenue stream.
- **Debt Service Reserve Fund:** Traditional bond issues are structured with a debt service reserve fund, which assures the timely availability of sufficient funds for the repayment of debt service in the event that an issuer cannot make the required debt service payment(s). Typically, the required size of the reserve fund is determined by the lesser of: 100% of maximum annual debt service; 125% of average annual debt service; or 10% of the aggregate issue price. Reserve funds are usually fully funded out of bond proceeds and are set-aside in a separate fund, as long as the debt service fund is fully funded, and can only be used to offset debt service payments.
- **Defeasance:** Termination of rights and interests of the bondholders and their lien on the pledged revenues or other security in accordance with the terms of the bond contract for an issue of bonds. Defeasance usually occurs in connection with the refunding of an outstanding issue after provision has been made for future payment of all obligations under the outstanding bonds through funds provided by the issuance of a new series of bonds.
- **Derivative Product:** A product, such as an option or futures contract, whose value is derived from the performance of an underlying security. A commonly used derivative is an interest rate swap. Given the complexity of derivative products, the City of Pittsburg and its related entities will no longer utilize derivative products in its debt issuances.
- **Discount Rate:** The interest rate used for adjusting for the time value of money for net present value calculations, option pricing models, and other market models. The term “discount rate” can also refer to the rate that the Federal Reserve Bank charges its members for overnight deposits.
- **Good Faith Deposit:** A sum of money or, alternatively, a surety bond provided to an issuer of a new issue of municipal securities by an underwriter or underwriting syndicate as an assurance of performance on its offer to purchase the issue. Good faith deposits generally are required in connection with competitive sales and sometimes in connection with negotiated sales.
- **Hedging:** A strategy designed to reduce investment risk. A hedge can help reduce the risk and volatility of a portfolio. A common hedging strategy includes matching the amount of short-term assets with the amount of short-term variable rate debt outstanding.
- **Letter of Credit:** Two types of letter of credit are used in bond and other debt financings: standby letter of credit and direct pay letter of credit. They provide credit enhancement for debt issues by shifting the risk of repayment from the issuer to the bank issuing the letter of credit. Letters of credit are usually required for the issuance of variable rate debt. Letters of credit also are used to provide liquidity.

A Standby Letter of Credit is an agreement issued by a commercial bank that commits the bank to pay a third party contingent upon the failure of bank's customer to perform under the terms of a contract or agreement with the beneficiary. Used as a substitute for a performance bond or payment guarantee, standby letters of credit are used mainly in the U.S where banks are legally barred from issuing certain types of guarantees. For bond or debt holders it serves as a secondary source of payment, in case the issuer fails to meet its payment obligations.

A Direct Pay Letter of Credit is an agreement issued by a commercial bank that commits the bank to pay third parties upon a request presented by the beneficiaries to the bank issuing the direct pay letter of credit.

- **Line of Credit:** An arrangement in which a bank or other financial institution extends a specified amount of unsecured credit to a specific borrower for a specified time period.
- **Maturity Date:** The date upon which a specified amount of debt principal or bonds matures, or becomes due and payable by the issuer of the debt.
- **Negotiated Sale:** A method of sale of bonds, notes or other financing vehicles in which the issuer selects in advance, on the basis of proposals received or by other means, one or more underwriters to work with it in structuring, marketing and finally offering an issue to investors. The negotiated sale method is often used when the issue is: a first time sale by a particular issuer, a complex security structure, such as a variable rate transaction, an unusually large issue, or in a highly volatile or congested market.
- **Net Revenue:** Gross revenues less operating and maintenance expenses.
- **Official Statement:** A comprehensive statement issued by the governmental entity prior to the sale of bonds, notes, or other financing vehicles that contains all the salient facts concerning the issuer, the issuer's financial condition, the security pledged for the securities being offered, the projected use of the proceeds of the sale, and other facts deemed necessary to enable the investor to judge the quality of the securities being offered. This is also known the Disclosure Statement.
- **Private Placement:** A private placement is a variation of a negotiated sale in which an issuer, usually with the help of a financial advisor or placement agent, will attempt to place the entire issue directly with an investor. The investor will negotiate the specific terms and conditions of the financing before agreeing to the purchase of the issue.
- **Redemption:** Depending on an issue's call provisions, an issuer may on certain dates and at certain premiums, redeem or call specific outstanding maturities. When a bond or certificate is redeemed, the issuer is required to pay the maturities' par amount, the accrued interest to the call date, plus any premium required by the issue's call provisions.
- **Senior Lien Debt:** Debt whose terms require it to be repaid with a priority claim on pledged revenues.
- **Subordinate Lien Debt:** Debt whose terms require it to be repaid with pledged revenues net of the amount necessary to make debt service payments on senior lien debt.

- **Surety Bond:** An alternative to a fully funded debt service reserve fund. A surety bond can be purchased from a bond insurance provider to fulfill the role of debt service reserve fund and can be drawn upon in the event an issuer cannot make a regularly scheduled debt service payment. A surety bond must be purchased and is subject to credit approval by a bond insurance provider. The provider charges an upfront fee for the surety bond.
- **Weighted Average Maturity:** With respect to an issue of bonds, the weighted period of time required to repay half of the issue through scheduled principal payments. The weighted average maturity is also referred to as the “weighted average life” or “average life” reflects how rapidly the principal of an issue is expected to be paid. Under one commonly used calculation method, average life is equal to the total bond years divided by the total number of bonds.
- **Yield:** The net rate of return, as a percentage, received by an investor on an investment. Yield calculations on a fixed income investment, such as a bond issue, take purchase price and coupon into account when calculating yield to maturity.

Investment Policy & Guidelines

(Adopted by City Council June 19, 2020)

POLICY

It is the policy of the City of Pleasanton (the "City") to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

SCOPE

This investment policy applies to all financial assets of the City. These funds are accounted for in the City's Comprehensive Annual Financial Report and include:

- General Fund
- Enterprise Funds
- Internal Service Funds
- Capital Projects Funds
- Special Revenue Funds
- Private-Purpose Trust Funds
- Agency Funds
- Debt Service Funds

PRUDENCE

Investments shall be made with judgment and care – under circumstances then prevailing – in which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived (i.e. the "prudent person" standard as defined by Civil Code #2261).

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

OBJECTIVE

The primary objectives, in priority order, of the City's investment action shall be:

- a. Safety: Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- b. Liquidity: The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
- c. Yield: The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

CONCENTRATION OF RISK

Government Accounting Standards Board (GASB) statement No. 40 recognizes that there are many factors that can affect the value of investments. Investment risk factors include credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

Credit risk is the risk of loss due to failure of an issuer of a security or a financial institution. The City purchases U.S. Treasuries and high-grade securities which will lessen this type of risk. In addition, the portfolio will be diversified so that the failure of any one issuer will not unduly harm the City's cash flow.

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned. The City's investment securities are to be held by a third party custodian designated by the City and evidenced by safekeeping receipts.

Concentration of credit risk is the risk associated with a lack of diversification of having too much invested in a few individual issuers, thereby exposing the organization to greater risks resulting from adverse economic, political, regulatory, geographic, or credit developments. The City's investments will be diversified and will not exceed maximum percentages allowed in the California Government Code.

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to an increase in general interest rates. Interest rate risk may be reduced by structuring the portfolio so that securities are maturing periodically to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The City will limit investments to a maximum maturity of five years (unless otherwise authorized by City Council).

Foreign currency risk results from investment in foreign currency-denominated securities. The City will not invest in foreign currency investments.

DELEGATION OF AUTHORITY

Authority to manage the City's investment program is derived from Section 53600 et seq. of the Government Code and Chapter 2.16 of the Pleasanton Municipal Code. Management responsibility for the investment program is delegated by the City Council and City Manager to the Director of Finance. The authority to manage some or all of the City's investment portfolio can be further delegated to outside professional investment managers (Advisers) at the election and further approval of the City Council at the recommendation of the City Manager and Director of Finance. The Adviser shall be registered under the Investment Advisers Act of 1940. The Adviser shall follow this Investment Policy, written internal controls and other written instructions as provided by the City. Such delegation is subject to City review and overriding discretion which will be exercised as needed.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials who manage the investment of public funds must file an annual Statement of Economic Interests.

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Director of Finance will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness, these may include "primary" dealers or regional dealers that qualify under Security & Exchange Commission Rule 15C3-1 (uniform net capital rule). All broker investment transactions require the approval of authorized City staff. No public deposit shall be made except in a qualified public depository as established by state laws.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Director of Finance with the following: audited financial statements, completed broker/dealer questionnaire, and certification of having read the City's investment policy.

AUTHORIZED AND SUITABLE INVESTMENTS

The City's investment portfolio may include the following instruments:

a. Time Deposits

Fully-insured (FDIC) or fully collateralized non-negotiable certificates of deposits (CD's) in financial institutions located in California. All time deposits must be collateralized in accordance with California Government Code sections 53650 et. seq. The City, at its discretion, may waive the collateralization requirements for any portion of the deposit that is covered by federal insurance. A maximum of 30% of the City's portfolio may be invested in this category.

b. Negotiable Certificates of Deposit (NCDs)

Negotiable C/D's issued by the top 25 banks or top 15 regional banks. The aggregate investment in Negotiable C/D's shall not exceed 30% of the City's total portfolio. The City shall also be able to invest in the C/D's of any local or regional bank that do not meet the above criteria, however the maximum allowable limit of such investment will be restricted to the FDIC insured amount of \$250,000/- per bank

c. Banker's Acceptances

Banker's Acceptances not to exceed 180 days maturity from date of purchase. No more than 5% of the City's total portfolio shall be invested in banker's acceptances of any one issuer and the aggregate investment in banker's acceptances shall not exceed 30% of the City's total portfolio.

d. Securities of the U.S. Government

U.S. Treasury bills, notes, bonds or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principle and interest. There is no limitation as to the percentage of the City's portfolio that may be invested in this category.

e. Securities of U.S. Government Agencies

Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principle and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of the City's portfolio that may be invested in this category.

f. Commercial Paper

A1/P1/F1 Commercial Paper not to exceed 270 days maturity from date of purchase. No more than 5% of the City's total portfolio shall be invested in commercial paper of any one issuer and the aggregate investment in commercial paper shall not exceed 25% of the City's total portfolio.

g. State of California Local Agency Investment Fund (LAIF)

The Local Agency Investment Fund was established by the State to enable local agency treasurers to place funds in a pool for investment (California Government Code Section 16429.1 et seq.). The City uses this investment vehicle for short-term liquidity, funds are available on demand and interest is paid quarterly. The City may invest up to the maximum permitted by LAIF.

h. California State and Local Agency Obligations

Obligations of the State of California or any local agency within the state that are general obligation bonds or essential service bonds secured with revenue from a water, sewer, power or electric system, provided that such obligations are rated A or better. No more than 5% of the City's total portfolio shall be invested in any one issuer in this category and the aggregate investment in categories (h. & i.) shall not exceed 30% of the City's total portfolio.

i. Other State Obligations

Registered treasury notes or bonds of any of the other 49 United States in addition to California, including general obligation bonds or essential service bonds secured with revenue from a water, sewer, power or electric system of any of the other 49 United States, in addition to California, provided that such obligations are rated A or better. No more than 5% of the City's total portfolio shall be invested in any one issuer in this category and the aggregate investment in categories (h. & i.) shall not exceed 30% of the City's total portfolio.

j. Medium-term notes

Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations licensed by the United States or any state and operating in the United States. Purchases are limited to securities rated A or better. The aggregate investment in Medium-term corporate notes shall not exceed 30% of the City's total portfolio.

k. Repurchase and Reverse Repurchase Agreements

Repurchase and Reverse Repurchase Agreements collateralized by securities of the U.S. Government or its agencies. The purchase securities shall have a minimum market value including accrued interest of 102% of the dollar value of funds borrowed and a term not to exceed one year. The aggregate investment in repurchase and reverse repurchase agreements shall not exceed 20% of the City's total portfolio.

l. Money Market and Mutual Funds

Money market and mutual funds whose portfolios consist of government securities or diversified money market securities such as acceptable C/D's, banker's acceptances, agency discount notes, commercial paper, and other full-faith and credit obligations of the U.S. Government or its agencies. The aggregate investment in Government Security money market and mutual Funds shall not exceed 20% of the City's total portfolio.

m. Managed Portfolio for Pension Liabilities

City Council authorized setting up a Section 115 Pension Trust Fund (Trust Fund), The Trust Fund assets will be managed by an external Manager and the Investment policy related to the trust will be a separate document that is approved by Council.

n. California Asset Management Program (CAMP)

California Asset Management Program "CAMP" is a California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies under California Government Code Section 53601(p).

o. Supranational Organizations Securities

United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IRDB, IFC, or IADB, with a maximum remaining maturity of five years or less and eligible for purchase and sale in the United States. Purchases are limited to securities rated AA or better. The aggregate investment in Supranational Organizations Securities shall not exceed 30% of the City's investment portfolio. Supranational Organizations Securities are a permitted investment under California Government Code 53601(q).

