

CITY OF  
WALNUT  
CREEK

# ADOPTED BIENNIAL BUDGET

Fiscal Year 2018 - 2020

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City of Walnut Creek

# Adopted Budget

**Fiscal Year 2018 – 2020**

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## ELECTED OFFICIALS



**Justin Wedel**  
Mayor



**Cindy Silva**  
Mayor Pro Tem



**Rich Carlston**  
Council Member



**Loella Haskew**  
Council Member



**Kevin Wilk**  
Council Member



**Ron Cassano**  
City Treasurer

## EXECUTIVE TEAM

City Manager – Dan Buckshi  
Assistant City Manager – Fran Robustelli  
City Attorney – Steve Mattas  
Administrative Services Director – Amy Cunningham  
Arts & Recreation Director – Kevin Safine  
Chief of Police – Thomas Chaplin  
City Clerk – Suzie Martinez  
Communications Manager – Betsy Burkhart  
Community & Economic Development Director – Sandra Meyer  
Public Works Director – Heather Ballenger

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**Section A**

**INTRODUCTION AND OVERVIEW**

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**City of Walnut Creek  
City Manager's Budget Message  
FY2018-20**

June 19, 2018

Honorable Mayor and Members of the City Council,

I am pleased to present the recommended Fiscal Year 2018-2020 (FY 2018-20) budget to the City Council for adoption. The City's budget represents the two-year spending plan that supports the day-to-day services provided by operating departments, accomplishes Council adopted priorities, and continues provision of services the community values. Additionally, this budget supports prior City Council direction to maintain existing services, complies with all reserve policies, and continues the long-standing practice of fiscal prudence and planning for the future.

**City Council Adopted Priorities**

On March 6, 2018, the City Council reviewed, confirmed, and updated its priorities for 2018, including reconfirming four priorities from FY 2017-18:

1. Identify and implement a strategy to meet the City's infrastructure needs. Identify the most critical facilities and funding options.
2. Improve the affordability and availability of housing in Walnut Creek. Develop long-term approaches to affordable housing and complete the North and West Downtown Specific Plans.
3. Develop realistic responses to homelessness. Study homelessness from an economic, public safety, behavioral health, and social justice perspective to better understand the scope of the problem. Work with the community and engage regional partners to build partnerships in addressing the issue.
4. Update the Economic Development Strategic Plan. Conduct economic and demographic studies to better understand current conditions. Update the plan to strategically guide economic development for the next three to five years with a focus on job creation, technology, and diversification leading to a sustainable economic base.

Funding to support these priorities is included in the FY 2018-20 budget. In addition, the Council directed that once the economic strategic plan is complete, it be replaced with an update to the City's climate action plan. The City has been a leader with respect to environmental policies and this step will help ensure we continue to be a leader into the future.

**Key Messages for the FY2018-20 Budget**

Staff has identified several key messages that have guided development of this budget. These messages, in combination with the City Council adopted Mission, Vision and Values, and Budget Goals and Policies, are the framework for this proposal:

- Strike a balance between fiscal responsibility and minimizing service impacts.
- Begin a multi-year effort to strengthen fiscal sustainability.

- Balance the use of short and long-term strategies to achieve balanced budgets.
- Fully fund all reserves in conformance with City Council policy.
- Continue investment in the Pension Trust to smooth the impact of future pension cost increases.
- These fiscal challenges are unlike the “great recession” – budgets are again tight, but unlike before, the workload remains high.

**Approach to FY 2018-20 Budget**

After several years of recognizing surplus revenue at the close of the fiscal year, the General Fund Long-Term Financial Forecast (LTFF) has projected deficits beginning in FY19. These deficits, largely driven by increasing CalPERS pension costs, are expected to grow over the next several years. Projected deficits through FY27 are identified in the table below; these projections assume use of the Pension Trust fund beginning in FY24.

<b>LTFF General Fund Deficit Projections</b>									
<b>Fiscal Year</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24*</b>	<b>FY25*</b>	<b>FY26*</b>	<b>FY27*</b>
<b>Projected Deficit</b>	\$845K	\$490K	\$2.1M	\$3.6M	\$5.0M	\$5.2M	\$5.3M	\$4.5M	\$5.6M
*Includes use of Pension Trust beginning FY24									

As with any projection, the LTFF is based on the best available information at the time the document is prepared. Unfortunately, recent projections generated by the City’s revenue consulting firm have identified a flattening of the City’s sales tax beginning in FY19. These updated projections, in addition to delayed construction of a hotel development project, have resulted in a larger than anticipated deficit for FY20. While the deficit in FY19 remained relatively unchanged at approximately \$809K, the FY20 deficit increased to approximately \$2.2 million (approx. 2% variance).

<b>Projected Deficit LTFF / Budget Comparison</b>		
	<b>FY19</b>	<b>FY20</b>
Budget	\$809K	\$2.2M
LTFF	\$845K	\$490K
<b>Difference</b>	<b>-\$36K</b>	<b>\$1.7M</b>

To prepare a balanced budget, staff took a number of actions internally to address the deficits with the expectation that these actions will have minimal impacts on service delivery in the community. Some of these actions are short-term in nature and serve as a bridge to longer-term solutions. Overall, the budget ensures the City has adequate funding available during this budget cycle to maintain services, infrastructure and facilities, and meet all reserve policy requirements.

## Budget Document

The budget information has been reformatted for FY2018-20 to provide the reader with a more comprehensive understanding of the City's financial condition and activities. All of the financial schedules presented to the City Council in prior years continue to be included in this document. In addition, a number of new schedules have been created to provide more detailed information, enhance transparency about the City's financial status, and provide more context about how resources are allocated.

This document follows recommendations from the Government Finance Officers Association about the type and format of information to be included in a municipal budget document. In addition to this budget message, some of the other changes include presentation of financial information in a variety of formats, historical revenue and expense trends, and expanded analytical information.

The budget document is organized into five sections:

- A. Introduction and Overview – includes information and analysis about the FY 2018-20 budget.
- B. Operating Departments – includes financial information specific to each City department.
- C. Other Funds – includes financial information about the City's Enterprise Funds and other non-departmental funds.
- D. Supplemental Information – includes a variety of summary financial tables, historic trend information, and other information to provide background about the City.
- E. Financial Policies – includes the City Council adopted financial policies and resolutions related to adoption of the City's budget.

### FY 2018-20 Operating Budget Overview

Over the two-year cycle, the FY 2018-20 budget includes a total of \$183.2 million in revenue and \$182.2 million in expense. Of this, \$179.7 million is General Fund revenue and \$176.2 million is General Fund expense. The table below provides more detailed information for each year.

<b>FY 2018-2020 Budget Summary</b>		
	<b>FY19</b>	<b>FY20</b>
<b>REVENUE</b>		
General Fund	\$88.8M	\$90.9M
Other Funds	2.7M	0.8M
<b>TOTAL</b>	<b>\$91.5M</b>	<b>\$91.7M</b>
<b>EXPENSE</b>		
General Fund	\$88.0M	\$88.2M
Other Funds	2.9M	3.0M
<b>TOTAL</b>	<b>\$91.0M</b>	<b>\$91.2M</b>
<b>Surplus/(Deficit)</b>	<b>\$539K</b>	<b>\$451K</b>
Allocation to Reserves	\$288K	\$346K
<b>Net Surplus/(Deficit)</b>	<b>\$251K</b>	<b>\$104K</b>

Significant changes in FY 2018-20 budget include:

- Restructured Parking and Downtown Enhancement Enterprise Fund;
- Reduced Professional and Contract Services across all departments;
- Implemented targeted expense reductions across all departments totaling \$892K;
- Reduced Police over-hire funding totaling \$200K;
- Increased vacancy rate to levels more reflective of actual experience;
- Reduced Limited Duration positions by 5.0 FTE in FY19;
- Converted one Legal Assistant position in the City Attorney’s Office to Office Specialist – Confidential serving the City Attorney and City Manager’s Offices;
- Transferred one Project Manager/Economic Development position from Community and Economic Development Department to City Manager’s Office;
- Added 0.25 FTE to support Bedford Gallery’s Traveling Exhibition Program – converts an existing 0.50 Program Coordinator to a 0.75 Program Assistant. Cost neutral for FY 2018-20, and revenue is projected to grow beyond FY 2018-20 to support the Gallery;
- Added 0.25 FTE Office Assistant I/II to support increased demand for aquatics facility rentals at Larkey Pool and community special event rentals—position is cost neutral;
- Paid-off Police PERS Side Fund Loan in FY19 (final payment \$1.9 million).

The Capital Budget includes \$19.5 million in funding from a variety of grants and funding sources. Approximately \$3.5 million of the Capital budget is General Fund dollars, representing an \$850K increase to complete general maintenance and repair of the City’s assets, infrastructure and facilities.

The following pages include more detailed analytical information about the FY 2018-20 budget, including summary revenue information and trends for major expense categories including employee salaries, benefits, and non-personnel costs such as utilities and professional and contract services. With implementation of a new finance/budget system, the chart of accounts has been restructured to provide more accurate information about revenue and expense categories. In some cases, these changes may make trend analysis misleading.

With a tightening budget in FY 2018-20, the Council should expect more frequent requests for budget changes, including shifting of funds between departments or funding sources (due to unexpected and unforeseen events) and less one-time revenue available at year-end to assign to one-time projects. The operating budget will simply be less flexible with limited ability to absorb unanticipated reductions in revenues or increases in expenses.

### **Beyond FY 2018-20**

Using the LTFF as a strategic planning tool, the City is well informed about how best to plan for the future. Facing rising CalPERS expenses, longer-term actions will be needed to sustain balanced budgets in the coming years. The City Council has consistently taken a mindful approach in allocating resources and making fiscally prudent decisions for the long-term, including establishing the Pension Trust, maintaining industry standard reserve balances, and

issuing no General Fund debt. These decisions have prepared the City to manage the upcoming challenges, and have afforded ample time to create a thoughtful action plan.

Staff proposes future actions to include:

- Conduct outreach and solicit feedback from the community;
- Identify service level priorities;
- Work with staff to analyze operations and identify opportunities for efficiencies;
- Complete an updated comprehensive fee study for general services (last completed in 2010); and
- Identify revenue opportunities.

Staff recommends work begin on the FY 2020-22 budget cycle in the fall 2018/winter 2019 timeframe. Proposed efforts include identifying long-term budget balancing solutions, initiating communication and outreach efforts with the community and staff, and developing new strategies to continue providing quality services to the community. Using this approach, staff and Council can begin to share the City's fiscal situation, receive input about community priorities, and make longer-term plans to address the projected deficits for the FY 2020-22 budget cycle and beyond.

### **Conclusion**

This budget recognizes that FY 2018-20 is only the beginning of several tough years of fiscal challenges. The budget presents a responsible step forward in addressing projected deficits over the next several years. Staff has identified several short and longer-term cost saving measures that have been included in this financial plan. Consistent with past Council direction, staff will continue to prioritize services and make recommendations about how best to balance fiscal sustainability and delivery of high-quality services.

As compared to other California municipalities participating in the CalPERS system, Walnut Creek is fortunate. The City has a strong fiscal foundation, and over time, has built healthy reserves and established a pension trust fund that will help smooth escalating pension costs. This budget identifies approximately \$251K in General Fund revenue that can be invested in the pension trust in FY 19 and \$104K in FY 20; however, as the budget continues to tighten, further opportunities for this investment will likely be limited.

Beyond FY 2018-20, the City's rising deficits will make it increasingly challenging to maintain existing services, and preserve and protect our assets, infrastructure, and facilities. We plan to actively engage the community around the City's financial challenges, educate our employees about these shifting financial conditions, and work together to identify solutions that are fiscally sound and best serve the community.

I would like to extend my appreciation to the dedicated City staff for their efforts in preparing this budget. The budget development process requires participation from every department in the City. In addition to several new staff, including myself, involved in developing the City's budget

for the first time, we implemented a new budget software tool across the organization. This process change, in combination with our budget balancing efforts, made the budget process challenging. City staff have contributed critical insights and hours of work behind the scenes to develop a balanced budget that best serves the community's needs. I would especially like to acknowledge the tremendous effort put forth by our new Administrative Services Director and the entire Finance team.

I would also like to thank the City Council for your guidance in establishing a fiscally sustainable financial plan for the next two years. Your leadership in this area will continue to strengthen the City's fiscal foundation. I look forward to working with you and the community in order to tackle the challenges that lie ahead.

Sincerely,



Dan Buckshi  
City Manager



**General Fund Budget Summary  
Fiscal Years 2018-20**

<b>REVENUES</b>	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
Property Taxes	21,595,755	22,636,859	23,845,257	24,780,250
Sales and Use Tax	24,021,800	24,429,587	24,523,300	25,038,500
Other Taxes	8,172,032	8,922,500	9,196,609	9,836,300
Interest Earnings	635,524	320,000	320,000	320,000
Other Revenue	293,442	139,342	166,874	228,991
<b>Total General Revenues</b>	<b>54,718,553</b>	<b>56,448,288</b>	<b>58,052,040</b>	<b>60,204,041</b>
Administrative Services	825,022	818,873	1,076,769	1,076,769
Human Resources	0	0	0	0
Community and Economic Development	7,812,782	7,054,954	7,129,326	6,695,289
Public Works	10,231,132	10,120,917	9,414,624	9,714,267
Police	2,357,908	2,402,656	1,209,523	1,171,523
Arts and Recreation	11,249,736	11,132,412	11,666,874	11,775,202
General Government	275,826	283,915	260,640	260,640
<b>Total Departmental Revenues</b>	<b>32,752,405</b>	<b>31,813,727</b>	<b>30,757,756</b>	<b>30,693,690</b>
<b>Total Revenues before Transfer in</b>	<b>87,470,958</b>	<b>88,262,015</b>	<b>88,809,796</b>	<b>90,897,731</b>
Transfers In from Other Funds	845,895	2,553,058	2,682,161	757,250
<b>Total Revenues / Transfers In</b>	<b>88,316,853</b>	<b>90,815,073</b>	<b>91,491,957</b>	<b>91,654,981</b>
<b>EXPENDITURES</b>				
Administrative Services	4,901,030	4,876,921	5,480,202	5,643,926
Human Resources	1,176,187	1,425,818	1,552,361	1,578,430
Community and Economic Development	7,343,575	7,479,119	7,437,257	7,424,417
Public Works	20,908,147	21,486,236	22,731,134	23,436,036
Police	25,398,829	26,960,893	26,591,635	25,527,005
Arts and Recreation	15,993,376	17,008,186	18,008,918	18,313,278
General Government	5,601,705	6,067,413	6,227,801	6,277,799
<b>Total Operating Expenditures</b>	<b>81,322,849</b>	<b>85,304,586</b>	<b>88,029,308</b>	<b>88,200,891</b>
Transfer to Capital Investment Budget	2,188,351	1,375,000	1,760,000	1,765,000
Transfers to Other Funds	1,564,699	1,417,405	1,163,706	1,238,452
Total Transfer Out	3,753,050	2,792,405	2,923,706	3,003,452
<b>Total Expenditures / Transfers Out</b>	<b>85,075,899</b>	<b>88,096,991</b>	<b>90,953,014</b>	<b>91,204,343</b>
<b>Revenues Over or (Under) Expenditures</b>	<b>3,240,954</b>	<b>2,718,082</b>	<b>538,943</b>	<b>450,638</b>
Allocation to Reserves	460,449	537,099	288,021	346,457
Net Surplus (Deficit) After Reserve Allocation	<b>2,780,505</b>	<b>2,180,983</b>	<b>250,922</b>	<b>104,181</b>