COLLATERALIZATION

Collateralization will be required on active and inactive deposits in accordance with Government Code Section 53651, 53651.2, and 53652, which set forth the eligible securities and the required value of the securities to collateralize these deposits. Whenever possible, the City shall request that U.S. Treasury and Government securities be used as collateral. Repurchase agreements will be collateralized 102% with securities of the U.S. Government or its Agencies, marked to market daily.

SAFEKEEPING AND CUSTODY

All security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities purchased from brokers/dealers will be held by a third party custodian designated by the Director of Finance and evidenced by safekeeping receipts. Securities do not literally have to be held in the name of the City but ownership is evidenced through safekeeping or custodial receipts and/or statements.

TRUST AGREEMENTS

The City shall direct the investment activities of trustees. Such direction shall be in keeping with the terms and conditions of its bond agreements, applicable law and policies set forth in this document.

DIVERSIFICATION

The City will diversify its instruments by security type and institution, meeting at least the minimum requirements as outlined in Government Code Section 53601. With the exception of U.S. Treasury securities, Federal Agency securities, Medium-term notes and authorized pools, no more than 30% of the total portfolio, and less where stated, will be invested in a single security type with no more than 5 percent invested with a single issuer.

Summary of Investment Requirements

Investment Type	City Minimum Quality Parameters	Code Minimum Quality Parameters	City Maximum % of Portfolio	Code Maximum % of Portfolio	City Maximum Maturity	Code Maximum Maturity
U.S. Treasury Obligations	None	None	None	None	5 Years	5 Years
Federal Agency Obligations	None	None	None	None	5 Years	5 Years
Bankers Acceptances	A1/P1	None	30%/5% issuer	40%/30% issuer	180 Days	180 Days
State and Local Obligations	"A" Rated obligation	None	30%/5% issuer	None	5 Years	5 Years
Commercial Paper	A1/P1/F1	A1/P1/F1	25%/5% issuer	25%/10% issuer	270 Days	270 Days
Negotiable Certificates of Deposit	"A" Rated Financial institutions	None	30%/5% issuer	30%	5 Years	5 Years
Certificates of Deposit	"A" Rated Financial institutions	None	30%/5% issuer	None	5 Years	None
Repurchase Agreements	"A" Rated primary dealers	None	15%/5% issuer	None	90 Days	1 year
Medium-Term Notes	"A" Rated obligation	"A" Rated obligation	30%	30%	5 Years	5 Years
Supranational Organizations Securities	"AA"	"AA"	30%	30%	5 Years	5 Years
Money Market and Mutual Funds	"A"	"A"	20%	20%	N/A	N/A
Local Agency Investment Fund	None	None	\$65 Million	\$65 Million	N/A	N/A
California Asset Management Program	"A" Rated obligation	"A" Rated obligation	30%	30%	N/A	N/A
Section 115 Pension Trust Fund	By Council approval	Investment Policy for Trust Fund	By Council approval	By Council approval	N/A	N/A

MAXIMUM MATURITIES

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds. Where this Policy does not specify a maximum remaining maturity at the time of the investment, no investment shall be made in any security that at the time of the investment has a term remaining to maturity in excess of five years.

The City may directly invest in securities maturing more than five years from the date of purchase if they are authorized by the City Council. After Council authorization, no waiting period is required before such an investment is made.

The City may invest proceeds of bond issuances or certificates of participation for a term exceeding five years, provided the City Council authorizes such investments as part of the legal documents.

INTERNAL CONTROL

The Director of Finance shall establish an annual process of independent review by an external auditor to prevent loss of funds arising from fraud, theft, staff errors and irregularities, misrepresentations by third parties, misuse, or imprudent actions by staff. This review will provide internal control by assuring compliance with policies and procedures.

PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market average rate of return. Safety and liquidity, however, will continue to be the predominant emphasis.

REPORTING

The Director of Finance will submit a monthly report to the City Council on the status of the City's investment portfolio no later than sixty days after the end of each month. This report shall include the types of investments, the amount of money invested with various institutions, purchase and maturity dates, and yield on investments. The Director of Finance will certify that the investment portfolio is in compliance with the investment policy and that it will meet cash flow needs for the next six months.

INVESTMENT POLICY ADOPTION

The City's investment policy will be submitted annually to Council for adoption.

Reserve Policy

(Adopted by City Council November 15, 2016)

SUBJECT

Establishment of General Fund, Enterprise Fund, and Internal Service Fund reserves in the event of economic uncertainty or emergency.

PURPOSE

The purpose of this policy is to:

1. Ensure that the City can make necessary repairs and replacements in the event of a one-time large-scale capital breakdown.
2. Ensure that the City can withstand reduced revenues that result from economic conditions or natural disaster without eliminating services or raising taxes.

POLICY

It is the policy of the City of Pleasanton to maintain a consistent level of City services.

SCOPE

This policy applies to the General Fund as well as the specified Enterprise Funds and Internal Service Funds.

PROCEDURES

The City Manager may appropriate General Fund reserves with City Council approval.

Reserve Levels and Establishment

1. General Fund Reserve: The City shall maintain an unappropriated General Fund operating reserve of between twenty percent (20%) to thirty percent (30%) of annual General Fund operating expenditures. The target level for the reserve is twenty-five percent (25%).
2. Enterprise Fund Reserves: The following Enterprise Funds require a reserve of between thirty percent (30%) and forty percent (40%) of the previous year's operating expenditures for each fund: Water and Sewer. The target level for these reserves is thirty-five percent (35%).
3. Internal Services Fund Reserves: The following Internal Services Funds require a reserve of between thirty percent (30%) and forty percent (40%) of the previous year's expenditures with a target of thirty-five percent (35%) for each fund:
 - Streetlight Replacement
 - Traffic Signal Replacement
 - Facilities Renovation, and Park & Median Renovation
4. Internal Services Fund Reserves: The following Internal Services Funds require a reserve of between thirty percent (30%) and forty percent (40%) of the previous year's operating expenditures with a target of thirty-five percent (35%) for each fund:
 - Equipment Replacement
 - Livermore Pleasanton Fire Department Apparatus Replacement
 - Police Vehicle Replacement
5. An appropriate fund (e.g. a Capital Improvement Program reserve made for the purpose of repairing, replacing and procuring City assets) may be created and developed as necessary by the City Manager of his/her designee.

Use of Reserve Funds

1. Economic Uncertainty: For use to mitigate annual revenue shortfalls (actual revenues less than projected revenues) due to a temporary slowdown in general economic conditions as well as a short-term reduction in revenues caused by actions of the State or Federal government.
 - If any unanticipated reductions in revenue are deemed to be recurring, adjustments should be made to the budget to reflect the new revenue expectations.
2. Emergency: For use to mitigate costs associated with unforeseen emergencies, including natural disasters.
3. Enterprise Fund and Internal Service Fund Reserves shall only be used for unexpected expenses that would normally be paid by that fund. For example, the Streetlight Replacement reserve may only be used in the event of an unexpected streetlights malfunction.
4. The City Manager shall have the authority to approve the appropriation of Reserve Funds to respond to an emergency situation. He or she will then take a resolution to the City Council at its next regularly scheduled meeting confirming the nature of the emergency and formally authorizing the appropri-

ation of reserve funds. If the General Fund reserve level falls below 20%, the City Council may restore funds over a multi-year period through establishment of a reserve recovery plan that would be adopted by City Council.

Excess Fund Balances

1. Should actual reserve balances exceed the level required by the reserve policy at year's end, the surplus funds shall be deemed available for the following, subject to Council approval:
 - Transfer to the CIP Fund for appropriation for general capital needs and/or extensive maintenance projects.
 - Re-appropriation within the subsequent year's operating budget to provide for one-time, non-recurring needs including pre-funding the City's pension and retiree health liabilities.
2. Use of General Fund excess balance shall not be used for new recurring expenses.

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intentionally left blank.

- Discussion of Major Revenues
- General Fund Ten Year Fiscal Forecast

Discussion of Major Revenues

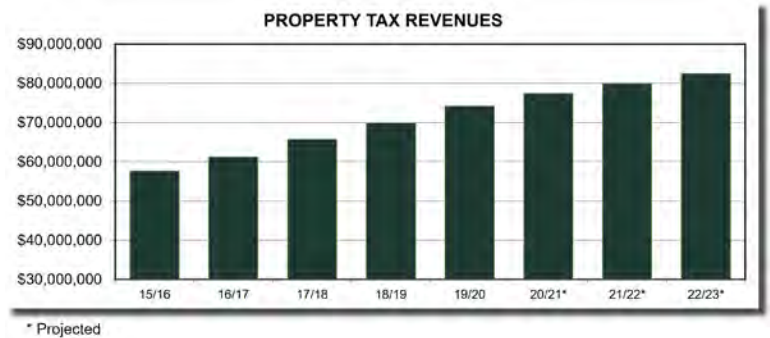
MAJOR REVENUE FORECASTING ASSUMPTIONS BY FUND

The following discussion outlines the major operating revenue sources of the City and describes the methods used to forecast FY 2021/22 and FY 2022/23 revenues.

GENERAL FUND

Property Taxes

Pursuant to Proposition 13 passed by California voters in 1978, countywide property taxes are set at 1 percent of assessed value. After Proposition 13, initial assessed values were set at the 1976 level. Since that time, they have been increased in most years by a factor of 2 percent. Upon change of ownership, the assessed value of a property is reset to the current market value (sales price).



The City receives approximately 25 percent of the 1 percent countywide collected tax in Pleasanton. Secured property taxes are the single largest source of revenue to the City’s General Fund, representing approximately 53 percent of the total.

Property taxes are collected on both secured (real property) and unsecured property (such as boats). If a property changes ownership in the middle of a tax year, the reassessment appears on the tax rolls the following year. However, the property is reassessed for a pro-rata portion of the year of sale, and an additional or “supplemental tax” is applied in that year. The County often lags behind on reassessments, so supplemental assessments can span more than one year, causing fluctuations in revenue.

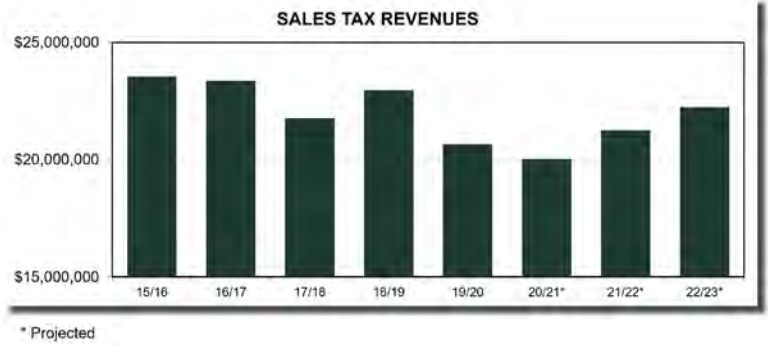
During the Great Recession Pleasanton experienced essentially no growth in assessed property value and the impact to the General Fund revenue was evident. As the real estate market continues to improve the City is experiencing increases in assessments through Proposition 8 recaptures, stronger sales of existing properties, and new development.