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## FY 2018-20 Budget Overview & Analysis

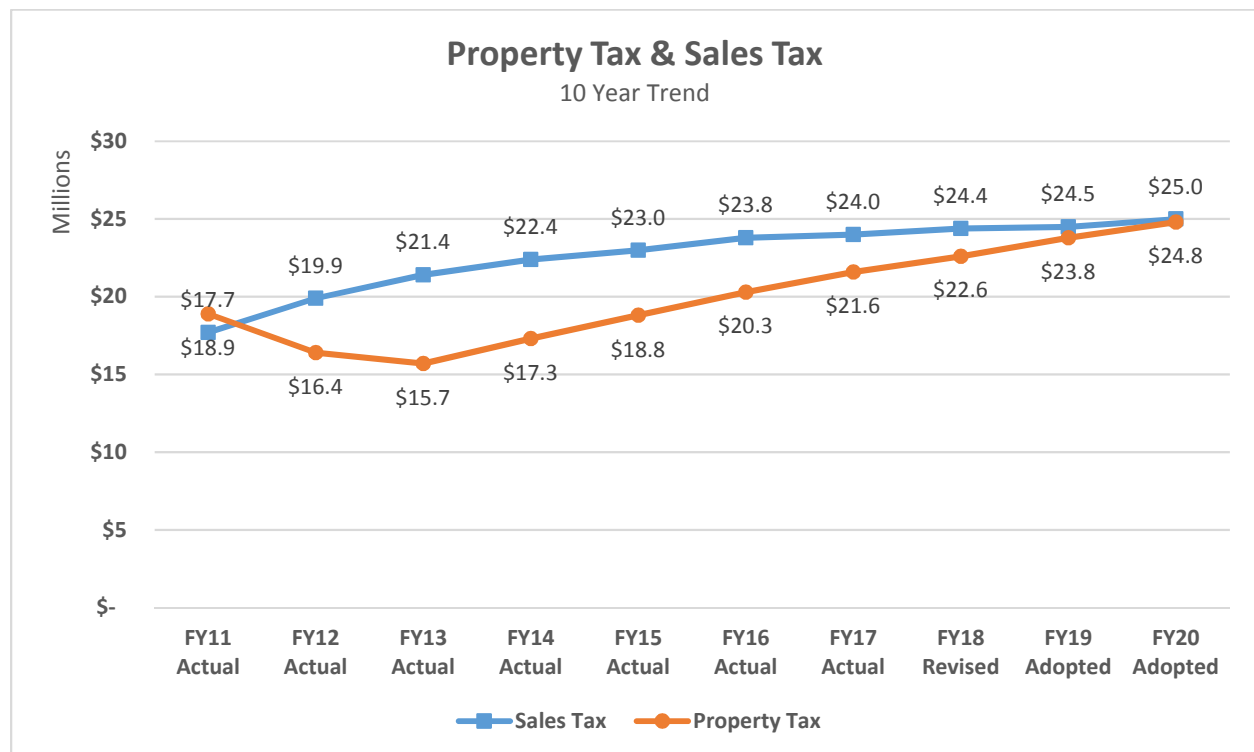
The following table provides an overview of the total budget, inclusive of transfers in and out. The table shows that the annual surplus is shrinking year over year, with small projected surpluses anticipated in FY19 and FY 20.

	Actual FY 17	Revised FY 18	Adopted FY 19	Adopted FY 20
<b>Revenue</b>	\$88.3M	\$90.8M	\$91.5M	\$91.7M
<b>Expense</b>	\$85.1M	\$88.1M	\$91.0M	\$91.2M
<b>Reserve Allocation</b>	\$460K	\$537K	\$288K	\$346K
<b>Net Surplus/(Deficit)</b>	<b>\$2.8M</b>	<b>\$2.2M</b>	<b>\$251K</b>	<b>\$104K</b>

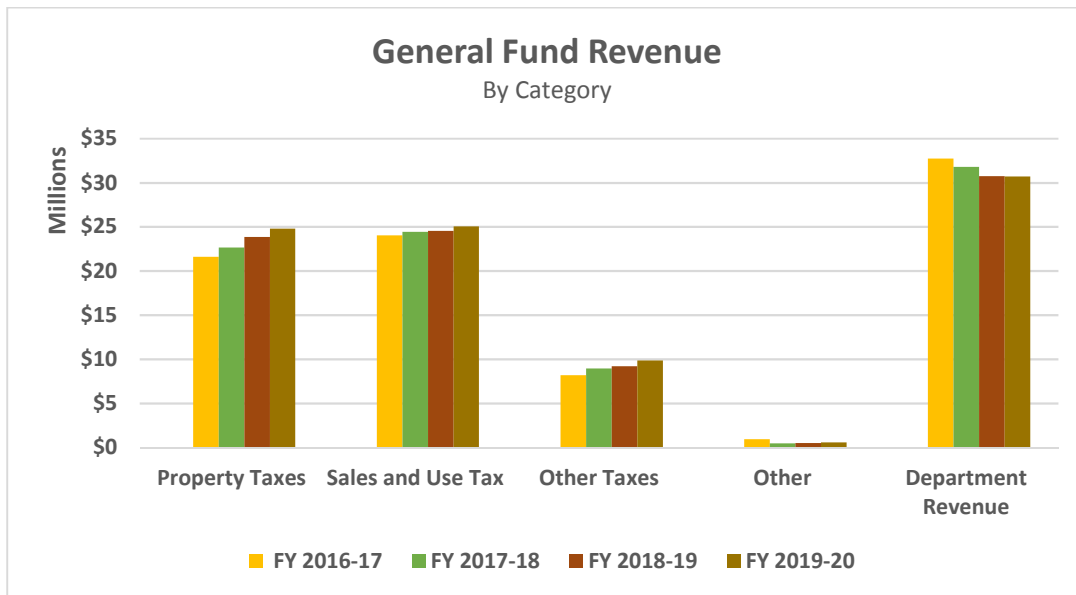
### REVENUES

#### Property and Sales Tax

Property tax is projected to continue growing incrementally, and sales tax has begun to flatten. The following chart shows the change in these two categories over a 10-year period. The FY 2018-20 property tax projections provided by Avenu (previously MuniServices) assume steady growth as provided by the “conservative” scenario. Avenu analysis indicates that the City is reaching peak collections for sales tax revenue and should not expect large increases similar to what has been experienced the past few years.

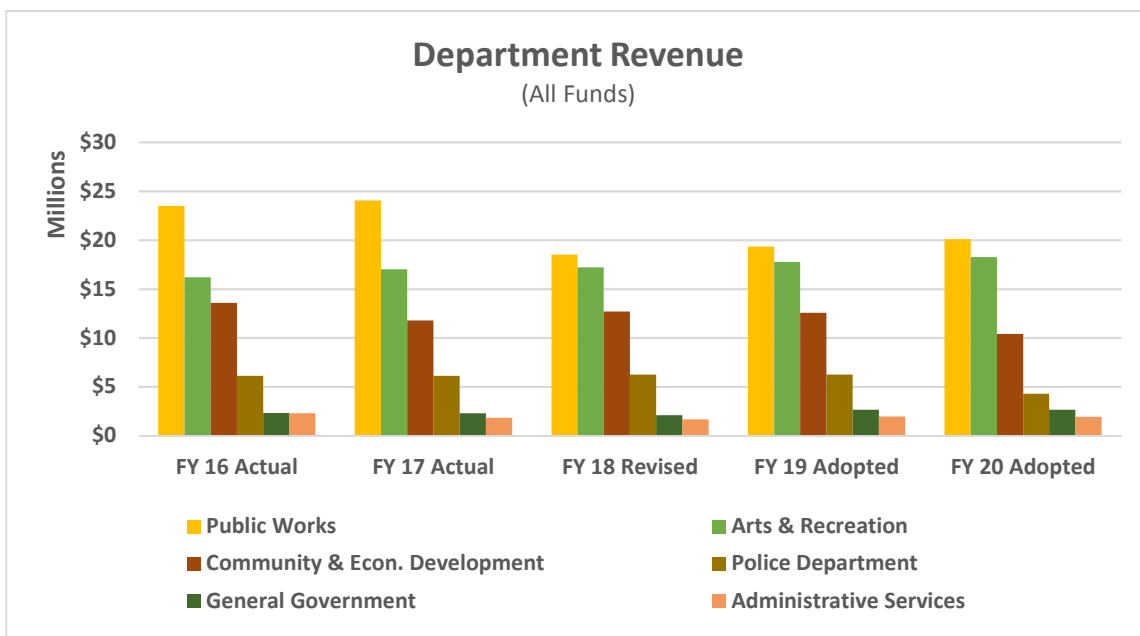


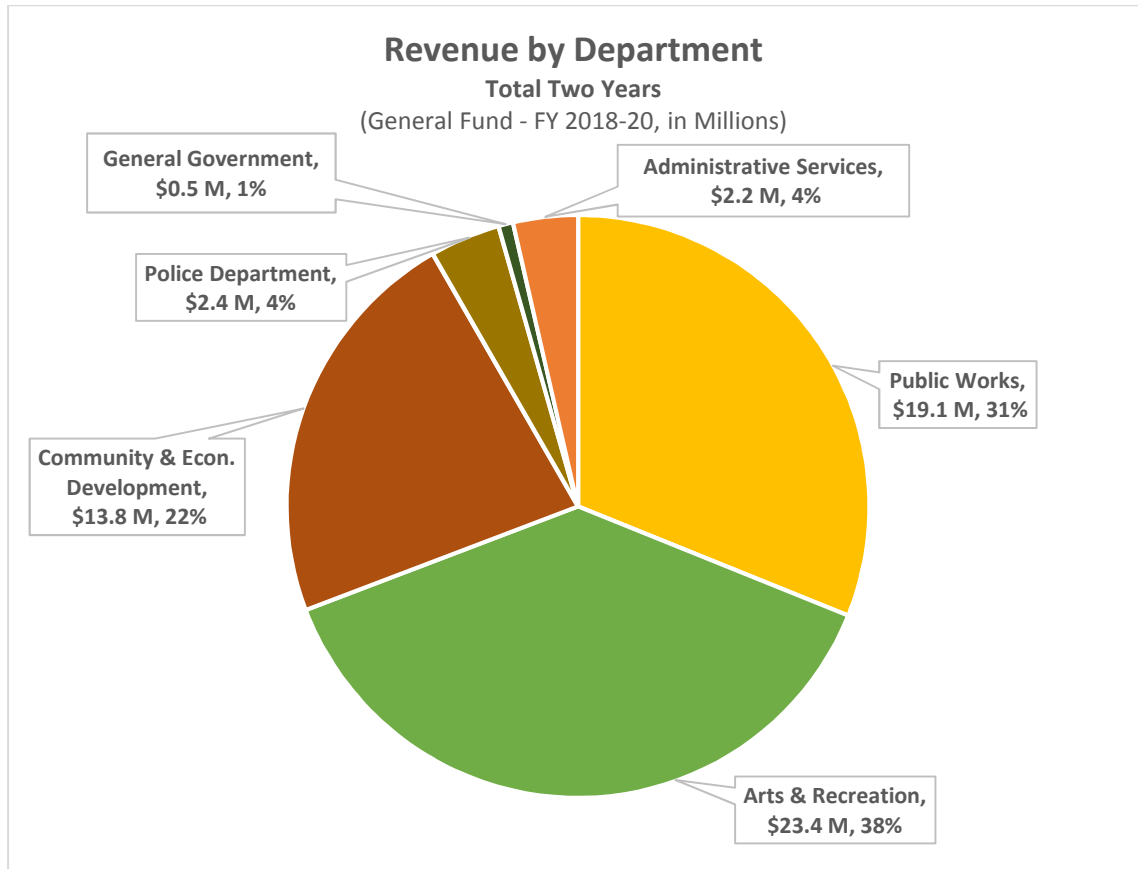
This chart provides an overview of General Fund revenue trends by category between FY 17 and FY 20. The Other Tax category includes activities including Business Licenses, Property Transfer Tax, Franchise Taxes, and Transient Occupancy Tax.



Department Revenue

The following charts identify revenue by department. Services provided by Public Works generate the most overall revenue, followed closely by Arts and Recreation. As shown in the chart below, activity is expected to remain relatively steady for Public Works during the FY 2018-20 budget cycle, with a slight decrease in activity anticipated for Community and Economic Development. Incremental growth is expected for Arts and Recreation. The second chart shows proportional General Fund revenue generated by each department for the FY 2018-20 budget cycle.





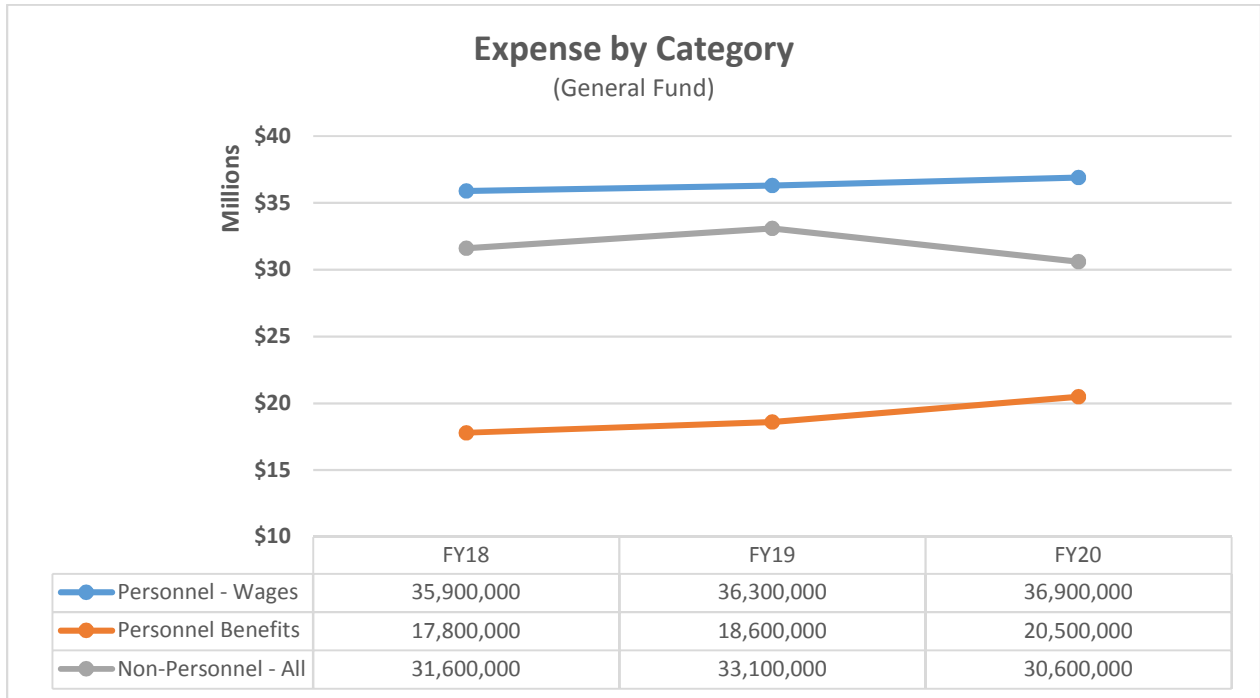
**EXPENSES**

Overview

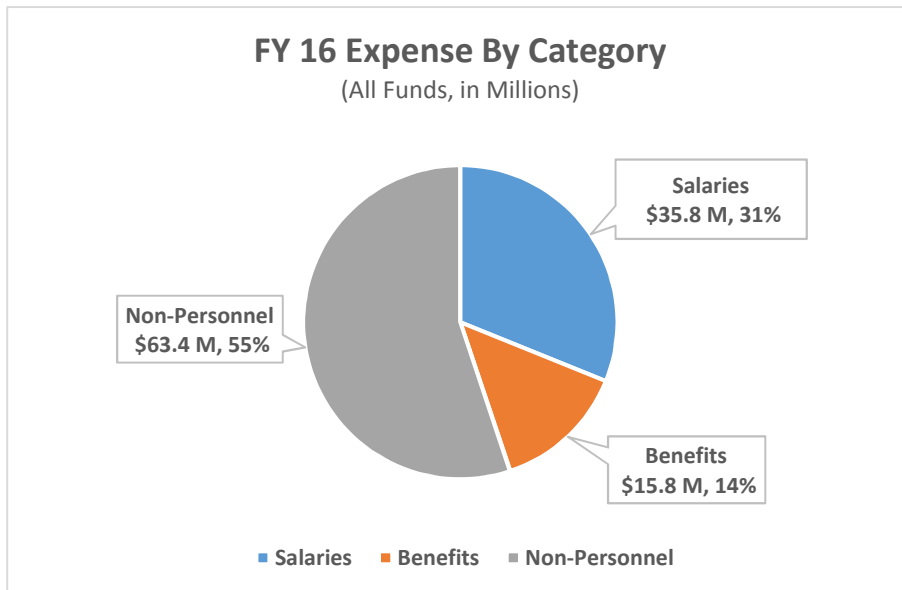
The following two graphics provide information about General Fund expense trends between FY 16 and FY 20. Non-personnel costs are expected to decrease to pre-FY 16 levels, while Personnel – Benefits costs are increasing more rapidly than Personnel – Wages, primarily because of rising pension costs.

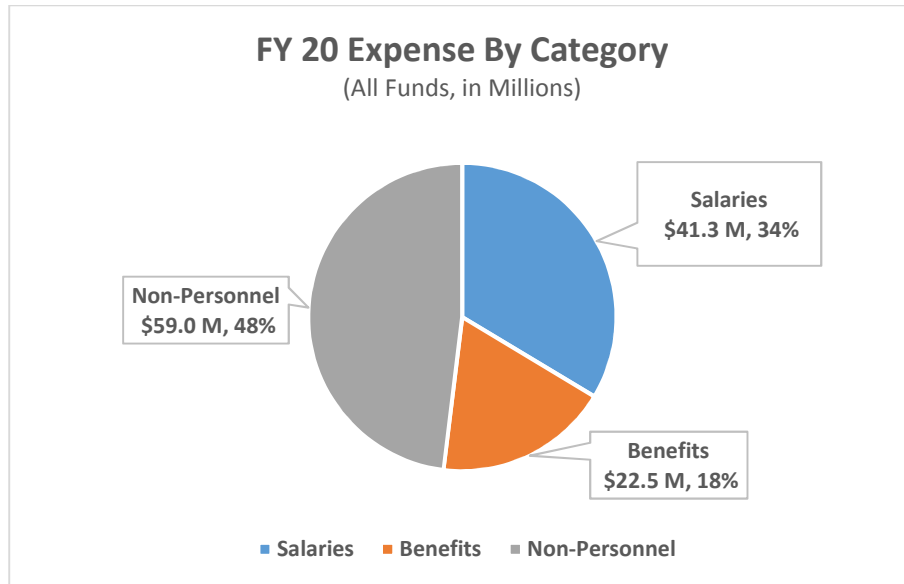
Summary General Fund Operating Department Expense					
Expense Type	FY 18 Revised Budget	FY 19 Adopted Budget	% Increase/ (Decrease)	FY 20 Adopted Budget	% Increase/ (Decrease)
Personnel – Wages	\$35.9M	\$36.3M	1.1%	\$36.9M	1.7%
Personnel – Benefits	\$17.8M	\$18.6M	4.5%	\$20.5M	10.2%
Non-Personnel – All	\$31.6M	\$33.1M	4.7%	\$30.6M	(7.6%)
<b>Total</b>	<b>\$85.3M</b>	<b>\$88.0M</b>	<b>3.2%</b>	<b>\$88.0M</b>	<b>0.0%</b>

\* The PERS Side Fund final payment in FY 19 is \$1.9 million.



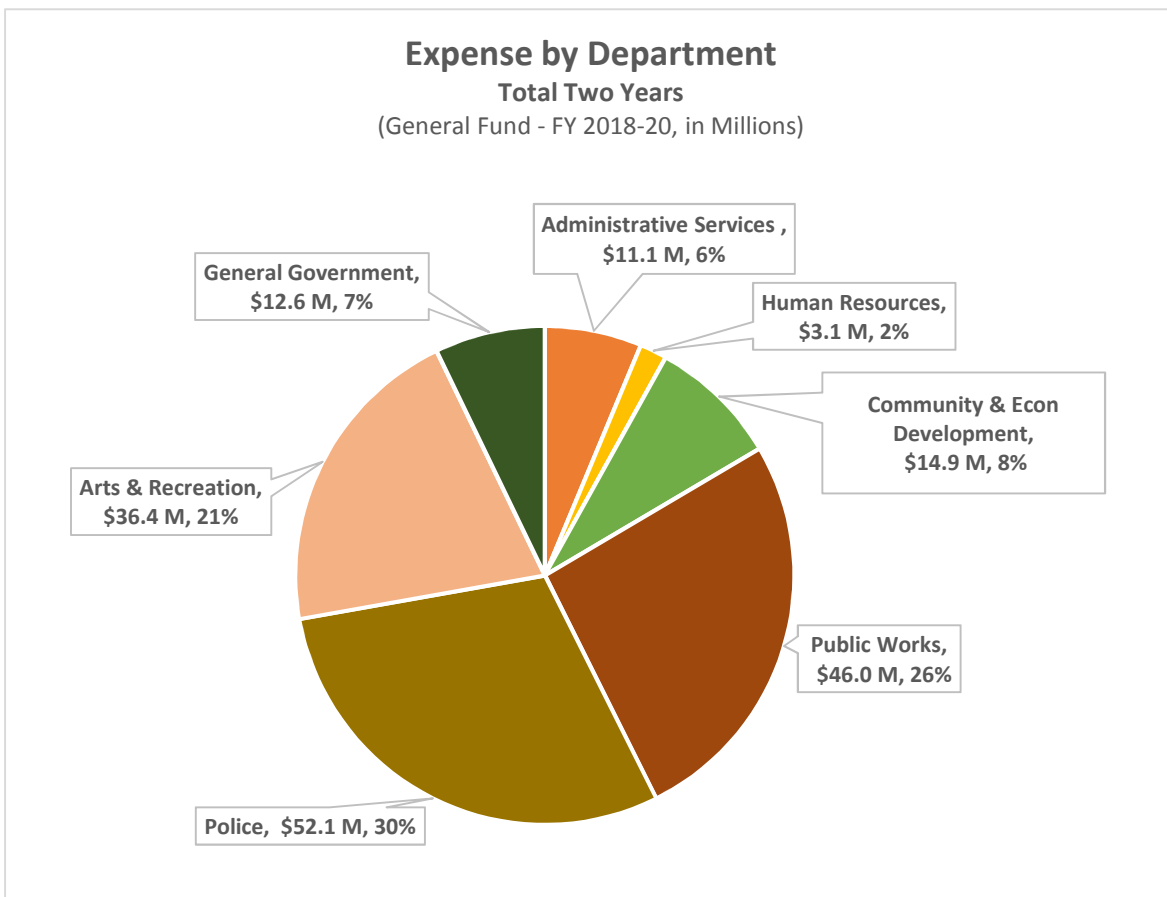
The following charts demonstrate how the percentage of expenses has changed over the span of just four years. As the budget is tightening, increasing pension costs are shifting more City resources to the Benefits category; this trend is expected to continue into the future.





Total Expense by Department

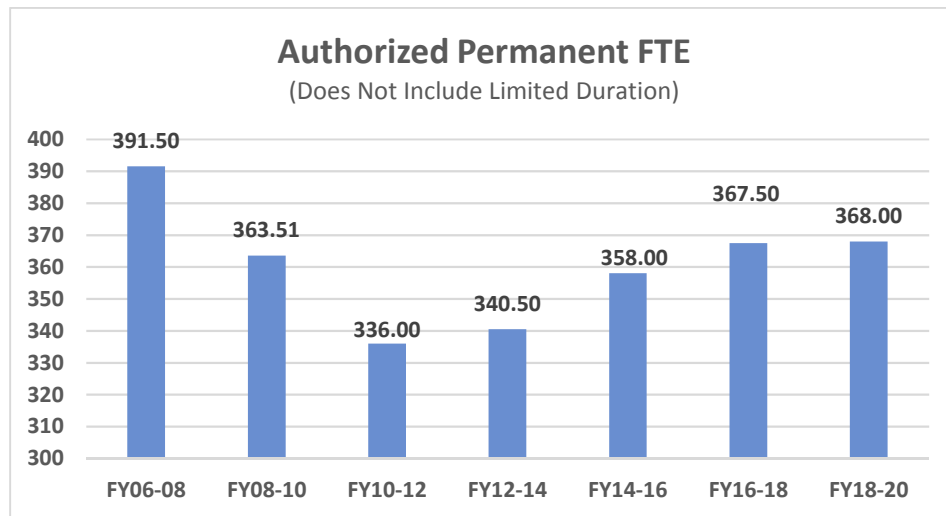
The following chart provides information about General Fund departmental expenses for FY 2018-20; expenses shown are for the two-year budget cycle. Police, Public Works, and Arts & Recreation are the three largest departments from an expense perspective.



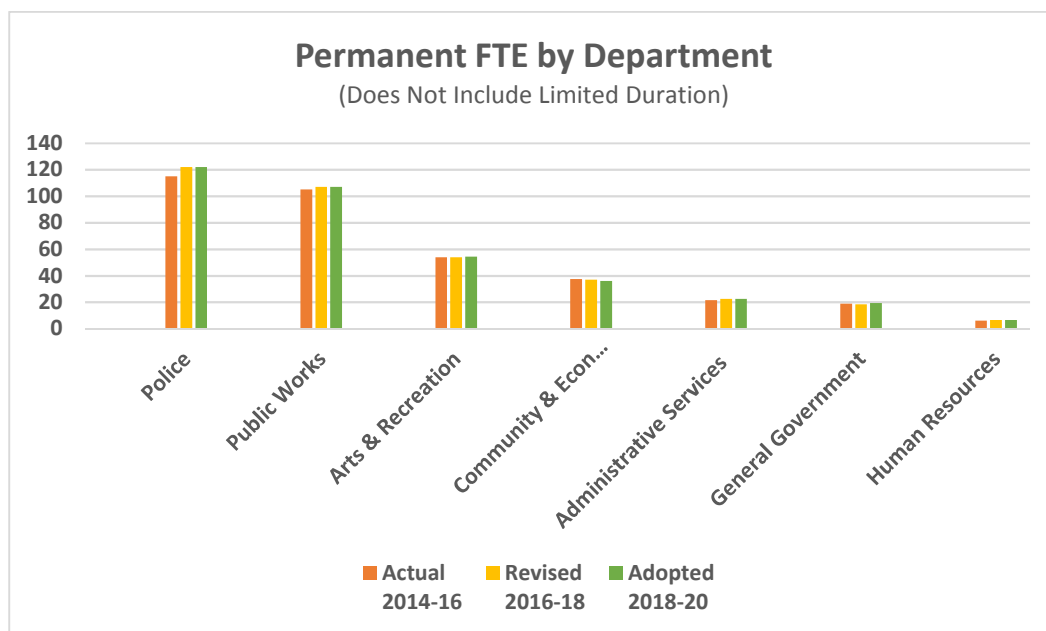
Full-Time Equivalent (FTE) Positions

The following chart provides information about approved permanent FTE positions from FY 2006-08 to FY 2018-20. The number of authorized FTE's remains below the FY 2006-08 peak; staffing reached lowest levels during the recession in FY 2010-12.

Limited Duration positions are not included in these charts. Limited Duration positions are approved for two-year increments and are used when workload is high or a special project need arises. Limited Duration positions were at a high in FY 2014-16 at 13.0 FTE, but are projected to drop to 4.0 by FY 20.