A two percent increase is typically derived from the Proposition 13 growth factor (but is not guaranteed), for FY 2020/21 the CPI for non-Proposition 8 parcels is 1.036 percent. After factoring in all property tax related revenues (secured, unsecured, supplemental, delinquent and property tax in lieu of VLF), staff is projecting an increase of 3.3 percent (\$2.5 million) in FY 2021/22 and 3.2 percent (\$2.5 million) in FY 2022/23.

Note: The Property Tax Revenues chart includes not only secured property tax, but unsecured, delinquent, supplemental and VLF in lieu property tax revenues as well.

Sales Tax

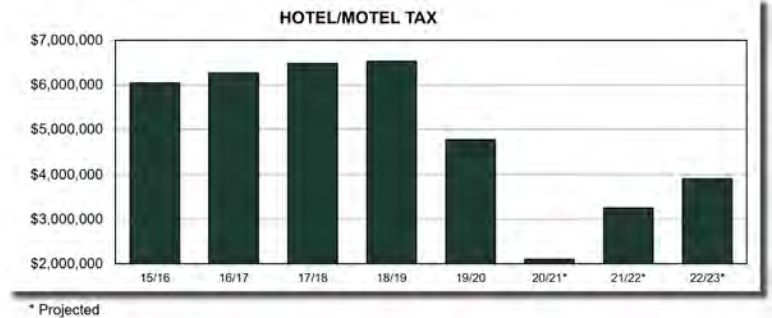
The current sales tax rate in Alameda County is 9.25 percent, of which 1 percent is the “local” or City share. However, under a 1950’s revenue sharing agreement with Alameda County, the City receives only 95 percent of the 1 percent, with the remaining dollars going to Alameda County. In exchange for sharing the sales tax, the County has shared (in varied degrees over the years) some of its gas tax revenues with the City. Dublin, San Leandro, and Livermore are the only cities in Alameda County that are not party to this agreement.



Due to recent regional competition and increasingly on-line purchases, there was a slight decline in Sales Tax revenues. In addition, FY 2019/20 sales tax revenues were \$2.3 million less than FY 2018/19 due in part to the COVID-19 Pandemic and Alameda County’s Shelter-In-Place (SIP) health order. Pleasanton’s sales tax is expected to decrease by 3 percent to \$20 million by the end of FY 2020/21. However, with optimism followed vaccination, stimulus spending and pent-up demand, the City expects a rise in sales tax revenue of 6.1 percent in FY 2021/22, to \$21.3 million and another 4.6 percent rise in FY 2022/23 to \$22.2 million.

Hotel/Motel Tax

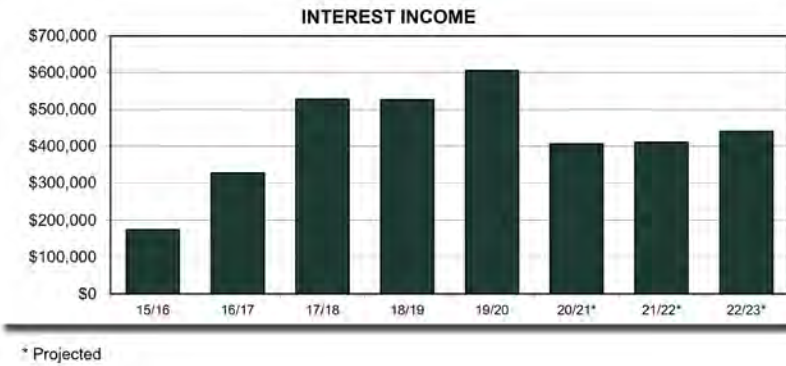
The City currently has thirteen hotels/motels with a total of 1,823 rooms. The City imposes a Transient Occupancy Tax (Hotel/Motel Tax) of 8 percent on room rates for stays of 30 days or less. The tax was last raised in 1983, from 5 percent to 8 percent. The proceeds from this tax currently represent approximately 4 to 5 percent of the total General Fund revenue.



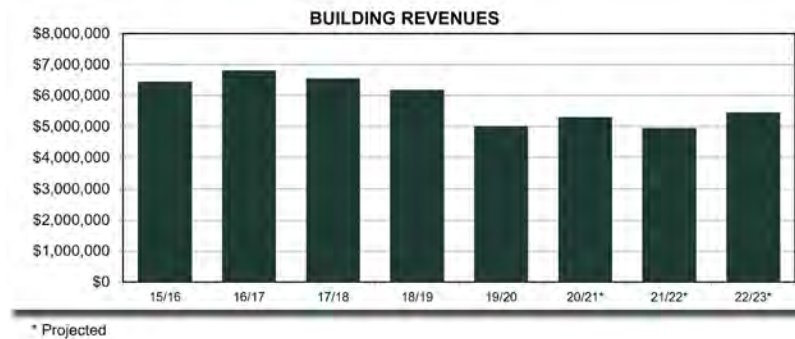
Revenues in this category depends considerably on business travel and therefore, hotel/ motel tax revenues were significantly impacted by the SIP order, with a decrease of 27 percent in FY 2019/20. Staff projects that there continues to be a 56 percent decrease by the end of this FY 2020/21 to \$2.1 million; then follows by an increase of 54.8 percent or \$1.1 million in FY 2021/22 and 20 percent or \$0.65 million in FY 2022/23.

Interest Income

Interest income is money derived from investing idle cash. The investment portfolio typically consists of securities issued or backed by the U.S. government, mutual funds which invest in such securities, certificates of deposit with local banks collateralized with government securities, and dollars invested in the State’s Local Agency Investment Fund (LAIF). Only cash and money derived from the sale of bonds and Certificates of Participation are invested separately in compliance with Internal Revenue Service regulations regarding arbitrage calculations on tax-exempt bonds. All other funds are pooled and then invested, with interest earnings allocated to the funds based on cash balances.



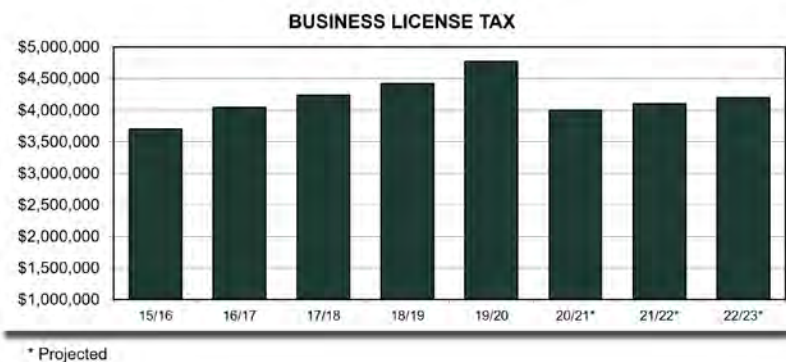
Two factors are associated with the interest income reduction in FY 2020/21 compared to FY 2019/20. One is the \$10 million contribution to the City's Section 115 Pension Trust Fund at the end of FY 2019/20, reduced the available cash pooled for investment. The other is the interest rate drop, with the 5-year Treasury yield dropped from an average closing at 1.2 percent in FY 2019/20 down 0.5 percent in FY 2020/21 as of May 15, 2021. With three-month Treasury Bills yields averaging 0.02 percent and two-year yields around 0.16 percent as of May 2021, staff is projecting average interest rates of 1.1 percent for the FY 2021/22 and 1.2 percent for FY 2022/23 investment portfolio and interest earnings in the General Fund of \$410,000 in FY 2021/22 and \$440,000 in FY 2022/23 based on estimated average General Fund cash balances for the year.



Building-Related Revenues

The City's General Fund receives many types of building-related revenues: Planning, Public Works, Fire Inspection and Building Inspection fees. In general, these fees are intended to recover the cost of providing services, which benefit a select segment of the City's taxpayers. The City Council's approval is needed for any fee increases in the Master Fee Schedule. Since the low of FY 2009/10,

building related revenues surpassed pre-recession levels as the local economy recovered and projects that had been on hold resurfaced. However, the City is expecting fewer large developments over the next two years. As a result, building-related revenues in FY 2021/22 are projected to be decline by 6.5 percent to \$4.9 million and increase by 10 percent in FY 2022/23.



Business License Tax

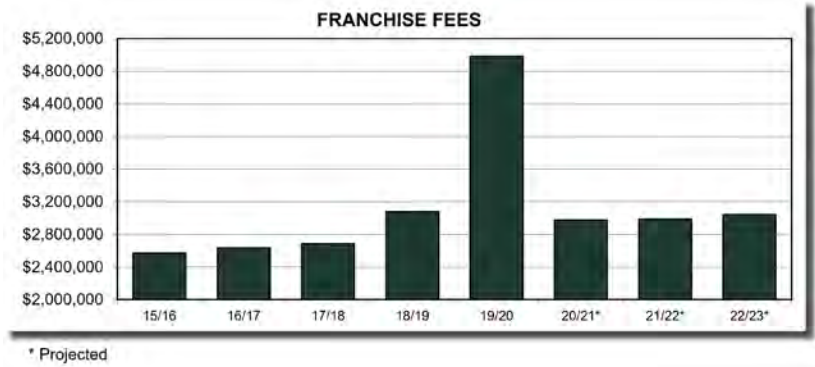
The City imposes a license tax on businesses that conduct activities in the City, whether have a physical location here or not. The license tax is based on gross receipts at a rate of 30 cents per \$1,000 (3/100 of one percent), subject to certain minimums. The rate has not changed since 1983. Due to pandemic and SIP order, Business License tax revenue is projected to drop 16 percent

or 0.7 million by end of this FY 2020/21. Staff is projecting an increase in business license tax revenue of approximately 2.5 percent to \$4.1 million in FY2021/22, followed by a slight increase in FY 2022/23 to \$4.2 million.

Franchise Fees

The City has franchise agreements with Pacific Gas & Electric, Pleasanton Garbage, Comcast and AT&T Cablevision. As compensation for wear and tear on City streets, these suppliers pay the City a franchise fee based on their revenue in Pleasanton as follows:

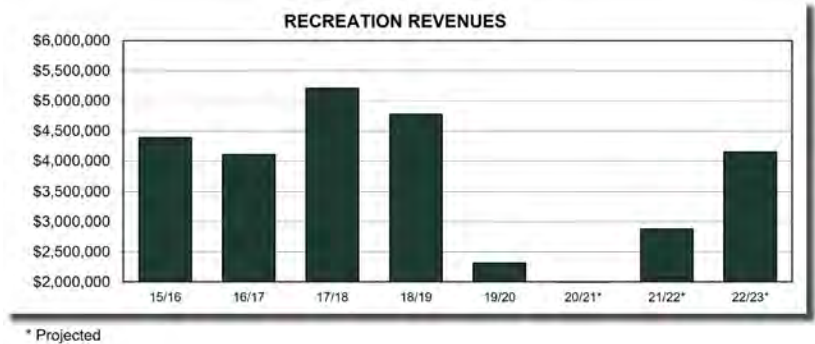
Electricity	0.5%
Gas	1.0%
Garbage	3.5%
Cable	5.0%



Franchise fee revenues change when the customer base expands, when additional/ fewer services are used (garbage and cable), when weather impacts the use of gas or electricity, and when rates change. In Feb 2020, the City Council approved the Rate Reserve Agreement with Pleasanton Garbage Service, Inc. FY 19/20 revenue increase includes the \$2 mil minimum reserve requirement payment in accordance with this agreement. Based on historical data and trends, customer base expansion and inflation projections staff estimates total franchise fee revenues of \$3.0 million in FY 2021/22 and \$3.05 million in the FY 2022/23.

Recreation Revenues

The City, through its Community Services Department, offers a variety of recreational and cultural classes, activities and events, in addition to a paratransit system. In accordance with the City's Fee Policy, the department attempts to recover costs through fees charged to program participants. The City's General Fund,



however, provides the funding to maintain facilities associated with these programs and related overhead which has not always been taken into consideration when determining the cost recovery rate.

Staff spends considerable time each year developing programs for the coming year and determining the fees required to meet cost recovery objectives. Staff has the authority to set fees for new programs offered during the year, and to adjust existing fees by as much as 20 percent.

Based on the programs planned for the next two years and expected caution by members of the public to take classes and/or attend recreation programs to the extent that they did prior to the pandemic, the Library and Recreation Department staff has prepared line-item projections of revenues. These projections have been reviewed by the Finance staff and are incorporated into the revenue projections in the FY 2021/22 and FY 2022/23 budget.

The FY 2021/22 recreation revenues are projected to be \$2.9 million, and the FY 2022/23 revenues are projected to increase to \$4.1 million as recreation programs return to pre-pandemic levels of participation.

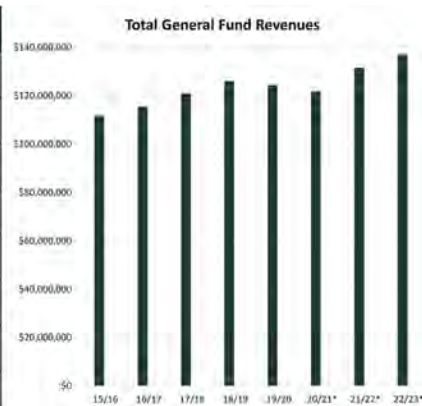
General Fund Revenue Historical Trends

After the great recession, the City has experienced sustained revenue growth due mainly to an expanding commercial and residential property tax base, expanding retail and business license tax bases, investment interest revenues and renewed growth in the hotel tax. The following table demonstrates General Fund revenues increase from \$111.7 million in FY 2015/16 to over \$126 million in FY 2018/19, an average rate of 4.9 percent before the pandemic impacts, in which FY 2019/20 revenues declined by 1.3 percent, and FY 2020/21 revenues are projected to have another 1.9 percent decline. With recent positive outlook, staff is projecting revenues over the next two fiscal years to increase by 8 percent in FY 2021/22 and 4.1 percent in FY 2022/23.

SUMMARY OF GENERAL FUND REVENUE

Fiscal Year	Total GF Revenues	% Change
15/16	\$111,740,708	7.28%
16/17	\$115,572,991	3.43%
17/18	\$121,066,577	4.75%
18/19	\$126,031,456	4.10%
19/20	\$124,353,299	-1.33%
20/21*	\$121,940,015	-1.94%
21/22*	\$131,641,838	7.96%
22/23*	\$137,089,323	4.14%

* Projected



ENTERPRISE FUNDS

Water Fund

The Zone 7 Water Agency is the water wholesaler for the Livermore-Amador Valley, purchasing, treating, and delivering water to the City of Pleasanton. The City in turn sells water directly to local businesses and household customers. The City receives 80 percent of its water supply from Zone 7 and the other 20 percent from City owned and operated wells.

The City increased water rates in October 2015 and restructured the rates to pass through all future Zone 7 water rate increases as they occur and annually increase all the remaining components of the water rates by the increase in the Consumer Price Index (CPI). In 2018, Zone 7's Board of Directors approved a four-year rate schedule that included a set increase of 6.7 percent each year from Calendar Year 2019 to 2022. Revenues from water sales are expected to increase by approximately 5.8 percent in FY 2021/22 and 5.8 percent in FY 2022/23, based on expected City and Zone 7 rates and approximately the same level of water consumption as FY 2020/21. A majority of the cost of a customer's water bill is the cost of Zone 7 water.

Sewer Fund

Sewer user charges contain three components:

1. The City of Pleasanton charges for sewage collection,
2. The Dublin San Ramon Services District (DSRSD) charges for sewer treatment, and
3. Livermore Valley Water Management Agency (LAVWMA) charges for disposal.

Sewer revenues are expected to increase by 2.7 percent in FY 2021/22 and 2.5 percent in FY 2022/23. The City is not currently anticipating any increases in sewer fees, other than the allowable annual CPI (Consumer Price Index) increase in local city sewer fees. However, the majority of the customers' sewer fees are the regional sewer fees charged by DSRSD.

Callippe Preserve Golf Course

Golf revenues from green fees are projected based on 53,000 rounds of play for FY 2021/22 and 54,590 for FY 2022/23. Revenues are projected to decrease by 6.2 percent in FY 2021/22 and increase by 3.9 percent in FY 2022/23.

Cemetery Fund

Revenue estimates in the Cemetery fund are based on historical experience of annual plot sales.

Paratransit Fund

The Paratransit Fund is used to account for revenues and expenses to provide transportation services to residents age 70 and over as well as residents of any age who are ADA certified. Grant related revenue estimates are based on information provided by the granting agency and donations based on past experience. The fare revenues are based on anticipated ridership. The General Fund provides a subsidy for the difference between revenues and expenses.

Storm Drain Fund

The Storm Drain Fund reflects the City's efforts to control and improve the quality of urban water runoff (storm water runoff) before it reaches the local Arroyos and ultimately flows into San Francisco Bay. The primary revenue to the Fund is a property assessment charged to each developed and undeveloped parcel within the City (including City-owned parcels), based upon formulas that approximate each parcel's runoff.

The General Fund subsidy for the storm drain maintenance fund is approximately \$625,000 per year because the assessment charged to properties in the City have been capped since its inception in FY 1992/93 and costs have exceeded the assessments collected. Due to the reserve requirement and increasing expenditure projection, staff has included a transfer of \$625,000 in the FY 2021/22 and the FY 2022/23 from the General Fund to subsidize the Storm Drain Fund.

INTERNAL SERVICE FUNDS

Internal charges (accruals) are costs reflected in the operating budgets that represent accumulating future liabilities. These liabilities may not result in actual expenditures in the short term, but they will most likely result in future expenditures. There are several examples of future expenditures for which current charges are made as the liability is accruing. These include accruals for the future replacement of equipment we are now using (similar to charges for depreciation). They also include accruals for renovation of parks and City facilities that age with usage, and employee costs that are accruing now but will be paid out later, such as unused vacation and retiree medical costs. In accordance with the City's adopted Financial Policies and

the City's General Plan, the City recognizes these costs as they accrue, and sets the money aside to fund the future expenditures, rather than allowing these costs to accumulate and become a burden on future generations.

In accordance with its financial policies and the General Plan, the City maintains various Replacement/Renovation Funds. The purpose of these Funds is to provide ongoing replacement of City equipment, vehicles, and streetlights, and to make major repairs and renovations to City facilities, parks, and medians to extend their lives. The funding sources are interest earnings and replacement accrual charges placed on the departments for their existing equipment, vehicles, and facilities. These replacement charges are determined based on the replacement cost and estimated useful life (similar to depreciation) of the capital equipment.

In June 1999, the City completed its first formal "Replacement Plan" and has continued to update it on a regular basis. Staff has once again completed a major bi-annual update of the Replacement Plan as part of the Operating Budget preparation process. Updated estimates were made of the timelines and costs for replacing/renovating each City asset in the program, over a twenty-year time frame. The cash flow analysis was then updated using this information, and assuming inflation and interest income. From the cash flow analysis, the base annual accrual rate was updated, to ensure it would be adequate to fund the long-term plans, without allowing the replacement/renovation fund balances to become negative or to build excessive reserves.

SPECIAL REVENUE FUNDS

The City has 32 Special Revenue Funds in its operating budget. These include the Miscellaneous Federal Block Grant; Abandoned Vehicle Fund; Urban Forestry Fund; Community Development Block Grant (CDBG) Fund; H.O.M.E. Program Fund; Used Oil Grant Fund; Law Enforcement Grant Fund; several Landscape and Lighting Assessment Districts; several Geologic Hazard Assessment Districts; Asset Forfeiture Funds; D.A.R.E. Fund; Lower Income Housing Fund; Miscellaneous Donations Fund; Downtown Parking In-Lieu Fund; Recycling and Waste Management Fund; Library Donations Fund; Downtown Economic Development Loan Fund; H.A.P.P.Y. Public Art Donations Fund and the Hacienda Business Park Owners Association (HBPOA) Maintenance Fund.

Funding sources include special assessments, grant revenue, interest income, and donations. The use of these revenues is restricted to specific purposes. Revenue estimates for these funds are as follows:

- **Grants and Donations**- based on the best available information.
- **Lower Income Housing Fund** - based on the projected number of building permits (the same assumptions used in the Capital Improvement Program).
- **Recycling and Waste Management Fund** - based on estimates of Alameda County Measure D recycling funds.
- **Assessments** - based on staff's calculations of the revenue necessary to fund expenditure levels, within the limitations of Proposition 218. Most landscape districts contain CPI inflators; therefore, assessments are allowed to grow at a reasonable rate if needed to match rising costs.

Transfers or Interfund Charges

Other sources of funding for many Funds include transfers or Interfund charges. Funds are separate accounting entities; therefore, money cannot be moved between Funds without Council authorization and this is known as a transfer. Transfers can also represent interfund charges, similar to financial transactions between two independent companies. For example, the General Fund pays the Water Fund for its water usage for parks and City facilities. On the other hand, the Water Fund pays the General Fund for its share of overhead, which includes accounting services, payroll, legal services, City Manager administration, etc. The City reflects any transfers between Funds that represent payments for overhead or reimbursements for services or other costs, as "Interfund revenue" to one Fund, offset by an "Interfund expenditure" to another. More importantly, these transactions are reflected at the program level rather than just the Fund level, in order to provide better program cost accounting.

General Fund

Ten Year General Fund Forecast: FY 2021/22 to FY 2030/31

Summary of Forecast Assumptions

The purpose of this forecast is to assess the General Fund's ability over the next ten years – on an “order of magnitude” basis – to do three things:

1. Maintain current service levels.
2. Maintain the City's existing infrastructure and facilities.
3. Preserve the City's long-term fiscal health by aligning operating revenues and costs and maintaining fund balance at policy levels.

The national, state, and regional economies are recovering from the pandemic – home prices continue to increase, sales tax revenue is recovering but not yet to pre-pandemic levels, and unemployment rates are declining. However, it is unclear when business travel and therefore Transient Occupancy Tax (TOT) revenues will recover and the extent to which participation in recreation programs and events will return to pre-pandemic levels and the resulting recreation fee revenues. As a result, FY 2020/21 operating revenues are expected to be less than FY 2018/19 – the last fiscal year before the pandemic and future years growth is less than expected at the end of FY 2018/19. Fortunately, the City will receive \$8.5 million in federal relief funds to help balance the FY 2021/22 and 2022/23 budgets. In addition, the City has a Rainy Day Fund with a balance of \$7.4 million that can be used to help balance the FY 2022/23 through FY 2027/28 budgets.

The Potential Future Revenues category includes increased sales, property, and hotel tax from new residential and commercial developments throughout Pleasanton. The City continues to have a balanced budget over the next six years but beginning in FY 2027/28 the impact from increased pension contributions and depletion of the Rainy Day Fund will result in projected deficits for two years. During that time, the City will either reduce operating expenses and/or reduce contributions to the Capital Improvement program (CIP) or Repair and Replacement funds, and/or withdraw funds from the City's Section 115 Pension Trust fund to help cover pension expenses.

Assumptions:

- General Fund revenue is projected to increase approximately seven percent in FY 2021/22, six percent in FY 2022/23 and -0.5 percent in FY 2023/24 when the federal relief funds are exhausted and each year thereafter grow by 2.4 percent to 3.2 percent.
- Property tax is projected to increase by approximately 3.3 percent in FY 2021/22, 3.2 percent in FY 2022/23, and by approximately 3.5 percent each year thereafter.
- Sales tax is projected to increase by approximately 6.1 percent in FY 2021/22 and increase by approximately 4.6 percent in FY 2022/23 as we recover from the pandemic and then two percent each year thereafter.
- Development fees are projected to decrease approximately 6.6 percent in FY 2021/22, increase by 10.1 percent in FY 2022/23 and grow by 2 percent each year thereafter.
- Salaries are based on existing labor contracts and assumed to increase by 3 percent annually thereafter.
- PERS contributions are projected to increase by 10.9 percent in FY 2021/22 and by between three percent and 6.4 percent each year thereafter. These increases are based on actuarial method changes and decreased discount rates adopted by CalPERS.