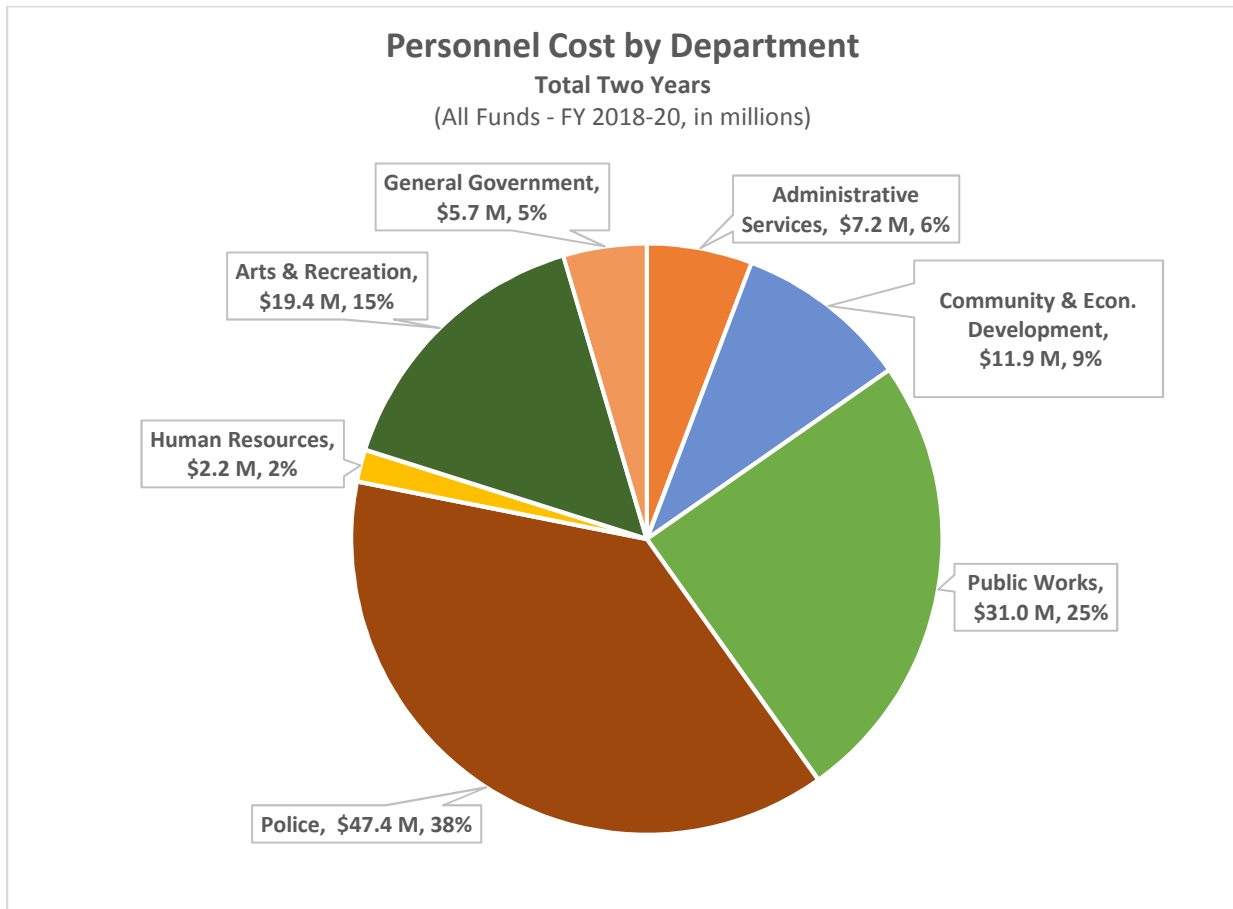
With regard to permanent FTE's by Department, staffing levels have remained consistent between FY 2016-18 and FY 2018-20. The largest growth has been in the Police Department with an increase of 7.0 positions from FY 2014-16 Actual to FY 2018-20 Adopted.





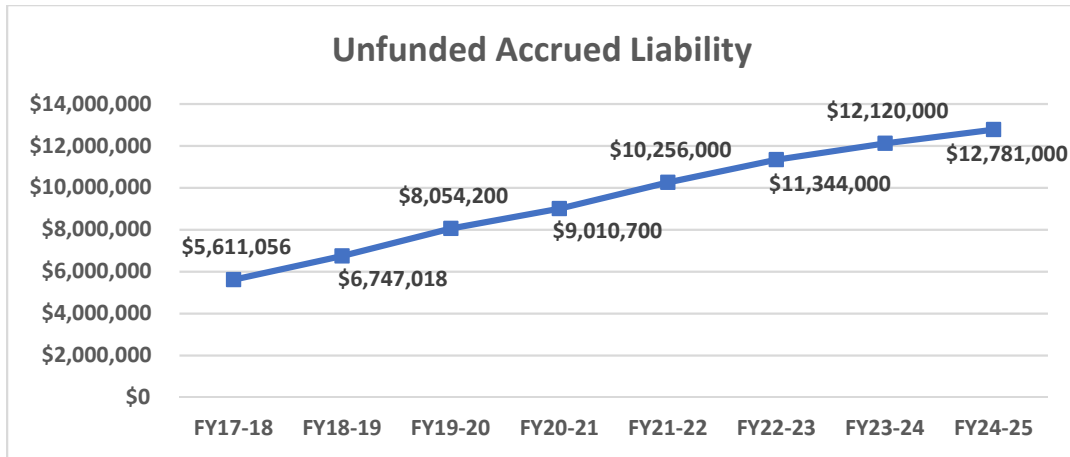
Personnel Costs by Department

The following chart depicts personnel expenses (salary and benefits) by department over the two-year budget cycle. The two largest departments are Police at 38% and Public Works at 25%. Salary assumptions for FY 2018-20 include a 2.6% increase for labor groups with expiring contracts; this assumption is consistent with projections in the Long-Term Financial Forecast.



Unfunded Accrued Liability

CalPERS Unfunded Accrued Liability (UAL) costs are the primary driver of the City’s projected deficits over the next several years. The chart below shows cost increases over the next eight (8) years as provided in the most recent CalPERS Valuation Reports (July 2017). By 2024-25, UAL costs will increase by 128%, for a cumulative cost of \$76 million.

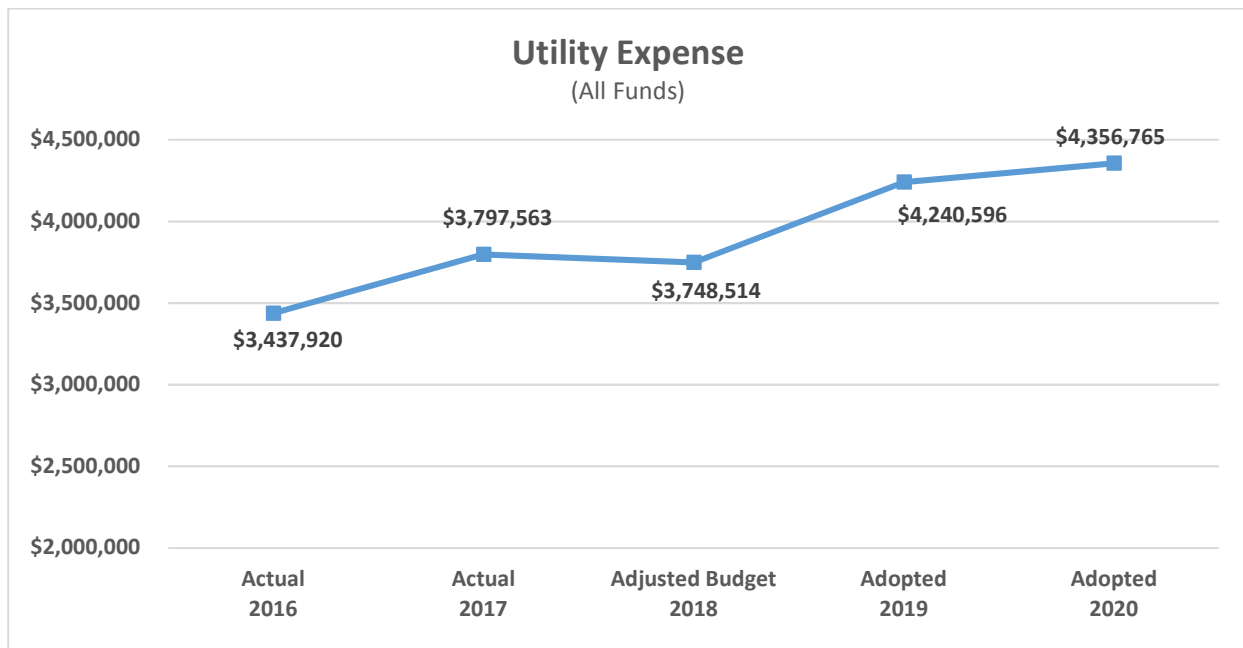


**Non-Personnel**

Non-Personnel expenses include activity such as services, supplies, consultant services, utilities, insurance, inter-department charges, and minor capital items. The following tables provide information about two major expense categories.

Utilities

The following chart provides information about utility cost trends since FY 16. This category includes electricity, gas, water, and garbage services. Energy saving measures have helped to contain rising costs in this category of expenses. Beginning in FY 19, all City facilities will participate in the MCE Deep Green Program at an additional cost of \$77,000 per year. The account structure has been modified beginning in FY 18 to improve expense tracking for each category of utility services.



Professional Services

The following chart depicts the cost of Professional & Contract Services over a five-year period. This category of expense reached a peak in FY 18 (\$27.0 million), and is projected to decline in FY 19 (\$24.0 million) and FY 20 (\$21.8 million). Professional and contract services include activities such as janitorial and median maintenance services, temporary staff, various studies, inter-departmental transfers (facility and vehicle maintenance services / information technology), and specialized consulting services.



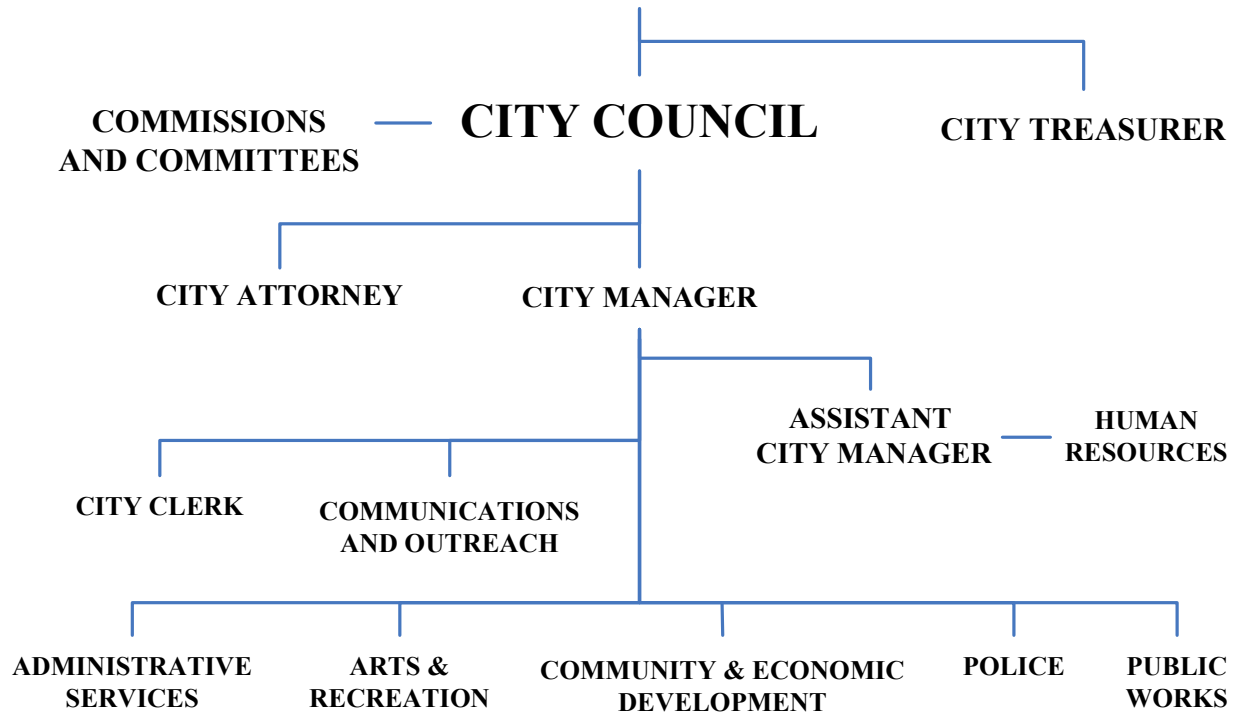
### Community Group Funding

In addition to the City's \$100,000 annual General Fund contribution to the Community Service Grants program (administered by the Housing Division), the City Council provides General Fund financial and in-kind support to several local non-profit community groups. In total, the General Fund operating budget provides over \$550K of support each year to our community groups; in some cases, these groups may receive further City support through the Capital Budget. The following table identifies funding that has been included in the budget.

<b>Community Groups General Fund Support (Contributions &amp; In Kind)</b>		
<b>Organization</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
Lindsay Wildlife Museum	\$ 81,650	\$ 81,850
Gardens at Heather Farm	14,319	14,519
WC Historical Society	140,400	144,000
Walnut Festival	7,000	7,000
School Crisis Counselors	80,000	80,000
Crossing Guards	110,000	110,000
Concert Band, Park Concerts and School Concerts	24,700	24,700
<b>TOTAL</b>	<b>\$458,069</b>	<b>\$462,069</b>
Community Service Grants	\$100,000	\$100,000
<b>GRAND TOTAL</b>	<b>\$558,069</b>	<b>\$562,069</b>

## CITYWIDE ORGANIZATIONAL CHART

# CITIZENS OF WALNUT CREEK



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## MISSION, VISION, AND VALUES

### OUR MISSION

The City of Walnut Creek, working in partnership with the community, is committed to enhancing our quality of life by promoting:

- A positive environment where people can live, work and play;
- A vibrant local economy to enhance and sustain long-term fiscal stability; and
- A progressive workplace where dedicated employees can make a difference.

### OUR VISION

A balanced community meeting tomorrow's needs while protecting the quality and character we value today. We strive to accomplish this by:

➤ Enhancing the quality of community living, providing:

- A safe, attractive community
- Protected natural resources and quality neighborhoods
- Diverse cultural and recreational opportunities
- Desirable balance of opportunities for living, working, and playing
- Responsive and user-friendly City services
- Housing to meet diverse community needs
- Programs and services that meet community needs
- Safe streets and efficient transportation systems
- Reliable and effective infrastructure
- Citizens engaged in actively shaping our collective future

➤ Promoting a vibrant local economy, including:

- A spirit of partnership with the community
- A thriving, first-class and varied regional business center
- A safe, accessible and attractive physical environment

➤ Being an employer of choice by:

- Creating an exciting, fulfilling and accountable work environment
- Supporting creativity, innovation, and risk taking
- Promoting learning and growth opportunities
- Attracting and retaining employees who are committed to excellence and service
- Actively recognizing and appreciating individual contributions

## **OUR VALUES**

We aspire to achieve our mission and vision by incorporating those values that help our community and each of us to realize our highest potential emphasizing:

- Respect
- Integrity
- Excellence
- Teamwork
- Creativity



## **BUDGET GOALS & POLICIES**

*Adopted March 6, 2018*

The City's budget goals and policies are intended to guide the development of the City's biennial budget and to manage the budget in current and future years.