- Employee fringe benefits are projected to decrease by approximately 5.1 percent in FY 2021/22 as the City no longer has to contribute to OPEB fund, increase by six percent in FY 2022/23 and three percent each year thereafter.
- Non-personnel expenditures are projected to increase approximately 6.3 percent in FY 2021/22, increase by 6.9 percent in FY 2022/23, and increase by approximately two percent each year thereafter.
- Transfers to the Capital Improvement Program (CIP) are \$5 million annually.
- Allocations to Repair and Replacement Funds are \$5 million annually.

Ten Year General Fund Forecast: FY 2021/22 to FY 2030/31

	Actual FY 2019/20	Midyear FY 2020/21	Projected FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
REVENUES & TRANSFERS-IN												
Sales Tax	\$20,662,385	\$20,030,000	\$21,255,000	\$22,240,000	\$22,684,800	\$23,138,500	\$23,601,300	\$24,073,300	\$24,554,800	\$25,045,900	\$25,546,800	\$26,057,700
Other Taxes	10,893,229	7,410,000	8,700,000	9,470,000	10,890,500	11,217,200	11,553,700	11,900,300	12,257,300	12,625,000	13,003,800	13,393,900
Property Taxes	74,257,259	77,367,123	79,894,000	82,468,000	85,271,900	88,145,600	91,160,200	94,305,200	97,568,200	100,953,800	104,467,000	108,112,900
Development Services	4,985,214	5,274,580	4,929,000	5,429,000	5,537,600	5,648,400	5,761,400	5,876,600	5,994,100	6,114,000	6,236,300	6,361,000
Fines & Forfeits	240,121	121,500	309,500	309,500	315,700	322,000	328,400	335,000	341,700	348,500	355,500	362,600
Interest Income & Rent	605,260	406,000	410,000	440,000	453,200	466,800	480,800	495,200	510,100	525,400	541,200	557,400
Subventions & Grants	302,686	2,014,653	4,519,000	4,519,000	315,000	321,300	327,700	334,300	341,000	347,800	354,800	361,900
Franchise Fees	4,984,643	2,975,000	2,985,000	3,045,000	3,105,900	3,168,000	3,231,400	3,296,000	3,361,900	3,429,100	3,497,700	3,567,700
Current Service Fees (includes LPFD revenues)	1,300,269	1,274,363	1,370,500	1,428,500	1,457,100	1,486,200	1,515,900	1,546,200	1,577,100	1,608,600	1,640,800	1,673,600
Miscellaneous	1,399,836	1,703,439	1,783,619	987,119	1,006,900	1,027,000	1,047,500	1,068,500	1,089,900	1,111,700	1,133,900	1,156,600
Library Revenues	13,300	2,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Recreation Revenues	2,310,190	774,303	2,879,165	4,151,150	4,800,000	4,944,000	5,092,300	5,245,100	5,402,500	5,564,600	5,731,500	5,903,400
Interfund Revenues	2,398,907	2,587,054	2,606,054	2,601,054	2,679,100	2,759,500	2,842,300	2,927,600	3,015,400	3,105,900	3,199,100	3,295,100
Transfers-in	1,160,068	1,106,780	949,780	956,780	1,000,000	1,000,000	1,000,000	1,030,000	1,060,900	1,092,700	1,125,500	1,159,300
Use of Programmed Reserves & Rainy Day Fund		1,230,000	400,000	2,912,760	741,068	749,087	1,001,827	1,102,047	61,764			
TOTAL REVENUES & TRANSFERS-IN	\$125,513,367	\$124,276,795	\$132,991,618	\$140,958,863	\$140,259,768	\$144,394,587	\$148,945,727	\$153,536,347	\$157,137,664	\$161,874,000	\$166,834,900	\$171,964,100
POTENTIAL FUTURE REVENUES												
Additional Potential Revenues from Residential & Commercial Development					2,783,543	3,248,049	3,345,490	3,445,855	3,930,231	4,048,138	7,356,769	7,503,905
GRAND TOTAL REVENUES	\$125,513,367	\$124,276,795	\$132,991,618	\$140,958,863	\$143,043,311	\$147,642,636	\$152,291,217	\$156,982,202	\$161,067,895	\$165,922,138	\$174,191,669	\$179,468,005
EXPENDITURES												
Personnel												
Regular Salaries	36,617,124	37,522,313	41,510,873	42,064,445	43,326,400	44,626,200	45,965,000	47,344,000	48,764,300	50,227,200	51,734,000	53,286,000
Temporary Salaries	2,440,608	920,835	2,408,994	2,510,223	2,585,500	2,663,100	2,743,000	2,825,300	2,910,100	2,997,400	3,087,300	3,179,900
Overtime	1,553,762	1,830,616	1,806,587	1,809,137	1,863,400	1,919,300	1,976,900	2,036,200	2,097,300	2,160,200	2,225,000	2,291,800
PERS (includes LPFD)	15,578,753	17,570,032	19,485,808	20,727,330	21,971,000	23,179,400	24,338,400	25,433,600	26,450,900	27,508,900	28,471,700	29,325,900
Benefits	12,703,979	12,832,457	12,173,838	12,898,609	13,285,600	13,684,200	14,094,700	14,517,500	14,953,000	15,401,600	15,863,600	16,339,500
New Positions (Add .75 FTE Annually)					150,000	309,000	468,000	631,500	799,500	972,000	1,149,000	1,330,500
Attrition Savings @ 2%					(2,361,990)	(2,453,964)	(2,545,983)	(2,637,798)	(2,729,031)	(2,823,291)	(2,916,549)	(3,008,457)
Other (Workers Comp)	1,226,272	2,199,133	1,329,581	1,551,446	1,613,500	1,661,900	1,711,800	1,763,200	1,816,100	1,870,600	1,926,700	1,984,500
Fire (Pleasanton only excluding Pension)	14,648,301	16,049,678	15,782,606	15,936,218	16,573,700	17,236,600	17,926,100	18,643,100	19,388,800	20,164,400	20,971,000	21,809,800
Subtotal Personnel Costs	84,768,798	\$88,925,064	\$94,498,286	\$97,497,408	\$99,007,110	\$102,825,736	\$106,677,917	\$110,556,602	\$114,450,969	\$118,479,009	\$122,511,751	\$126,539,443

Ten Year General Fund Forecast: FY 2021/22 to FY 2030/31 – Continued

	Actual FY 2019/20	Midyear FY 2020/21	Projected FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Non-Personnel												
Transportation & Training	485,337	1,330,818	1,118,858	956,501	975,600	995,100	1,015,000	1,035,300	1,056,000	1,077,100	1,098,600	1,120,600
Repairs & Maintenance (Includes all R&R Funds)	7,074,868	4,079,509	5,226,036	7,901,090	8,059,100	8,220,300	8,384,700	8,552,400	8,723,400	8,897,900	9,075,900	9,257,400
Materials, Supplies & Services	19,996,926	21,271,917	23,756,959	26,093,793	26,615,700	27,148,000	27,691,000	28,244,800	28,809,700	29,385,900	29,973,600	30,573,100
Capital Outlay	357,892	573,951	276,340	277,340	282,900	288,600	294,400	300,300	306,300	312,400	318,600	325,000
Fire (Pleasanton only)	1,122,276	545,216	589,861	839,222	856,000	873,100	890,600	908,400	926,600	945,100	964,000	983,300
Operating Transfers (Paratransit, Sr. & Low Inc Wtr & Swr Subsidies)	5,366,634	5,859,692	4,834,650	2,202,881	2,246,900	2,291,800	2,337,600	2,384,400	2,432,100	2,480,700	2,530,300	2,580,900
Debt Payments	190,628	190,628	190,628	190,628								
Subtotal Non-Personnel Costs & Transfers-in	34,594,561	33,851,731	35,993,332	38,461,455	39,036,200	39,816,900	40,613,300	41,425,600	42,254,100	43,099,100	43,961,000	44,840,300
TOTAL EXPENDITURES & OPERATING TRANSFERS-OUT	\$119,363,359	\$122,776,795	\$130,491,618	\$135,958,863	\$138,043,310	\$142,642,636	\$147,291,217	\$151,982,202	\$156,705,069	\$161,578,109	\$166,472,751	\$171,379,743
Capital Projects Transfers	2,590,482	1,500,000	2,500,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
GRAND TOTAL	\$121,953,841	\$124,276,795	\$132,991,618	\$140,958,863	\$143,043,310	\$147,642,636	\$152,291,217	\$156,982,202	\$161,705,069	\$166,578,109	\$171,472,751	\$176,379,743
SURPLUS/(DEFICIT) (3)	\$3,559,526	\$0	\$0	\$0	\$1	\$0	\$0	\$0	(\$637,174)	(\$655,971)	\$2,718,918	\$3,088,262
Reserves at minimum of 20% of Operating Expenses	\$23,872,672	\$24,555,359	\$26,098,324	\$27,191,773	\$27,608,662	\$28,528,527	\$29,458,243	\$30,396,440	\$31,341,014	\$32,315,622	\$33,294,550	\$34,275,949
Actual Reserves	\$30,589,420	\$30,589,420	\$30,589,420	\$30,589,420	\$30,589,420	\$30,589,420	\$30,589,420	\$30,589,420	\$30,589,420	\$30,589,420	\$30,589,420	\$33,234,128
Allocation to GF Reserves to Maintain 20%	0	0	0	0	0	0	0	0	751,594	1,726,202	2,705,130	1,041,820
Estimated Surplus/(Deficit)	\$3,559,526	\$0	\$0	\$0	\$1	\$0	\$0	\$0	(\$1,388,768)	(\$2,382,173)	\$13,788	\$2,046,441

Staff propose that surpluses be allocated to reserves, reduce pension related liabilities (PERS and OPEB) and/or Capital Project Transfers.

Water and Sewer

Ten Year Forecast: FY 2021/22 to FY 2030/31

Summary of Forecast Assumptions

The purpose of these forecasts is to assess the Water and Sewer Funds' ability over the next ten years – on an “order of magnitude” basis – to do three things:

1. Meet anticipated demand for water and sewer services.
2. Maintain the City's existing water and sewer infrastructure and facilities.
3. Preserve the Water and Sewer Funds' long-term fiscal health by aligning operating revenues and costs and maintaining fund balances at policy levels¹.

Overall, both funds will be able to maintain reserves equal to at least 30 percent of operating expenses while funding capital and repair projects. However, the Operations Services Department (OSD) will be embarking on a water and sewer master plan that will identify capital projects required to maintain the system to continue to meet current service levels as well as expansion projects required to address service requirements associated with build out the City identified in the General Plan. After that study is complete, there may be additional state of good repair capital project funding requirements than the 10-year Forecast includes. If that is the case, future rate studies will reflect those funding requirements.

The Water and Recycled Water Operating and Maintenance (O&M) funds roll up to one fund for financial reporting purposes. Thus, the reserves as a percent of operating expenses are calculated on the combined funds.