### **The City's Budget Goals**

Overall, the goals of the City of Walnut Creek in the development of its biennial budget are to:

- Further the City's mission, vision, and values (attached for reference);
- Establish a comprehensive financial plan that supports the provision of high-quality services that are responsive to community priorities and desires in an effective and efficient manner;
- Strike a balance between maintaining fiscal health and continuing to provide programs and services to the City's many and varied customers. Striking this balance is important both in times of financial difficulty and in times of financial growth.

### **The City's Budget Development Policies**

- The Proposed Budget from the City Manager and the Adopted Budget by the City Council shall be balanced and comply with all legal requirements.
- The City's mission, vision, and values and the City Council's priorities and direction shall be used by departments to strategically guide the budget development process. Departments should tie goals and funding requests to the City's priorities, mission, and/or vision.
- When faced with financial difficulty, the City should identify budget-balancing strategies that address both short- and long-term budget gaps, while also minimizing the impact of budget reductions to the community and City employees. In instances in which the Long Term Financial Forecast projects budget shortfalls in future years, a multi-year budget balancing approach should be considered (i.e. long-term gaps may not feasibly be closed in a single budget cycle).
- During times of financial recovery and growth, it is important that the City remains adaptable to changing conditions and is able to regenerate in the face of setbacks. Under these circumstances, the City aims to strike a balance between long-term financial security, programs and services, and employee compensation.
- Budget reductions shall be evaluated on a case-by-case basis in a manner that is consistent with the City's policies and priorities. Departments will prioritize their services and propose reductions in areas that are less effective in achieving Council and Department goals and associated outcomes. Departments should also consider the potential effects to interrelated programs when evaluating potential reductions.

- Requests for budget augmentations should include a clear description of targeted outcomes in as measurable terms as possible.
- When requesting the addition of new programs, services, or resources, non-General Funds should be pursued first, offsetting fee revenue second (if applicable), and the General Fund last.

### **The City's Financial Planning Policies**

- One-time funding sources should be used for one-time expenditures. Annual budgets should not become overly reliant upon cyclical, unreliable, or one-time revenues. During economic downturns and budgetary contractions, the use of reserves (e.g. rainy day funds or other reserves) may be used to ease the transition to downsized or reorganized operations.
- The funding of reserves, designations, and contingencies is essential to the long-term fiscal health of the City. To the extent possible, the budget should comply with the City's policies and related resolutions, including:
  - Use of One-Time Revenues and General Fund Surpluses
  - Fund Balance Policy
  - Establishing the Classifications of Fund Balance
- The City may consider the judicious use of debt financing for one-time capital projects. In these instances, the City shall strive for a AAA bond rating to achieve the lowest rates available; and overall, debt service shall be kept to 5% or less of the annual General Fund Operating Budget. Capital projects financed through debt shall be paid back within a period not to exceed the useful life of the projec

**Section B**

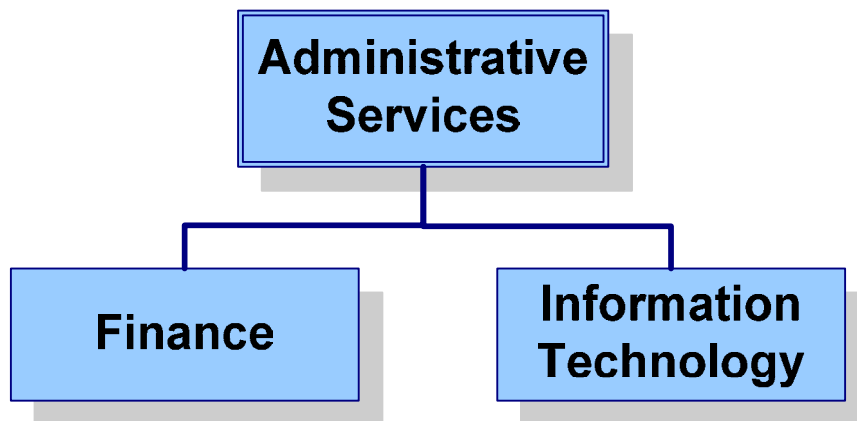
**OPERATING DEPARTMENTS**

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# **ADMINISTRATIVE SERVICES DEPARTMENT**

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## ADMINISTRATIVE SERVICES

The mission of the Administrative Services Department is to serve as the central administrative body of the City organization, supporting all departments as well as serving the public. This department provides expertise, support, service, and management of Finance/Budget and Information Technology.

### Brief Description of Department Divisions:

The department oversees the City's financial, technology, and administrative functions, including accounting, budgeting, business licenses, treasury management, purchasing, information technology, and telecommunications.

### Department Financial Summary FY 2018-20

	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
<b>REVENUE</b>					
General Fund Revenue:	825,022	818,873	818,873	1,076,769	1,076,769
Other Fund Revenue:					
Equipment Replacement - IT Fund	1,025,228	861,000	861,000	881,000	864,500
<b>Total All Funds Revenues</b>	<b>\$ 1,850,250</b>	<b>\$ 1,679,873</b>	<b>\$ 1,679,873</b>	<b>\$ 1,957,769</b>	<b>\$ 1,941,269</b>
% Change from Prior Year Adopted			0%	17%	-1%
<b>EXPENSE</b>					
General Fund Expenditures:					
Salaries & Wages	\$ 2,236,075	\$ 2,028,669	\$ 2,028,669	\$ 2,256,667	\$ 2,333,232
Benefits	945,466	1,073,831	1,073,831	1,193,516	1,305,805
Non-Personnel	1,719,490	1,774,421	1,774,422	2,030,019	2,004,888
<b>Total General Fund Expenditures</b>	<b>\$ 4,901,030</b>	<b>\$ 4,876,921</b>	<b>\$ 4,876,921</b>	<b>\$ 5,480,202</b>	<b>\$ 5,643,926</b>
Other Fund Expenditures:					
Equipment Replacement - IT Fund	1,548,496	833,000	1,630,396	1,263,445	1,196,382
<b>Total All Funds Expenditures</b>	<b>\$ 6,449,526</b>	<b>\$ 5,709,921</b>	<b>\$ 6,507,317</b>	<b>\$ 6,743,647</b>	<b>\$ 6,840,308</b>
% Change from Prior Year Adopted			14%	18%	1%
<b>GENERAL FUND COST RECOVERY</b>					
General Fund Expenditure Totals	\$ 4,901,030	\$ 4,876,921	\$ 4,876,921	\$ 5,480,202	\$ 5,643,926
General Fund Department Revenue Totals	825,022	818,873	818,873	1,076,769	1,076,769
<b>Net Department Budget</b>	<b>\$ 4,076,008</b>	<b>\$ 4,058,048</b>	<b>\$ 4,058,048</b>	<b>\$ 4,403,434</b>	<b>\$ 4,567,157</b>
Cost Recovery %	17%	17%	17%	20%	19%
<b>AUTHORIZED POSITIONS (FTE)</b>					
Funded FTEs	22.50	22.50	22.50	22.50	22.50
Limited Duration Positions	2.00	2.00	2.00	0.00	0.00
<b>Total FTEs</b>	<b>24.50</b>	<b>24.50</b>	<b>24.50</b>	<b>22.50</b>	<b>22.50</b>

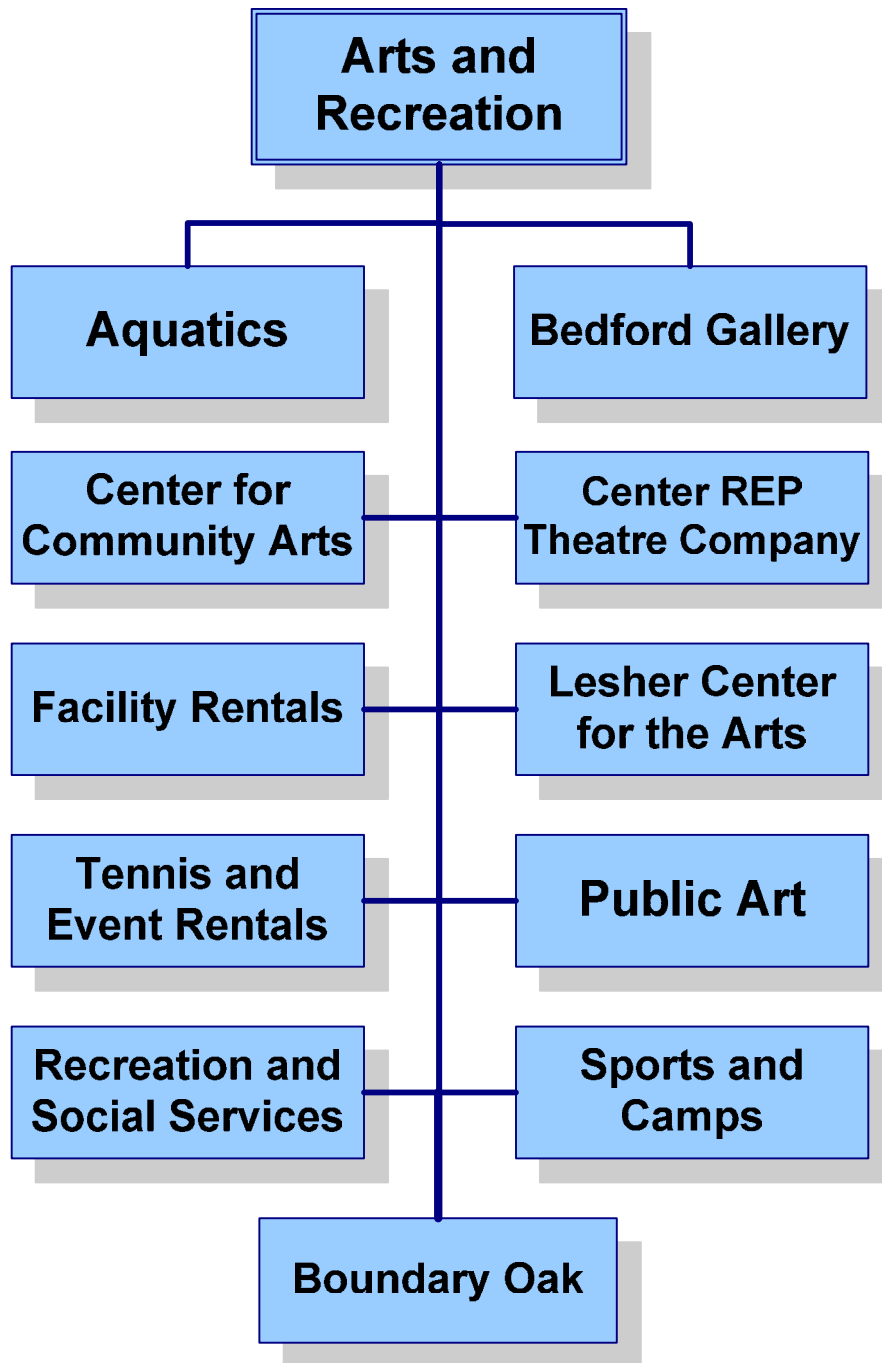
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# ARTS & RECREATION DEPARTMENT

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## ARTS & RECREATION

The mission of the department is to create a better community through the collaborative delivery of services that strengthen heart, mind, and body.

### Brief Description of Department Divisions:

The Arts and Recreation Department consists of 10 programmatic divisions shown in the list below, as well as the Arts and Recreation Administration Division and the Boundary Oak Golf Course, which operates as an enterprise fund.

- Aquatics
- Leshner Center for the Arts
- Bedford Gallery
- Tennis and Event Rentals
- Center for Community Arts
- Public Art
- Center REPeritory Theatre Company
- Recreation and Social Services
- Facility Rentals
- Sports and Camps

### Department Financial Summary FY 2018-20

REVENUE	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
General Fund Revenue:	11,249,736	11,112,412	11,132,412	11,666,874	11,775,202
Other Fund Revenue:					
In-Lieu Art	3,467	51,000	51,000	51,000	51,000
Grants	22,916	0	0	0	0
Downtown Parking & Enhancement	0	0	0	800	800
Golf Course Debt Service	199,955	225,960	225,960	329,955	329,956
Golf Course - City Operations	36,258	5,000	5,000	37,800	37,800
Boundary Oak Golf Course - Contract Ops	5,494,651	5,804,142	5,804,142	5,668,614	6,052,173
Equipment Replacement - Leshner	514	0	0	0	0
<b>Total All Funds Revenues</b>	<b>\$ 17,007,497</b>	<b>\$ 17,198,514</b>	<b>\$ 17,218,514</b>	<b>\$ 17,755,043</b>	<b>\$ 18,246,931</b>
% Change from Prior Year Adopted			0%	3%	3%

EXPENSE	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
General Fund Expenditures:					
Salaries & Wages	\$ 5,904,212	\$ 6,441,185	\$ 6,441,185	\$ 6,707,865	\$ 6,851,353
Benefits	2,253,501	2,566,555	2,566,555	2,687,278	2,897,728
Non-Personnel	7,835,663	8,162,445	8,000,445	8,613,775	8,564,196
<b>Total General Fund Expenditures</b>	<b>\$ 15,993,376</b>	<b>\$ 17,170,186</b>	<b>\$ 17,008,186</b>	<b>\$ 18,008,918</b>	<b>\$ 18,313,278</b>

Other Fund Expenditures:					
Grants	56,616	0	0	0	0
Downtown Parking & Enhancement	0	0	0	37,000	35,600
Golf Course Construction	7,279	0	0	158,400	0
Golf Course Debt Service	73,769	225,960	225,960	329,955	329,955
Golf Course - City Operations	460,485	578,030	610,302	667,548	754,761
Boundary Oak Golf Course - Contract Ops	4,921,192	4,880,642	4,880,642	5,011,620	5,239,788
Equipment Replacement - Leshner	5,936	0	0	0	0
Total Other Funds Expenditures	5,525,277	5,684,632	5,716,904	6,204,523	6,360,105
<b>Total All Funds Expenditures</b>	<b>\$ 21,518,653</b>	<b>\$ 22,854,818</b>	<b>\$ 22,725,090</b>	<b>\$ 24,213,441</b>	<b>\$ 24,673,382</b>
% Change from Prior Year Adopted			-1%	6%	2%

**ARTS & RECREATION (continued)**

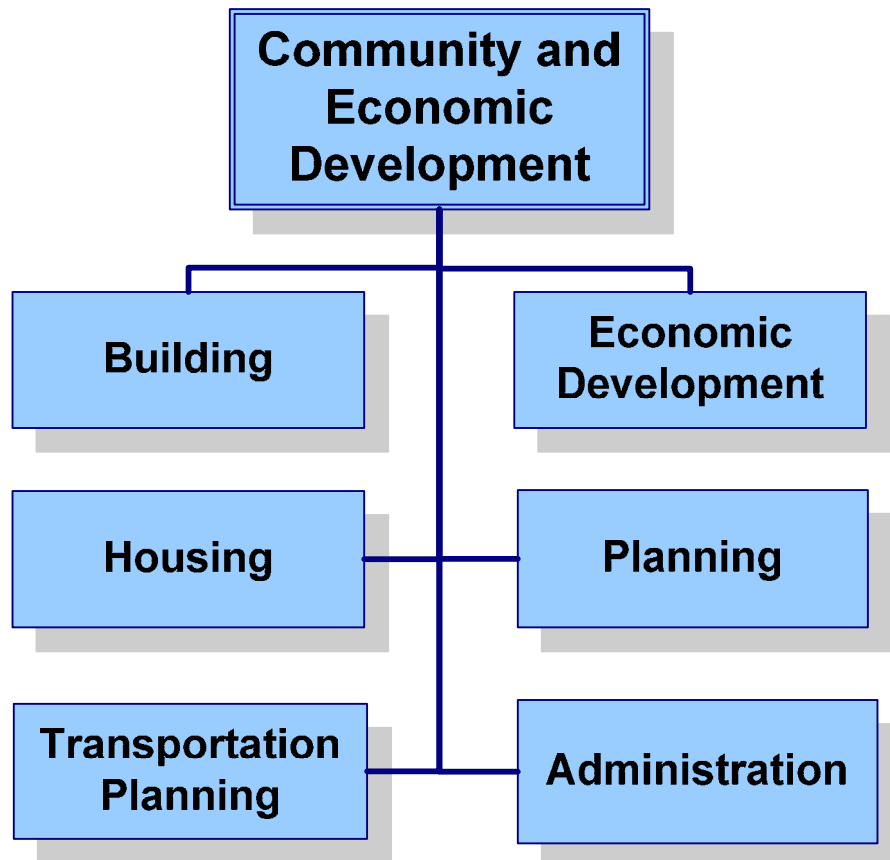
**Department Financial Summary FY 2018-20 (continued)**

	<b>Actual 2016-17</b>	<b>Adopted 2017-18</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>GENERAL FUND COST RECOVERY</b>					
General Fund Expenditure Totals	\$ 15,993,376	\$ 17,170,186	\$ 17,008,186	\$ 18,008,918	\$ 18,313,278
General Fund Department Revenue Totals	11,249,736	11,112,412	11,132,412	11,666,874	11,775,202
<b>Net Department Budget</b>	<b>\$ 4,743,641</b>	<b>\$ 6,057,774</b>	<b>\$ 5,875,774</b>	<b>\$ 6,342,044</b>	<b>\$ 6,538,076</b>
Cost Recovery %	70%	65%	65%	65%	64%
	<b>Actual 2016-17</b>	<b>Adopted 2017-18</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>AUTHORIZED POSITIONS (FTE)</b>					
Funded FTEs	54.00	54.00	54.00	54.50	54.50
Limited Duration Positions	1.00	1.00	1.00	1.00	0.00
<b>Total FTEs</b>	<b>55.00</b>	<b>55.00</b>	<b>55.00</b>	<b>55.50</b>	<b>54.50</b>

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# COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

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## COMMUNITY & ECONOMIC DEVELOPMENT (CED)

The Mission of the Department is to enhance the quality of life in Walnut Creek by ensuring a safe, desirable environment while promoting the unique character of the community.

### Brief Description of Department Divisions:

The Department includes the following divisions: Building, Economic Development, Housing, Planning, Transportation Planning, and Administration.

### Department Financial Summary FY 2018-20

REVENUE	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
General Fund Revenue:	7,812,782	7,054,954	7,054,954	7,129,327	6,695,289
Other Fund Revenue:					
General Plan Update	187,159	128,000	128,000	198,000	198,000
CDBG	556,429	364,000	597,160	463,000	260,000
Local Street & MTC - Measure J	6,018	160,441	160,441	160,441	160,441
Core Area	0	700	700	0	0
Commercial Linkage Housing	72,274	1,201,000	1,201,000	1,711,150	201,000
Affordable Housing	80,354	2,120	2,120	8,850	8,200
Inclusionary Housing	1,816,158	2,253,000	2,253,000	2,520,000	2,523,000
Housing Successor Agency	213,203	66,000	265,000	91,500	88,750
Downtown Parking & Enhancement	0	3,750	3,750	0	3,750
Shadelands Property & Business Improvement District*	395,496	385,000	385,000	0	0
RDA Obligation Retirement	633,369	662,000	662,000	276,136	271,630
<b>Total All Funds Revenues</b>	<b>\$ 11,773,244</b>	<b>\$ 12,280,965</b>	<b>\$ 12,713,125</b>	<b>\$ 12,558,404</b>	<b>\$ 10,410,060</b>
% Change from Prior Year Adopted			4%	2%	-17%
<b>EXPENSE</b>	<b>Actual 2016-17</b>	<b>Adopted 2017-18</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
General Fund Expenditures:					
Salaries & Wages	\$ 3,542,510	\$ 3,591,411	\$ 3,591,411	\$ 3,573,696	\$ 3,570,983
Benefits	1,582,952	1,693,250	1,693,250	1,808,382	1,933,920
Non-Personnel	2,218,113	2,194,458	2,194,458	2,055,179	1,919,514
<b>Total General Fund Expenditures</b>	<b>\$ 7,343,575</b>	<b>\$ 7,479,119</b>	<b>\$ 7,479,119</b>	<b>\$ 7,437,257</b>	<b>\$ 7,424,417</b>
Other Fund Expenditures:					
General Plan Update	1,687	50,000	50,000	125,291	128,454
CDBG	335,857	365,078	543,160	463,000	260,000
Grants	23,052	0	9,086	0	0
Commercial Linkage Housing	0	1,200,000	2,900,000	1,700,000	200,000
Affordable Housing	384,145	379,417	582,103	592,237	572,695
Inclusionary Housing	4,667,198	2,048,636	3,019,328	3,162,466	2,465,552
Housing Successor Agency	369,063	56,985	138,897	363,616	65,055
Downtown Parking & Enhancement	496,107	438,964	438,964	498,929	517,333
Shadelands Property & Business Improvement District*	391,616	375,000	375,000	0	0
RDA Obligation Retirement	29,648	87,383	87,383	30,040	28,040
Total Other Funds Expenditures	6,698,373	5,001,464	8,143,921	6,935,578	4,237,128
<b>Total All Funds Expenditures</b>	<b>\$ 14,041,948</b>	<b>\$ 12,480,583</b>	<b>\$ 15,623,040</b>	<b>\$ 14,372,835</b>	<b>\$ 11,661,545</b>
% Change from Prior Year Adopted			25%	15%	-19%

\* Effective FY 2018-19, the Economic Development Manager position has been moved from Community & Economic Development to General Government.

**COMMUNITY & ECONOMIC DEVELOPMENT (Continued)**

**Department Financial Summary FY 2018-20 (continued)**

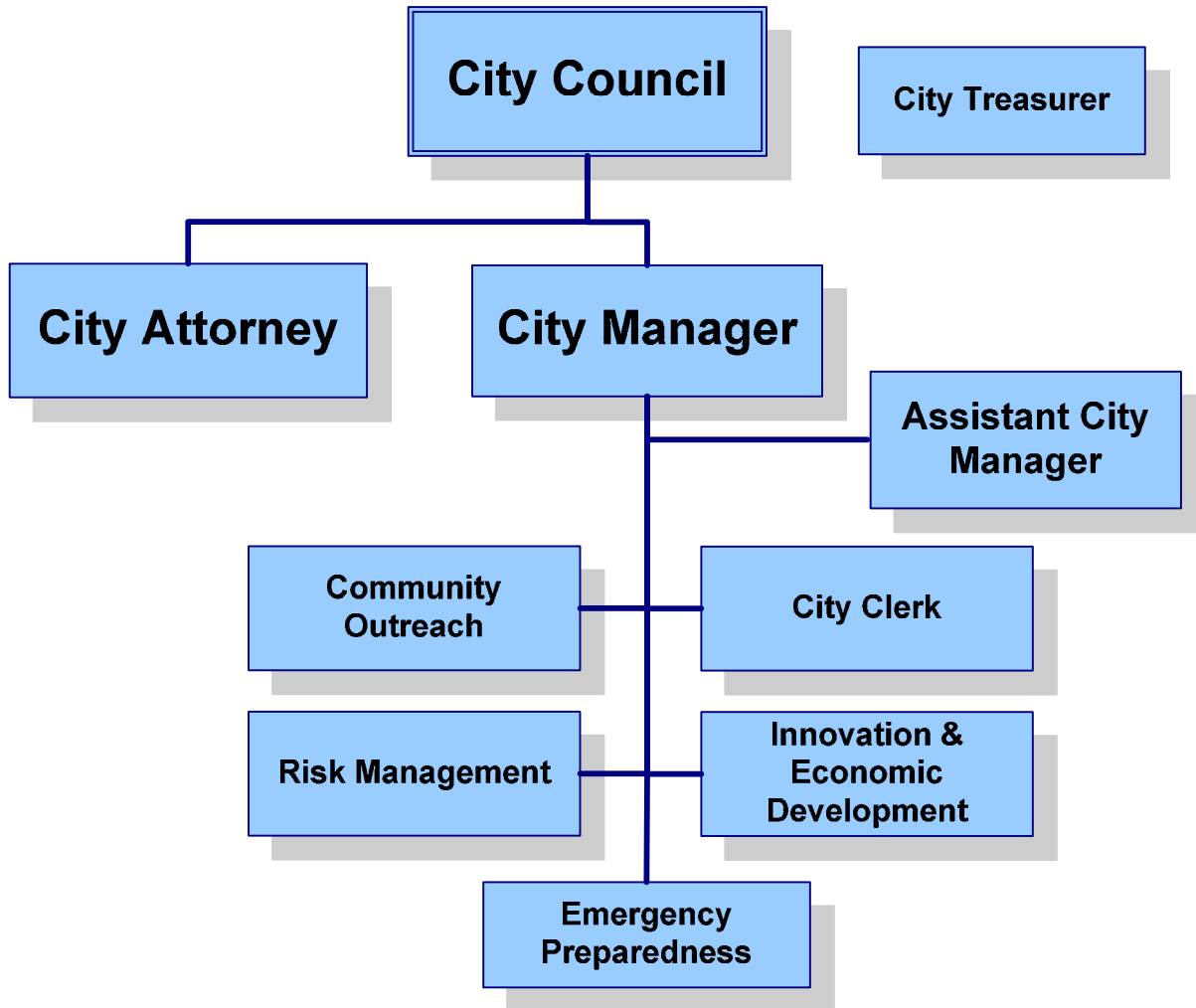
	<b>Actual 2016-17</b>	<b>Adopted 2017-18</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>GENERAL FUND COST RECOVERY</b>					
General Fund Expenditure Totals	\$ 7,343,575	\$ 7,479,119	\$ 7,479,119	\$ 7,437,257	\$ 7,424,417
General Fund Department Revenue Totals	7,812,782	7,054,954	7,054,954	7,129,327	6,695,289
<b>Net Department Budget</b>	<b>\$ (469,207)</b>	<b>\$ 424,165</b>	<b>\$ 424,165</b>	<b>\$ 307,930</b>	<b>\$ 729,128</b>
Cost Recovery %	106%	94%	94%	96%	90%
	<b>Actual 2016-17</b>	<b>Adopted 2017-18</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>AUTHORIZED POSITIONS (FTE)</b>					
Funded FTEs	37.00	37.00	37.00	36.00	36.00
Limited Duration Positions	4.00	4.00	4.00	2.50	0.50
<b>Total FTEs</b>	<b>41.00</b>	<b>41.00</b>	<b>41.00</b>	<b>38.50</b>	<b>36.50</b>



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# GENERAL GOVERNMENT

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## GENERAL GOVERNMENT

The mission of General Government is to provide an overall legislative and administrative framework from which the various functions of the city government receive direction in performing and providing services to the community.

### Brief Description of Department Divisions:

The divisions included in the General Government category include City Council, City Manager, City Attorney, City Clerk, Mail Services, Economic Development, City Treasurer, Community Outreach, Risk Management, and Emergency Preparedness.

### Department Financial Summary FY 2018-20

	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
<b>REVENUE</b>					
General Fund Revenue:	275,826	283,915	283,915	260,640	260,640
Other Fund Revenue:					
Peg Access Fees	405,254	326,868	326,868	341,868	341,868
Comcast Technology Grants	5,350	3,500	3,500	3,500	3,500
Downtown Parking & Enhancement	1,620,183	1,500,000	1,500,000	1,662,000	1,650,000
Shadelands Property & Business Improvement District*	0	0	0	390,000	390,000
<b>Total All Funds Revenues</b>	<b>\$ 2,306,613</b>	<b>\$ 2,114,283</b>	<b>\$ 2,114,283</b>	<b>\$ 2,658,008</b>	<b>\$ 2,646,008</b>
% Change from Prior Year Adopted			0%	26%	0%
<b>EXPENSE</b>					
General Fund Expenditures:					
Salaries & Wages	\$ 1,787,960	\$ 1,573,970	\$ 1,573,970	\$ 1,769,640	\$ 1,800,502
Benefits	417,083	739,055	739,055	701,445	767,931
Non-Personnel	3,396,663	3,474,388	3,754,388	3,756,715	3,709,366
<b>Total General Fund Expenditures</b>	<b>\$ 5,601,705</b>	<b>\$ 5,787,413</b>	<b>\$ 6,067,413</b>	<b>\$ 6,227,801</b>	<b>\$ 6,277,799</b>
Other Fund Expenditures:					
Peg Access Fees	350,818	372,058	373,747	364,923	373,323
Comcast Technology Grants	30,820	30,945	30,945	31,750	32,575
Downtown Parking & Enhancement	1,084,060	1,153,350	1,246,350	1,169,981	1,208,064
Shadelands Property & Business Improvement District*	0	0	0	386,100	386,100
Total Other Funds Expenditures	1,465,698	1,556,352	1,651,041	1,952,754	2,000,062
<b>Total All Funds Expenditures</b>	<b>\$ 7,067,403</b>	<b>\$ 7,343,766</b>	<b>\$ 7,718,455</b>	<b>\$ 8,180,555</b>	<b>\$ 8,277,861</b>
% Change from Prior Year Adopted			5%	11%	1%
<b>GENERAL FUND COST RECOVERY</b>					
General Fund Expenditure Totals	\$ 5,601,705	\$ 5,787,413	\$ 6,067,413	\$ 6,227,801	\$ 6,277,799
General Fund Department Revenue Totals	275,826	283,915	283,915	260,640	260,640
<b>Net Department Budget</b>	<b>\$ 5,325,880</b>	<b>\$ 5,503,498</b>	<b>\$ 5,783,498</b>	<b>\$ 5,967,161</b>	<b>\$ 6,017,159</b>
Cost Recovery %	5%	5%	5%	4%	4%
<b>AUTHORIZED POSITIONS (FTE)</b>					
City Council ( <i>elected</i> )	5.0	5.0	5.0	5.0	5.0
City Treasurer ( <i>elected</i> )	1.0	1.0	1.0	1.0	1.0
Funded FTEs*	12.5	12.5	12.5	13.5	13.5
Limited Duration Positions	1.0	1.0	1.0	0.0	0.0
<b>Total FTEs</b>	<b>19.5</b>	<b>19.5</b>	<b>19.5</b>	<b>19.5</b>	<b>19.5</b>