Water O&M Fund Assumptions:

- City controlled water revenues will increase by 17 percent in FY 2021/22 reflecting increased consumption, one percent in FY 2022/23 and by five percent each year thereafter. The five percent annual growth assumes three percent annual increases in local water rates plus two percent increased annual water consumption. Since the City is entering a drought and the strong possibility of the state issuing water conservation requirements, the City may need to activate drought rates to maintain solvency of the Water O&M fund.
- Water sales pass through revenues from Zone 7 are expected to increase by two percent in FY 2021/22, eight percent in FY 2022/23 and then by six percent the subsequent eight years of the plan. These assumptions are based on Zone 7's recent rate increases plus two percent increased annual water consumption
- Water operating expenditures are projected to increase by 10 percent in FY 2021/22, four percent in FY 2022/23 and then three percent each year thereafter primarily driven by wage and benefit increases.
- Transfers out to the Water Replacement CIP fund are expected to increase in FY 2021/22 to \$3.9 million and then increase to \$4 million in FY 2022/23. In FY 2023/24 its' expected to decrease to zero in order to meet the target reserve requirement and then increase again to \$3 million annually with five percent increases thereafter.
- City controlled sewer revenues will increase by five percent in FY 2019/20, four percent in FY 2020/21 and moderate inflationary increases annually thereafter. The initially higher revenue increases reflect CPI plus expected growth in usage.

¹ Both the Water and Sewer operating and maintenance funds reserve policies require reserves equal to a minimum of 30 percent of operating expenses, a maximum of 40 percent of operating expenses and a target of 35 percent of operating expenses.

Recycled Water O&M Fund Assumptions:

- Recycled Water revenues will increase three percent in FY 2021/22, decrease by one percent in FY 2022/23 and then increase by five percent each year thereafter to maintain adequate reserves.
- Recycled Water operating expenses increase by 19 percent in FY 2021/22 due to one-time costs, decrease by two percent in FY 2022/23, and then increase by three percent each year thereafter.

Sewer O&M Fund Assumptions:

- City controlled sewer revenues will increase by three percent annually reflecting anticipated CPI.
- Sewer treatment pass through revenues from Dublin San Ramon Services District (DSRSD) are expected to also increase by three percent annually over the ten years based on DSRSD's expected rate increases.
- Sewer operating expenditures are projected to increase by 24 percent in FY 2021/22, and three percent each year thereafter primarily driven by wage and benefit increases. The FY 2021/22 increase is driven by increasing allocation to Repair and Replacement funds.
- Transfers out to the Sewer Replacement CIP fund are expected to increase in FY 2021/22 to \$1.2 million and then decrease to \$1 million annually thereafter. In subsequent years the transfers to the CIP fund are designed to help meet the target reserve requirement while providing funding for major sewer maintenance projects.

Sewer O&M												
	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Beginning Fund Balance 7/1/xx	\$7,471,734	\$9,028,135	\$8,860,197	\$7,746,319	\$6,711,192	\$6,674,692	\$6,645,192	\$6,630,692	\$6,629,192	\$6,641,692	\$6,669,192	\$6,711,692
Revenues												
Sewer City Revenues	4,774,328	5,250,000	5,350,000	5,400,000	5,562,000	5,729,000	5,901,000	6,078,000	6,260,000	6,448,000	6,641,000	6,840,000
Sewer DSRSD Pass Thru	10,401,183	10,500,000	10,800,000	11,150,000	11,485,000	11,830,000	12,185,000	12,551,000	12,928,000	13,316,000	13,715,000	14,126,000
Interest Income	211,188	110,000	140,000	150,000	94,000	87,000	87,000	86,000	86,000	86,000	87,000	87,000
Other Revenue	16,184	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500
Total Revenues	\$15,402,883	\$15,897,500	\$16,327,500	\$16,737,500	\$17,178,500	\$17,683,500	\$18,210,500	\$18,752,500	\$19,311,500	\$19,887,500	\$20,480,500	\$21,090,500
Transfers												
Transfers Out-CIP Replacement Fund	(500,000)	(1,000,000)	(1,213,953)	(1,159,277)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Miscellaneous Transfer	131,123	144,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Net Transfers	(\$368,877)	(\$856,000)	(\$1,083,953)	(\$1,029,277)	(\$870,000)	(\$870,000)	(\$870,000)	(\$870,000)	(\$870,000)	(\$870,000)	(\$870,000)	(\$870,000)
Expenditures												
Sewer O&M	3,076,422	3,410,438	4,242,425	4,378,350	4,510,000	4,645,000	4,784,000	4,928,000	5,076,000	5,228,000	5,385,000	5,547,000
Sewer - DSRSD	10,401,183	10,500,000	10,800,000	11,150,000	11,485,000	11,830,000	12,185,000	12,551,000	12,928,000	13,316,000	13,715,000	14,126,000
Sewer Repair and Replacement Expenses	-	1,299,000	1,315,000	1,215,000	350,000	368,000	386,000	405,000	425,000	446,000	468,000	491,000
Total Expenditures	\$13,477,605	\$15,209,438	\$16,357,425	\$16,743,350	\$16,345,000	\$16,843,000	\$17,355,000	\$17,884,000	\$18,429,000	\$18,990,000	\$19,568,000	\$20,164,000
Surplus/(Deficit)	1,556,401	(167,938)	(1,113,878)	(1,035,127)	(36,500)	(29,500)	(14,500)	(1,500)	12,500	27,500	42,500	56,500
Ending Fund Balance 6/30/xx	9,028,135	8,860,197	7,746,319	6,711,192	6,674,692	6,645,192	6,630,692	6,629,192	6,641,692	6,669,192	6,711,692	6,768,192
Fund Balance as Percent of Expenditures	67%	58%	47%	40%	41%	39%	38%	37%	36%	35%	34%	34%

Water O&M	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Beginning Fund Balance 7/1/xx	\$15,361,962	\$15,809,216	\$14,092,089	\$12,563,608	\$10,939,887	\$14,414,689	\$15,288,656	\$15,427,001	\$15,725,677	\$16,073,363	\$16,663,459	\$17,392,079
Revenues												
Water Sales	8,241,899	9,395,000	10,995,000	11,150,000	11,700,000	12,300,000	12,900,000	13,500,000	14,200,000	14,900,000	15,600,000	16,400,000
Water Sales Pass Thru	16,944,073	17,530,000	17,900,000	19,400,000	20,600,000	21,800,000	23,100,000	24,500,000	26,000,000	27,600,000	29,300,000	31,100,000
Interest Income	348,945	200,000	250,000	275,000	153,000	190,000	297,000	307,000	312,000	318,000	327,000	341,000
Meter Sales	33,780	70,000	50,000	50,000	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000
Interfund Water Sales - General Fund	1,382,565	1,235,000	1,265,000	1,410,000	1,481,000	1,555,000	1,633,000	1,715,000	1,801,000	1,891,000	1,986,000	2,085,000
Interfund Reimbursements	510,778	431,041	431,041	431,041	444,000	457,000	471,000	485,000	500,000	515,000	530,000	546,000
Other Revenue	146,793	75,000	40,000	40,000	41,000	42,000	43,000	44,000	45,000	46,000	47,000	48,000
Total Revenues	\$27,608,833	\$28,936,041	\$30,931,041	\$32,756,041	\$34,470,000	\$36,396,000	\$38,497,000	\$40,605,000	\$42,913,000	\$45,326,000	\$47,847,000	\$50,578,000
Transfers												
Transfers Out - Replacement Fund for Tier Revs	(62,118)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Transfers Out - CIP Replacement Fund	(2,500,000)	(3,210,000)	(3,872,188)	(3,959,871)		(3,000,000)	(3,200,000)	(3,400,000)	(3,600,000)	(3,800,000)	(4,000,000)	(4,200,000)
Miscellaneous Transfer	321,730	307,000	307,000	307,000	316,000	325,000	335,000	345,000	355,000	366,000	377,000	388,000
Net Transfers	(\$2,240,388)	(\$3,003,000)	(\$3,665,188)	(\$3,752,871)	\$216,000	(\$2,775,000)	(\$2,965,000)	(\$3,155,000)	(\$3,345,000)	(\$3,534,000)	(\$3,723,000)	(\$3,912,000)
Expenditures												
Water O&M	7,528,609	8,334,818	9,144,334	9,476,891	9,761,198	10,054,034	10,355,655	10,666,324	10,986,314	11,315,903	11,655,381	12,005,042
Water Repair and Replacement	448,509	1,785,350	1,750,000	1,750,000	850,000	893,000	938,000	985,000	1,034,000	1,086,000	1,140,000	1,197,000
Water Purchase - Zone 7	16,944,073	17,530,000	17,900,000	19,400,000	20,600,000	21,800,000	23,100,000	24,500,000	26,000,000	27,600,000	29,300,000	31,100,000
Debt Service for Water State Loan							1,000,000	1,000,000	1,200,000	1,200,000	1,300,000	1,500,000
Total Expenditures	\$24,921,191	\$27,650,168	\$28,794,334	\$30,626,891	\$31,211,198	\$32,747,034	\$35,393,655	\$37,151,324	\$39,220,314	\$41,201,903	\$43,395,381	\$45,802,042
Surplus/(Deficit)	\$447,254	(\$1,717,127)	(\$1,528,481)	(\$1,623,721)	\$3,474,802	\$873,966	\$138,345	\$298,676	\$347,686	\$590,097	\$728,619	\$863,958

Recycled Water O&M	Actual FY 2019/20	Mid-Year FY 2020/21	Projected FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31
Beginning Fund Balance 7/1/xx	(\$1,608,189)	(\$2,517,857)	(\$2,667,638)	(\$2,973,089)	(\$3,217,867)	(\$3,473,612)	(\$3,652,147)	(\$2,769,042)	(\$1,792,937)	(\$710,832)	\$484,273	\$1,799,378
Revenues												
Recycled Water	1,463,408	1,997,200	2,066,077	2,054,500	2,157,000	2,265,000	2,378,000	2,497,000	2,622,000	2,753,000	2,891,000	3,036,000
Interest Income	(61,601)				(40,000)	(43,000)	(46,000)	(42,000)	(30,000)	(16,000)	(1,000)	15,000
Connection Fee		75,000										
Interfund Water Sales - General Fund	815,370	739,000	742,423	814,000	855,000	898,000	943,000	990,000	1,040,000	1,092,000	1,147,000	1,204,000
Other Revenue	278,908											
Total Revenues	\$2,496,085	\$2,811,200	\$2,808,500	\$2,868,500	\$2,972,000	\$3,120,000	\$3,275,000	\$3,445,000	\$3,632,000	\$3,829,000	\$4,037,000	\$4,255,000
Transfers												
Transfers Out - Recycled Water CIP Fund	(1,030,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Net Transfers	(1,030,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Expenditures												
Recycled Water O&M	399,799	656,835	784,805	769,132	792,000	816,000	840,000	865,000	891,000	918,000	946,000	974,000
Recycled Water Purchase	608,139	860,000	885,000	900,000	945,000	992,000	1,042,000	1,094,000	1,149,000	1,206,000	1,266,000	1,329,000
Debt Service for Recycled Water State Loan	398,129	398,129	398,129	398,129	434,895	434,895	434,895	434,895	434,895	434,895	434,895	434,895
Debt Service for Recycled Water Bank Note	969,686	971,017	971,017	971,017	980,850	980,640						
Total Expenditures	\$2,375,753	\$2,885,981	\$3,038,951	\$3,038,278	\$3,152,745	\$3,223,535	\$2,316,895	\$2,393,895	\$2,474,895	\$2,558,895	\$2,646,895	\$2,737,895
Surplus/(Deficit)	(\$909,668)	(\$149,781)	(\$305,451)	(\$244,778)	(\$255,745)	(\$178,535)	\$883,105	\$976,105	\$1,082,105	\$1,195,105	\$1,315,105	\$1,442,105

Water and Recycled Water Funds Combined

Surplus/(Deficit)	(\$462,414)	(\$1,866,908)	(\$1,833,932)	(\$1,868,499)	\$3,219,057	\$695,431	\$1,021,450	\$1,274,781	\$1,429,791	\$1,785,202	\$2,043,724	\$2,306,063
Beginning Fund Balance 7/1/xx	13,753,773	13,291,359	11,424,451	9,590,519	7,722,020	10,941,077	11,636,509	12,657,959	13,932,740	15,362,531	17,147,732	19,191,457
Ending Fund Balance 6/30/xx	\$13,291,359	\$11,424,451	\$9,590,519	\$7,722,020	\$10,941,077	\$11,636,509	\$12,657,959	\$13,932,740	\$15,362,531	\$17,147,732	\$19,191,457	\$21,497,520
Fund Balance as Percent of Expenses	49%	37%	30%	23%	32%	32%	34%	35%	37%	39%	42%	44%

Debt Overview and Summary

The City and its related entities have combined outstanding principal of \$3.5 million including water revenue bonds and HUD Section 108 loan.

In addition, the City has four outstanding Home Mortgage Revenue Bonds the proceeds of which were used to fund mortgage loans to finance the acquisition and construction of multi-family rental housing facilities located in the City. The bonds are repaid solely from payments received on the underlying mortgage loans. The City is not obligated in any manner for repayment of the bonds.

Debt Limit

The City does not have any plans to issue debt in the near future. However, the City's debt limit as defined under California Government Code, Section 43605 as 15 percent of assessed valuation of all real and personal property of the City is \$3.8 billion. Within the meaning of Section 43605 "indebtedness" means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the City.

Debt per Capita

Total debt per capita excluding Home Mortgage Revenue Bonds is \$43.49.

Debt Policy

The City's Debt Policy is defined in the Financial Policies section of the budget book.

Bonded Debt Summary as of 6/30/2022 and of 6/30/2023

Issue	Issuer	Purpose	Security	Date of Issue	Original Amount	Projected Amt. Outstanding at 6/30/22	Projected Amt. Outstanding at 6/30/23	Payoff Date
2017 PJFPA Water Revenue Bonds	PJFPA	DERWA facilities expansion project	Water Revenues	2/16/2017	\$7,100,000	\$2,820,000	\$1,900,000	2/1/2025
2019A HUD Section 108 Loan	City	Construction of a community health clinic.	CDBG	3/28/2019	\$736,000	\$636,000	\$586,000	8/1/2034

In addition, we have the following Mortgage Revenue Bonds. The City has no obligation but acts as the conduit agency.

Issue	Issuer	Purpose	Security	Date of Issue	Original Amount	Responsibility	Payoff Date
2003 - Variable Rate Demand Multifamily Housing Revenue Bonds (Busch Sr. Housing)	City	Construction of multifamily senior residential housing development	FNMA under a credit facility	11/01/2003	13,360,000	Owner's	6/15/2037
2005 - Variable Rate Demand Certificates - Pleasanton Assisted Living Facility	City	Construction of Parkview Assisted Living Center	Citibank Irrevocable Letter of Credit	9/28/2005	19,700,000	Owner's	11/1/2040

Proposition 4 Analysis

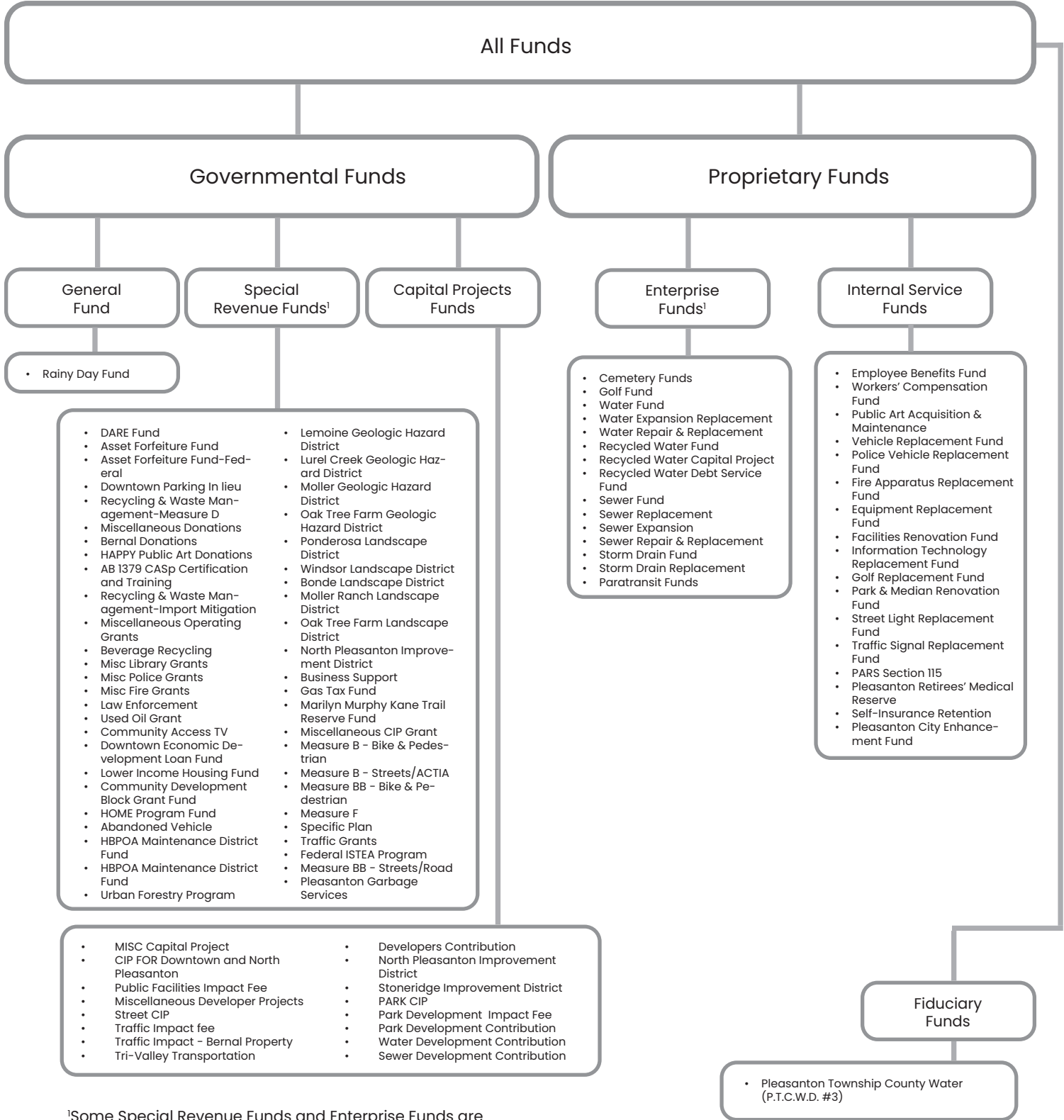
In November 1979 the voters of the State of California passed Proposition 4 (the Gann Initiative). Proposition 4 placed a limit on the amount of revenue which can be spent by the City, and was based on 1978-79 "base year" revenues. The limit is adjusted annually for inflation and population growth. In the early years of Proposition 4, the high rate of inflation increased the limit faster than the City's revenues grew. However, as the Stoneridge Mall and North Pleasanton development occurred in the 1980's, the City experienced double digit increases in both property tax and sales tax revenues. By 1984-85 the City exceeded its limit. In April 1986 Pleasanton voters approved a Proposition 4 override election, allowing the City to use the "excess" revenues for certain capital projects. Specifically, the City spent over \$14 million for the library, land for the Pleasanton Middle School, Valley Avenue Extension and partial funding for the Centennial Park and Downtown improvements.

In June 1990 California voters passed Proposition 131, which provides for new adjustment formulas to make the Gann appropriations limit more reflective of increased service demand due to commercial growth. One of the flaws in Proposition 4 was that it assumed that a City's service costs would grow in proportion to inflation and population growth. Commercial growth, its revenues, and its service demands were ignored. Because the City's commercial growth far outpaced its residential growth, the change in formula resulted in a significant increase in the City's appropriation limit. Beginning with the FY 1990/91 appropriations limit, cities were allowed to apply new growth factors retroactively to the mid 1980's to compute the FY 1990/91 limit. The City's FY 1990/91 limit was therefore recalculated from \$30,785,144 to \$52,803,755. With the choice to use the most optimal growth factors, the City's appropriation limit has continued to grow significantly. The appropriation limit for FY 2022/23 is projected to \$769,241,903; over five times the anticipated City revenues subject to it. This trend should continue for the foreseeable future.

	Actual FY 2020/21	Projected FY 2021/22	Projected FY 2022/23
GROWTH FACTORS A & B (Use the greater of each)			
(A) City Population Growth Factor (%) OR	0.09%	-0.36%	0.05%
County Population Growth Factor (%)	0.37%	-0.37%	0.20%
Prior year change in non-residential construction assessed value (\$)	\$18,079,600	\$20,797,800	\$20,000,000
Prior year annual increase in all city assessed value (\$)	\$1,553,649,445	\$1,234,239,332	\$1,250,000,000
(B) % change due to non-residential construction	1.16%	1.69%	1.60%
Per capita personal income % change over prior year	3.73%	5.73%	4.44%
NEW FACTOR TO APPLY TO PROP 4 LIMIT			
(City or County population factor X change in non-residential construction) OR	(Factor is less than below)	(Factor is less than below)	(Factor is less than below)
(City or County population factor X change in per capita personal income)	1.041	1.054	1.045
GANN LIMIT	\$698,402,897	\$736,116,653	\$769,241,903
ESTIMATED REVENUES SUBJECT TO THE LIMIT	\$110,856,006	\$117,657,165	\$123,758,150
LESS EXCLUSIONS: Qualified Capital Outlay & Debt Service(est)	\$5,000,000	\$5,000,000	\$5,000,000
NET APPROPRIATIONS SUBJECT TO LIMIT	\$105,856,006	\$112,657,165	\$118,758,150

- Fund Structure
- Fund Descriptions

Fund Structure



¹Some Special Revenue Funds and Enterprise Funds are used for capital projects.

Fund Descriptions

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 Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary and Special Revenue Funds.

Special Revenue Funds account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Proprietary Fund Types

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (including depreciation of providing goods and services to the general public on a continuing basis be recovered 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

Custodial Funds account for assets held by the City as agent for individuals, private organizations, other governmental units, or other funds. Assets equal liabilities and the measurement of operations is not a focus.

Private-Purpose Trust Funds accounts for the P.T.C.W.D.#3 Trust Fund. The Trust received money in 1973 from the Pleasanton Township County Water District #3 and the funds may be used in the future to maintain the private road that serves the City's water tanks.

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

- 001 General Fund**
This fund is used to account for all revenues and expenditures necessary to carry out basic Governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as general government, public safety, community development, operations services and community activities.
- 002 Rainy Day Fund**
Established as part of the FY 2020/21 Midterm budget to set aside funds that would be available to offset revenue losses associated with the pandemic.
- 101 D.A.R.E Trust**
The Drug Abuse Resistance Education (D.A.R.E) fund accounts for private donations made to specifically enhance the City's D.A.R.E program.
- 102-103 Asset Forfeiture**
This fund accounts for the proceeds from assets forfeited as a result of investigations of criminal offenses, generally narcotics related. In accordance with the Health and Safety Code section 11489, the funds must be used for law enforcement and prosecution efforts.
- 104 Central Business District (CBD) Parking In-Lieu**
This fund accounts for fees collected from developers in the downtown area in lieu of providing required parking. The City will use this money to build downtown parking structures in the future.
- 105 Resource Management**
This fund accounts for Measure D revenues from Alameda County as well as other mitigation revenues. The City has developed a variety of recycling programs in accordance with state and county requirements.
- 106-108 Miscellaneous Donations**
This fund is used to account for donations made to the City for equipment or to enhance services in accordance with the donor's requests.
- 112 AB1379 CASp Certification and Training**
This fund accounts for the fees collected from business license applicants as mandated by Assembly Bill No. 1379 and are to be used for increased certified access specialist (CASp) training and certification within the City and to facilitate compliance with construction-related accessibility requirements.
- 116-118 Miscellaneous Grants**
This fund includes various grant revenues received for the Used Oil program, Law enforcement expenditures, and literacy and surface transportation programs.