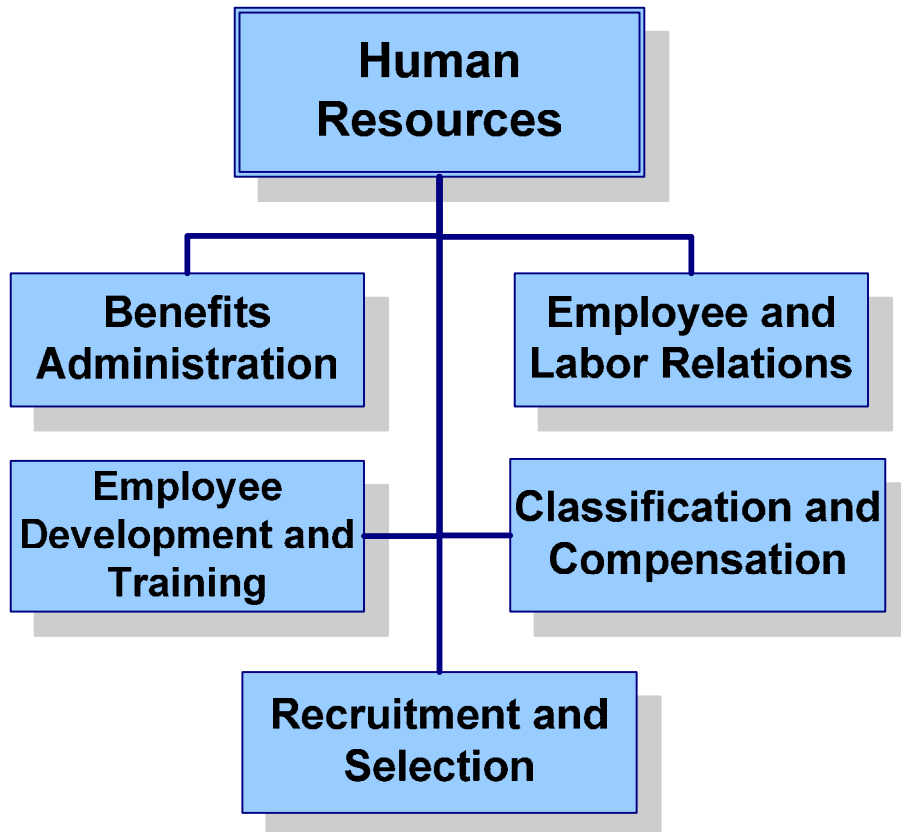
\* Effective FY 2018-19, the Economic Development Manager position has been moved from Community and Economic Development to General Government.

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# HUMAN RESOURCES DEPARTMENT

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## HUMAN RESOURCES

The mission of the Human Resources Department is to Support the Organization in Meeting the Service Needs of the Community through the City’s most valuable resource: \*OUR PEOPLE\*

**Brief Description of Department Divisions:**

The Human Resources Department is committed to provide professional guidance and expertise in the areas of Benefits Administration, Employee and Labor Relations, Employee Development and Training, Recruitment and Selection, and Classification and Compensation. The team is focused on cultivating positive working relationships by creating and enhancing valuable services that attract, develop, and retain a talented and diverse workforce, all to better serve our Community.

**Department Financial Summary FY 2018-20**

	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
<b>REVENUE</b>					
General Fund Revenue:	0	0	0	0	0
Other Fund Revenue:	0	0	0	0	0
<b>Total All Funds Revenues</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
<b>EXPENSE</b>					
General Fund Expenditures:					
Salaries & Wages	\$ 596,401	\$ 665,971	\$ 665,971	\$ 741,268	\$ 763,993
Benefits	223,771	307,020	307,020	337,900	371,303
Non-Personnel	356,014	452,828	452,828	473,193	443,134
<b>Total General Fund Expenditures</b>	<b>\$ 1,176,187</b>	<b>\$ 1,425,819</b>	<b>\$ 1,425,819</b>	<b>\$ 1,552,361</b>	<b>\$ 1,578,430</b>

Other Fund Expenditures:					
Total Other Funds Expenditures	0	0	0	0	0
<b>Total All Funds Expenditures</b>	<b>\$ 1,176,187</b>	<b>\$ 1,425,819</b>	<b>\$ 1,425,819</b>	<b>\$ 1,552,361</b>	<b>\$ 1,578,430</b>
% Change from Prior Year Adopted			0%	9%	2%

	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
<b>GENERAL FUND COST RECOVERY</b>					
General Fund Expenditure Totals	\$ 1,176,187	\$ 1,425,819	\$ 1,425,819	\$ 1,552,361	\$ 1,578,430
General Fund Department Revenue Totals	0	0	0	0	0
<b>Net Department Budget</b>	<b>\$ 1,176,187</b>	<b>\$ 1,425,819</b>	<b>\$ 1,425,819</b>	<b>\$ 1,552,361</b>	<b>\$ 1,578,430</b>
Cost Recovery %	0%	0%	0%	0%	0%

	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
<b>AUTHORIZED POSITIONS (FTE)</b>					
Funded FTEs	6.50	6.50	6.50	6.50	6.50
Limited Duration Positions	1.00	1.00	1.00	1.00	0.00
<b>Total FTEs</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>	<b>7.50</b>	<b>6.50</b>

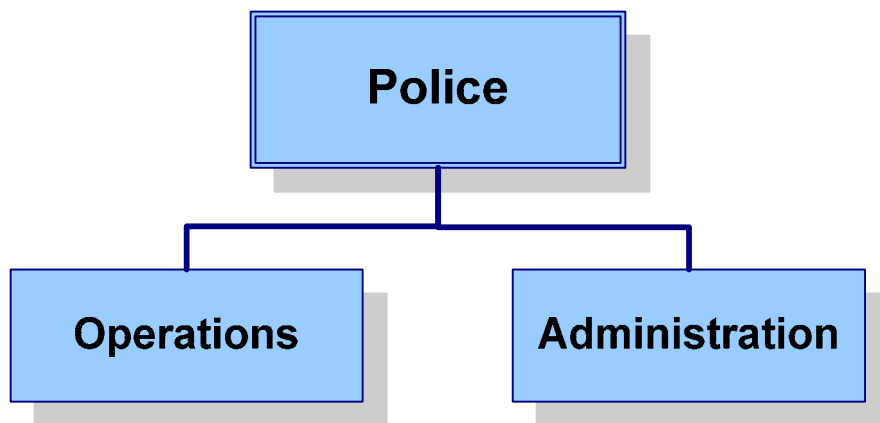
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# POLICE DEPARTMENT

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## POLICE

The Police Department is dedicated to assuring the security of people and property, and to improving the quality of life for those who live in or visit the City. The Department works with the public to provide immediate assistance in times of emergency. The Department is both proactive and reactive, and provides law enforcement, investigation, crime prevention, and other public services.

### Brief Description of Department Services:

The Department has two divisions: Operations and Administration. Traffic, Special Operations, and Patrol are in the Operations Division. Dispatch, Records, Training, Police Services, Administrative Services, and Investigations are in the Administration Division. Volunteers and Reserves also provide key assistance with several of these programs.

### Department Financial Summary FY 2018-20

	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
<b>REVENUE</b>					
General Fund Revenue:	2,357,908	2,402,656	2,402,656	1,209,523	1,171,523
Other Fund Revenue:					
Downtown Parking & Enhancement	1,578,726	1,800,000	1,800,000	2,920,133	2,963,133
Police Equipment Replacement	46,951	43,810	43,810	44,884	44,884
PERS Safety Side Fund Liability	1,824,298	1,904,298	1,904,298	1,992,283	0
SLESF	143,391	(100,000)	100,000	100,000	100,000
Grants	170,120	0	0	0	0
<b>Total All Funds Revenues</b>	<b>\$ 6,121,394</b>	<b>\$ 6,050,764</b>	<b>\$ 6,250,764</b>	<b>\$ 6,266,823</b>	<b>\$ 4,279,540</b>
% Change from Prior Year Adopted			3%	4%	-32%
<b>EXPENSE</b>					
General Fund Expenditures:					
Salaries & Wages	\$ 13,233,847	\$ 13,231,198	\$ 13,784,386	\$ 13,285,626	\$ 13,317,159
Benefits	6,882,463	7,354,627	7,354,627	7,211,250	8,079,900
Non-Personnel	5,221,320	5,946,665	5,821,879	6,094,759	4,129,947
<b>Total General Fund Expenditures</b>	<b>\$ 25,337,630</b>	<b>\$ 26,532,490</b>	<b>\$ 26,960,893</b>	<b>\$ 26,591,635</b>	<b>\$ 25,527,005</b>
Other Fund Expenditures:					
Downtown Parking & Enhancement	2,090,768	1,819,997	1,819,997	3,330,606	3,516,043
Police Equipment Replacement	207,041	26,081	87,991	81,607	86,887
PERS Safety Side Fund Liability	186,803	129,490	129,490	67,372	0
SLESF	151,221	146,758	146,758	122,543	158,807
Grants	170,120	0	0	0	0
<b>Total Other Funds Expenditures</b>	<b>2,805,954</b>	<b>2,122,326</b>	<b>2,184,236</b>	<b>3,602,128</b>	<b>3,761,738</b>
<b>Total All Funds Expenditures</b>	<b>\$ 28,143,584</b>	<b>\$ 28,654,817</b>	<b>\$ 29,145,129</b>	<b>\$ 30,193,763</b>	<b>\$ 29,288,743</b>
% Change from Prior Year Adopted			2%	5%	-3%
<b>GENERAL FUND COST RECOVERY</b>					
General Fund Expenditure Totals	\$ 25,337,630	\$ 26,532,490	\$ 26,960,893	\$ 26,591,635	\$ 25,527,005
General Fund Department Revenue Totals	2,357,908	2,402,656	2,402,656	1,209,523	1,171,523
<b>Net Department Budget</b>	<b>\$ 22,979,722</b>	<b>\$ 24,129,834</b>	<b>\$ 24,558,237</b>	<b>\$ 25,382,112</b>	<b>\$ 24,355,482</b>
Cost Recovery %	9%	9%	9%	5%	5%

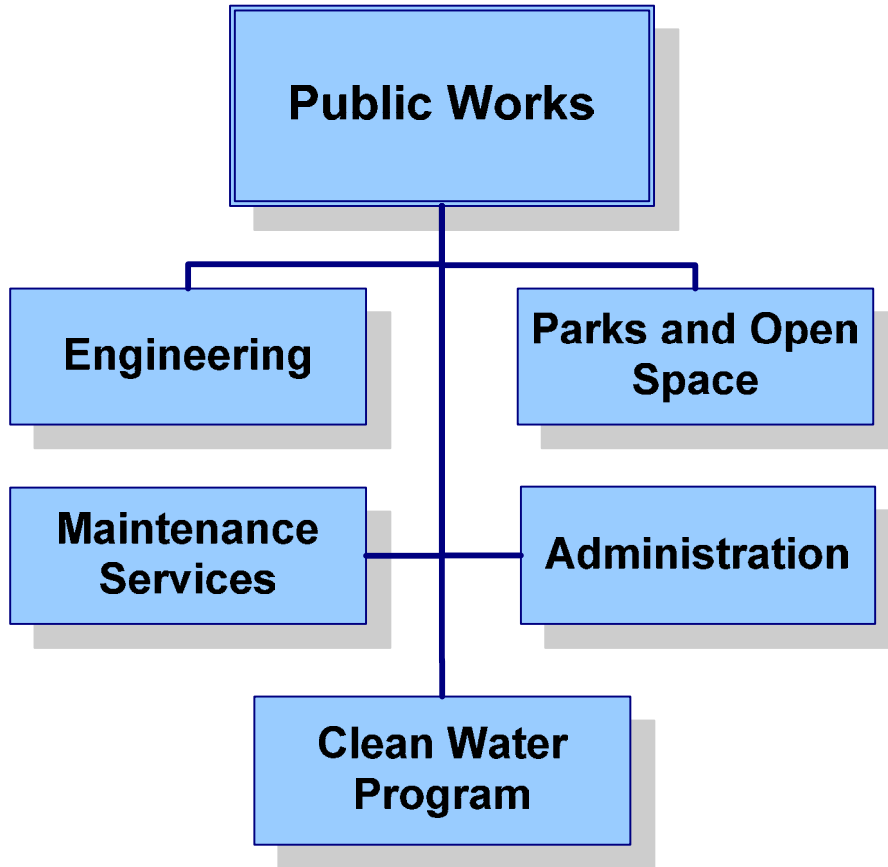
**POLICE** (Continued)**Department Financial Summary FY 2018-20** (continued)

<b>AUTHORIZED POSITIONS (FTE)</b>	<b>Actual 2016-17</b>	<b>Adopted 2017-18</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
Funded FTEs	122.00	122.00	122.00	122.00	122.00
Limited Duration Positions	0.00	0.00	0.00	0.00	0.00
<b>Total FTEs</b>	<b>122.00</b>	<b>122.00</b>	<b>122.00</b>	<b>122.00</b>	<b>122.00</b>

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# **PUBLIC WORKS DEPARTMENT**

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## PUBLIC WORKS

The primary mission of the Public Works Department is to preserve and maintain the City's infrastructure and natural resources. Utilizing a variety of funding sources, including working within the Capital Improvement Program budget, the Public Works Department manages the City's infrastructure, parks, and open space. The Engineering, Maintenance, and Parks divisions combine to form a highly effective team that insure the City is both functionally and aesthetically maintained.