- 119 Community Access Television**
Under City Ordinance No. 2013, Section 6.54.060 of the Pleasanton Municipal Code, the City collects one percent (1%) of gross revenues from Cable Operators to support PEG (public, educational and governmental) channel facilities. This fund accounts for collection of PEG revenues and the capital expenditures related to PEG channel facilities.
- 120 Downtown Economic Loan**
This fund was established in 1995–96 to provide design and other assistance to downtown merchants to improve their facades. Proposed expenditures in the future will be loans to merchants.
- 122 Lower Income Housing Fund**
This fund is a special revenue fund used to account for and report the proceeds of housing in-lieu fees paid by developers of residential, commercial, and office property, as well as revenue from the repayment of housing loans. These revenues are used to provide financial assistance toward meeting the affordable housing guidelines detailed in the housing element of the City’s General Plan.
- 123 Community Development Block Grant**
The Community Development Block Grant (CDBG) program is funded through a federal grant from the U.S. Department of Housing and Urban Development. CDBG funds must be used for projects and activities that benefit at least 70 percent of low-income persons. Eligible projects include capital improvements, housing rehabilitation, public services, and economic development activities.
- 124 H.O.M.E Program**
The Housing Opportunities Made Easy program is funded through a federal grant from the U.S. Department of Housing and Urban Development. The City receives its annual formula allocation and the funds must be used for housing projects that benefit lower income persons.
- 127 Abandoned Vehicle**
The City receives funds from a vehicle registration surcharge for abatement of abandoned vehicles. The funds are used to cover the costs associated with the handling of abandoned vehicles.
- 128 HBPOA Maintenance District**
This fund receives revenue from the Hacienda Business Park Owners Association to maintain the traffic signals within their business park. The City administers the maintenance contracts.
- 129 Urban Forestry Program**
This fund was created to promote conservation and public education in regard to Pleasanton’s street trees, park trees and trees on private property. Revenue sources include donations and fines assessed for damaging heritage trees.

- 130-133 Geologic Hazard Assessment Districts**
Residents of four different subdivisions (Lemoine, Laurel Creek, Moller and Oak Tree Farm) participate in assessment districts that will pay for any landslide repairs and related geologic work. It is administered by the City but paid for by the homeowners through annual assessments placed on their property tax bills.
- 134-138 Landscape and Lighting Districts**
Residents of five different subdivisions (Ponderosa 84-1, Windsor 93-1, Bond 93-2, Moller 95-1 and Oak Tree Farms 94-1) participate in landscape maintenance districts that pay to maintain and repair designated landscaped and open space areas. It is administered by the City but paid for by the homeowners through annual assessments placed on their property tax bills.
- 139 Landscape Maintenance North Pleasanton Improvement District**
This fund accounts for the portion of the N.P.I.D. #3 funds that have been designated for the temporary maintenance of freeway on-ramps landscape.
- 140 Business Support Fund**
This fund accounts for the City's efforts related to its Business Support Program. The funding for this program is from revenues collected from sale of "Gift Pleasanton" gift cards used to promote business growth in Pleasanton.
- 160 Gas Tax**
The City receives its share of gas tax from the State and uses the funds to construct, reconstruct and maintain streets throughout the City as designated in the annual capital improvement program.
- 161 Marilyn Murphy Kane Trail Reserve**
This fund accounts for the unspent portion of a donation received for the construction of the Marilyn Murphy Kane Trail. The remaining funds will be spent on design and construction services to install additional trees along the Marilyn Murphy Kane Trail on the City's Bernal property.
- 163-164 Measure B Transportation Improvements**
This fund accounts for moneys received from voter-approved Measure B which is to be used for street construction, repair, and maintenance and for bicycle and pedestrian safety projects.
- 165/170 Measure BB Transportation Improvements**
This fund accounts for moneys received from voter-approved Measure BB which is to be used for transportation priorities that includes streets and roads improvements, bicycle/pedestrian enhancements, and transit related projects.
- 166 Vehicle Registration Fees**
This fund accounts for moneys received from voter approved Measure F which is to be used for repair and maintenance of local streets and roads and the improvement of traffic flow, public transportation, and bicyclist, pedestrian, and driver safety.

- 167 Specific Plan**
Under Government Code Section 65450-65457, the City has established specific plans to develop policies, programs, and regulations for implementing its general plan in site-specific areas. Fees collected under these plans for the construction of infrastructure in these specific areas of the City are accounted for in this fund. This fund currently consists of the Happy Valley Specific Plan, the Vineyard Avenue Corridor Specific Plan, and the Stoneridge Drive Specific Plan.
- 168 Traffic Grants**
This fund receives grants from State and Federal agencies for various traffic related projects.
- 169 Federal ISTEA Program**
This fund accounts for grant revenues from the Federal Intermodal Surface Transportation Efficiency Act (ISTEA).
- 171 Pleasanton Garbage Service Rate Reserve**
This fund accounts for the Rate Reserve Calculation proceeds received from Pleasanton Garbage Services (PGS) during FY 2019/20, as per the Rate Reserve Agreement, dated March 20, 2018, between the City and PGS. The funds will be allocated to future projects at a later date.
- 201 Miscellaneous Capital Improvement Programs Fund**
This fund is a capital projects fund that receives contributions from the General Fund to be used for design and construction of facilities and infrastructure as adopted in the annual miscellaneous capital improvement program.
- 202 CIP for Downtown and North Pleasanton**
This fund was set up in 2007-08 to account for the purchase of land and to construct parking facilities and other improvements in the Downtown Area and in North Pleasanton.
- 203 Public Facilities**
This fund receives revenues from developers of properties. The moneys are used for the purchase of equipment or construction of facilities related to the new property development as adopted in the annual miscellaneous capital improvement program.
- 204 Budgeted Developer Projects**
This fund receives revenue from developers for specific capital improvement projects.
- 211 Street Capital Improvement Program**
This fund receives contributions from the General Fund to be used for the construction, reconstruction and maintenance of City streets as adopted in the annual street capital improvement program.
- 212 Traffic Impact**
This fund receives revenues from developers of commercial and residential properties. The funds may only be used for traffic and street improvements.

- 213 Traffic Impact – Bernal Property**
This fund was set up in 2000-01. A percentage of the traffic impact fees collected from developers were deposited in this fund and used for the construction of the Bernal interchange. This fund is no longer in use since the projects have been completed. The fund balance was transferred to Fund 212 Traffic Impact.
- 214 Tri-Valley Transportation**
The City, as a member of the Tri-Valley Transportation Council, collects a fee from developers to finance projects to reduce traffic related impacts caused by future developments.
- 216 Assessment District Construction**
This fund includes the construction funds of Assessment District NPID 1 and Assessment District Stoneridge Business Center. The projects include street and intersection improvements.
- 221 Park Capital Improvement Program**
This fund is used to account for the construction, reconstruction, and maintenance of City parks as adopted in the annual parks capital improvement program.
- 222 Park Development**
This fund receives revenues from developers of properties and the funds may only be used for the design, development, and construction of new parks within the City.
- 401-404 Cemetery**
This fund accounts for the operations of the Pleasanton Pioneer Cemetery. The City currently contracts with Graham-Hitch Mortuary for cemetery management, sales, and burial coordination. The Cemetery Fund is supported by an operating subsidy contribution from the General Fund.
- 405 Housing Authority**
This fund represents the activities of the Pleasanton Housing Authority. The purpose is to provide and maintain the maximum number of housing units and services for low and moderate income families at rents they can afford.
- 41x Golf Fund** - accounts for the daily operation and maintenance of the City's golf course, Callippe Preserve Golf Course. The City currently contracts with Pleasanton Golf, LLC (CourseCo, Inc.) to manage and maintain the golf course and its facilities. This fund also accounts for golf course capital assets, accumulation of funds for payment of golf debt service, and reimbursement for infrastructure expenses necessitated by the development of the golf course.
- 42x Water Fund** - accounts for the operation and maintenance of the City's water utility, a self-supporting activity, which provides services on a user-charge basis to residences and businesses.

- 43x Sewer Fund**
This Fund accounts for the operation and maintenance of the City's sewer collection system and related facilities. It is a self-supporting activity, which provides services on a user-charge basis to residences and businesses.
- 44x Storm Drain Fund**
This fund accounts for the operation and maintenance of the City's storm system. The revenue for this fund is the urban runoff annual assessment fee levied on property owners beginning fiscal year 1992/93 and a subsidy from the General Fund. The expenses accounted for in this fund are for the federally mandated program to reduce pollutants to the Bay and other expenses related to maintaining the City's storm drain system.
- 45x Transit**
This fund receives revenue from Metropolitan Transportation Commission grants, fares from passengers and Measure B and Measure BB sales tax. This fund provides transit service to seniors and the disabled in Pleasanton.
- 501-502 Employee Benefits**
This fund accounts for unemployment insurance benefit costs and accrued unused employee vacation leave. Revenues come from benefit accrual charges placed on all City operating programs. This fund also includes the accounting for workers' compensation benefits and the majority of the City's Net Pension Liability.
- 505-506 Public Art Acquisition and Maintenance**
This fund is to provide a source of public funding for the design, selection, acquisition, purchase, renovation, conservation, and installation of City-owned public art.
- 510-521 Replacement / Renovation**
The replacement fund charges various user departments based on usage of equipment, vehicles, and facilities and uses the money to replace or renovate these items.
- 530 Section 115 Pension Trust Fund**
This fund includes the City's deposits and investment earnings of the Capital Growth investment portfolio held in City's Section 115 Pension Trust Fund. The Conservative portfolio of the City's Section 115 Pension Trust Fund is part of the City's restricted General Fund reserves.
- 531 Retiree Insurance Reserve**
This fund includes payments for medical insurance obligations for retirees.
- 533 Self Insurance Retention**
This fund pays insurance premiums and claims that fall under the City's various limits.
- 534 City Enhancement**
This fund is to provide for unplaruled and traditionally unfunded priority projects that arise such as employee workplace enhancement and miscellaneous emergency renovation projects which are not part of the City's Repair and Replacement Plan.

- 661 Downtown Merchant Improvements**
This fund collects annual assessments from downtown businesses and passes it on to the Pleasanton Downtown Association.
- 662 Asset Forfeiture**
This fund collects the assets forfeited as a result of investigations of criminal offenses, generally narcotics related. The money is passed on to various other governmental agencies.
- 663 Miscellaneous Agencies and Trusts**
This fund collects various fees and contributions from developers and others and passes the money on to various government agencies (i.e. Zone 7 Water Agency, DSRSD, Tri-Valley Transportation Council, etc.), or organizations.
- 664 Cash Bonds**
This fund collects cash bond deposits from developers and returns the money when their project is completed.
- 665 Retiree Insurance**
This fund collects money from retired employees and pays their share of medical insurance bills.
- 67x Livermore-Pleasanton Fire Department**
This fund accounts for the Livermore-Pleasanton Fire Department activity related to operations, replacement and renovation of equipment, vehicles and facilities, retiree medical and workers' compensation.

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RESOLUTION NO. 21-1227

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLEASANTON, ADOPTING THE FY 2021/22 and FY 2022/23 OPERATING BUDGET

WHEREAS, biannually the City Council adopts a two-year operating budget; and

WHEREAS, at a public meeting on June 1, 2021, staff presented a report regarding the recommended Operating Budget for FY 2021/22 and FY 2022/23.

NOW, THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

Section 1: Council adopts the FY 2021/22 and FY 2022/23 Operating Budget provided in Exhibit A.

Section 2: Budget up to three percent wage increases for Management and Confidential employees in FY 2021/22 using monies included in the General Fund contingency and commence evaluation of proposed increases by the City Council at a future closed session and public hearing.


Section 3: This resolution shall become effective immediately upon its passage and adoption.

Section 4: City Clerk shall certify to the passage of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Pleasanton at a regular meeting held on June 15, 2021.

I, Karen Diaz, City Clerk of the City of Pleasanton, California, certify that the foregoing resolution was adopted by the City Council at a regular meeting held on the 15th day of June, by the following vote:

Ayes: Councilmembers Arkin, Balch, Narum, Testa, Mayor Brown
Noes: None
Absent: None
Abstain: None



Karen Diaz, City Clerk

APPROVED AS TO FORM:



Daniel Sodergren, City Attorney