### Brief Description of Department Divisions:

The Public Works Department is made up of the following divisions:

- Engineering Division, which includes: Special Event and Utility Project Management, Traffic Engineering, Capital Investment Program, and Current Development;
- Parks/Open Space Division, which includes: Urban Forestry, Open Space and Park Maintenance, and Graffiti Abatement;
- Maintenance Services Division, which includes: Streets, Equipment, Facilities, and Traffic Maintenance;
- Administration Division, which includes: Museums, Leases, Contract Management, Solid Waste Coordination, Safety, and Risk Management Training;
- The Clean Water Program, which includes Street Sweeping.

### Department Financial Summary FY 2018-20

REVENUE	Actual 2016-17	Adopted 2017-18	Revised 2017-18	Proposed 2018-19	Proposed 2019-20
General Fund Revenue:	10,231,132	10,323,646	10,120,917	9,414,624	9,714,267
Other Fund Revenue:					
Open Space	706,765	616,727	616,727	694,454	698,454
Gas Tax	1,210,494	1,386,456	1,467,141	1,824,467	1,824,467
NPDES	1,197,551	1,198,659	1,198,659	1,284,097	1,307,676
In-Lieu Underground	20,879	10,000	10,000	10,000	10,000
Storm Drain	5,928	2,500	2,500	2,500	2,500
In-Lieu Creek Restoration	3,154	21,200	21,200	1,200	1,200
In-Lieu Park	1,563,183	1,120,000	1,120,000	1,432,000	1,848,000
Alternative Energy	6,994	12,500	12,500	0	0
Tree Replacement	177,427	20,600	20,600	20,600	20,600
Downtown Parking & Enhancement	2,756,297	3,020,000	3,020,000	3,666,998	3,666,998
Shadelands Park Maintenance	45,252	5,000	5,000	10,000	10,000
Capital Projects Outside Funding	5,105,136	0	0	0	0
LID 31 N Locust Parking	1,024	500	500	500	500
LID 41 N Broadway Extension	10,474	4,000	4,000	4,000	4,000
Vehicle Replacement	948,543	886,972	886,972	962,425	968,102
Equipment Replacement-General Fund	23,383	7,000	7,000	7,000	7,000
Facilities Replacement	3,659	1,500	1,500	1,500	1,500
Major Roadway Construction	3,473	2,000	2,000	3,000	3,000
Assessment Districts 38, 41, 42	20,637	9,000	9,000	0	0
<b>Total All Funds Revenues</b>	<b>\$ 24,041,383</b>	<b>\$ 18,648,259</b>	<b>\$ 18,526,215</b>	<b>\$ 19,339,365</b>	<b>\$ 20,088,264</b>
% Change from Prior Year Adopted			-1%	4%	4%

**Department Financial Summary FY 2018-20** (continued)

<b>EXPENSE</b>	<b>Actual 2016-17</b>	<b>Adopted 2017-18</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>General Fund Expenditures:</b>					
Salaries & Wages	\$ 7,383,481	\$ 7,810,981	\$ 7,810,981	\$ 7,916,930	\$ 8,258,586
Benefits	3,495,405	4,096,983	4,096,983	4,698,136	5,089,072
Non-Personnel	10,090,460	9,428,613	9,578,271	10,116,067	10,088,378
<b>Total General Fund Expenditures</b>	<b>\$ 20,969,346</b>	<b>\$ 21,336,577</b>	<b>\$ 21,486,236</b>	<b>\$ 22,731,134</b>	<b>\$ 23,436,036</b>
<b>Other Fund Expenditures:</b>					
Open Space	1,353,786	1,388,998	1,503,856	1,320,031	1,363,550
NPDES	1,285,467	1,561,524	1,563,142	1,651,963	1,717,664
In-Lieu Park	0	0	0	73,991	75,866
Tree Replacement	0	5,433	5,433	5,575	5,720
Downtown Parking & Enhancement	1,688,074	1,794,907	1,945,767	1,747,435	1,809,554
Capital Investment Program	13,018,931	10,525,762	21,100,366	10,454,057	10,724,997
Vehicle Replacement	898,994	898,035	1,123,986	921,384	945,340
Equipment Replacement-General Fund	78,542	95,000	146,979	123,510	39,000
Facilities Replacement	4,700	0	0	0	0
Total Other Funds Expenditures	18,328,495	16,269,660	27,389,530	16,297,945	16,681,690
<b>Total All Funds Expenditures</b>	<b>\$ 39,297,840</b>	<b>\$ 37,606,237</b>	<b>\$ 48,875,765</b>	<b>\$ 39,029,079</b>	<b>\$ 40,117,726</b>
% Change from Prior Year Adopted			30%	4%	3%
<b>GENERAL FUND COST RECOVERY</b>					
General Fund Expenditure Totals	\$ 20,969,346	\$ 21,336,577	\$ 21,486,236	\$ 22,731,134	\$ 23,436,036
General Fund Department Revenue Totals	10,231,132	10,323,646	10,120,917	9,414,624	9,714,267
<b>Net Department Budget</b>	<b>\$ 10,738,214</b>	<b>\$ 11,012,931</b>	<b>\$ 11,365,319</b>	<b>\$ 13,316,510</b>	<b>\$ 13,721,769</b>
Cost Recovery %	49%	48%	47%	41%	41%
<b>AUTHORIZED POSITIONS (FTE)</b>					
Funded FTEs	107.00	107.00	107.00	107.00	107.00
Limited Duration Positions	4.00	4.00	4.00	3.50	3.50
<b>Total FTEs</b>	<b>111.00</b>	<b>111.00</b>	<b>111.00</b>	<b>110.50</b>	<b>110.50</b>



**Section C**

**OTHER FUNDS**

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## BOUNDARY OAK ENTERPRISE

The Arts and Recreation Department has responsibility for fiscal and operational oversight of the Boundary Oak Golf Course (BOGC). Opened in 1969, the golf course is a full service, 18-hole championship course with multiple practice areas, a driving range, and a 30,000-square-foot clubhouse. The clubhouse houses the golf shop, cart barn, and Golfer’s Grille on the lower level, and banquet and special event rooms on the upper level. CourseCo, Inc. operates BOGC under a management contract, which began in 2009 and was renewed in 2014.

The Boundary Oak Golf Course operates as a self-supporting City enterprise independent of the City’s General Fund. Revenues generated by golf and food and beverage operations fund Boundary Oak’s operating expenses, capital improvements, support services, and debt service.

	<b>Actual FY 2017</b>	<b>Revised FY 2018</b>	<b>Proposed FY 2019</b>	<b>Proposed FY 2020</b>
<b>Revenues</b>				
City Operations Fund	\$ 736,258	\$ 928,501	\$ 661,057	\$ 850,185
Contract Operations Fund	5,494,651	5,804,142	5,668,614	6,052,173
Debt Service Fund	199,955	225,960	329,955	329,956
<b>Total Revenues/Transfers In</b>	<b>\$ 6,430,864</b>	<b>\$ 6,958,603</b>	<b>\$ 6,659,626</b>	<b>\$ 7,232,314</b>
<b>Expenditures</b>				
City Operations Fund				
Salaries	\$ 79,085	\$ 82,285	\$ 84,641	\$ 86,963
Benefits	22,530	10,808	12,669	13,421
Non-Personnel	358,870	517,210	570,238	654,378
Contract Operations Fund				
Non-Personnel	4,921,192	4,880,642	5,011,620	5,239,788
Debt Service Fund				
Non-Personnel	73,769	225,960	329,955	329,955
Construction Fund				
Non-Personnel	7,279	0	158,400	0
<b>Total Expenditures/Transfers</b>	<b>\$ 5,462,725</b>	<b>\$ 5,716,904</b>	<b>\$ 6,167,523</b>	<b>\$ 6,324,505</b>
<b>Surplus/(Deficit)</b>	<b>\$ 968,139</b>	<b>\$ 1,241,699</b>	<b>\$ 492,103</b>	<b>\$ 907,809</b>
<b>Total Staffing (FTE)</b>		<b>Actual 2016-18</b>	<b>Proposed 2018-20</b>	
Funded FTEs (included in total staffing summary)		0.14	0.14	

## DOWNTOWN PARKING AND ENHANCEMENT ENTERPRISE

Per the City's Parking Ordinance, the Downtown Parking Enterprise and Enhancement Fund (Parking Fund) uses parking revenues to support parking operations and infrastructure and Downtown enhancements within the Downtown Parking Meter Zone. This includes management and maintenance of three City Garages; operation and maintenance of 1,600 parking meters; parking enforcement; maintenance of infrastructure (garage elevators, sidewalk, and crosswalk repair); Downtown landscaping and beautification; Downtown Public Safety; free Downtown Trolley (Routes 4 and 5); and Downtown events.

	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>Revenues</b>				
Rental and Garage Revenue	1,634,725	1,500,000	1,662,000	1,650,000
Licenses and Permits	24,145	20,000	20,000	20,000
Fines and Revenue	4,357,567	4,657,000	6,492,131	6,467,131
Charges for Services	59,130	146,750	100,800	147,550
Interest	59,825	15,000	15,000	15,000
<b>Net Revenues</b>	<b>\$ 6,135,393</b>	<b>\$ 6,338,750</b>	<b>\$ 8,289,931</b>	<b>\$ 8,299,681</b>
<b>Expenditures</b>				
<b>Salaries</b>				
Community and Economic Development	797	44,346	46,924	50,766
Public Works	478,967	569,713	525,350	542,285
Police	887,901	854,208	1,543,498	1,617,954
Arts and Recreation	0	0	9,200	8,000
General Government	61,842	122,168	83,205	88,331
<b>Total Salaries</b>	<b>\$ 1,429,507</b>	<b>\$ 1,590,434</b>	<b>\$ 2,208,176</b>	<b>\$ 2,307,337</b>
<b>Benefits</b>				
Community and Economic Development	260	21,883	28,980	32,522
Public Works	260,099	300,493	287,138	307,092
Police	422,860	511,417	958,591	1,065,966
General Government	26,651	42,773	19,249	20,405
<b>Total Benefits</b>	<b>\$ 709,871</b>	<b>\$ 876,565</b>	<b>\$ 1,293,958</b>	<b>\$ 1,425,986</b>
<b>Non-Personnel</b>				
Professional/Contractual Services	2,727,547	2,395,330	2,755,985	2,811,827
Service & Supplies	349,044	444,089	349,490	359,889
Interfund Charges	143,041	144,659	176,342	181,554
Depreciation	657,377	0	0	0
Transfers Out	1,153,000	643,000	716,450	408,000
<b>Total Non-Personnel</b>	<b>\$ 5,030,008</b>	<b>\$ 3,627,078</b>	<b>\$ 3,998,267</b>	<b>\$ 3,761,270</b>
<b>Total Expenditures</b>	<b>\$ 7,169,386</b>	<b>\$ 6,094,078</b>	<b>\$ 7,500,401</b>	<b>\$ 7,494,593</b>
<b>Operating Surplus/(Deficit)</b>	<b>\$ (1,033,993)</b>		<b>\$ 789,530</b>	<b>\$ 805,088</b>
<i>Reserve Allocation</i>	<i>\$ 0</i>		<i>\$ 684,880</i>	<i>\$ 409,258</i>
<b>Surplus/(Deficit) After Reserve Allocation</b>	<b>\$ (1,033,993)</b>		<b>\$ 104,650</b>	<b>\$ 395,830</b>
<b>Total Staffing (FTE)</b>		<b>Actual 2016-18</b>	<b>Proposed 2018-20</b>	
Funded FTEs (included in total staffing summary)		20.10	25.35	

## INTERNAL SERVICE FUNDS

The Internal Service Funds account for activities that provide goods or services to other City funds, departments, or agencies on a cost reimbursement basis. The combined total of all internal service funds are shown on the Proprietary Fund Financial Statements.

### Vehicle Replacement Fund

	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>Revenues</b>				
Interdepartmental Transfers (IDTs)	\$ 936,601	\$ 882,972	\$ 952,425	\$ 958,102
Interest Earnings	11,941	4,000	10,000	10,000
Total Operating Revenues	<u>948,543</u>	<u>886,972</u>	<u>962,425</u>	<u>968,102</u>
Other/Transfers In	76,735	7,208	0	0
<b>Total Revenues/Transfers In</b>	<b><u>\$ 1,025,278</u></b>	<b><u>\$ 894,180</u></b>	<b><u>\$ 962,425</u></b>	<b><u>\$ 968,102</u></b>
<b>Expenditures</b>				
Vehicle & Equipment Purchases	\$ 898,994	\$ 1,123,986	\$ 921,384	\$ 945,340
<b>Total Expenditures</b>	<b><u>\$ 898,994</u></b>	<b><u>\$ 1,123,986</u></b>	<b><u>\$ 921,384</u></b>	<b><u>\$ 945,340</u></b>
<b>Surplus/(Deficit)</b>	<b><u>\$ 126,283</u></b>	<b><u>\$ (229,806)</u></b>	<b><u>\$ 41,041</u></b>	<b><u>\$ 22,762</u></b>

### Police Equipment Replacement Fund

	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>Revenues</b>				
Interdepartmental Transfers (IDTs)	\$ 41,310	\$ 41,310	\$ 42,384	\$ 42,384
Interest Earnings	5,641	2,500	2,500	2,500
Total Operating Revenues	<u>46,951</u>	<u>43,810</u>	<u>44,884</u>	<u>44,884</u>
Other/Transfers In	10,000	0	0	0
<b>Total Revenues/Transfers In</b>	<b><u>\$ 56,951</u></b>	<b><u>\$ 43,810.00</u></b>	<b><u>\$ 44,884.00</u></b>	<b><u>\$ 44,884.00</u></b>
<b>Expenditures</b>				
Police Equipment Purchases	\$ 207,041	\$ 87,991	\$ 81,607	\$ 86,887
<b>Total Expenditures</b>	<b><u>\$ 207,041</u></b>	<b><u>\$ 87,991</u></b>	<b><u>\$ 81,607</u></b>	<b><u>\$ 86,887</u></b>
<b>Surplus/(Deficit)</b>	<b><u>\$ (160,091)</u></b>	<b><u>\$ (44,181)</u></b>	<b><u>\$ (36,723)</u></b>	<b><u>\$ (42,003)</u></b>

**INTERNAL SERVICE FUNDS** (continued)**Equipment Replacement Fund—General**

	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>Revenues</b>				
Interdepartmental Transfers (IDTs)	\$ 8,023	\$ 0	\$ 0	\$ 0
Interest Earnings	15,361	7,000	7,000	7,000
<b>Total Revenues</b>	<b>23,383</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>
<b>Expenditures</b>				
Equipment Purchases	\$ 78,542	\$ 146,979	\$ 123,510	\$ 39,000
Total Operating Expenditures	78,542	146,979	123,510	39,000
Other/Transfers Out	1,150,000			
<b>Total Expenditures</b>	<b>1,228,542</b>	<b>146,979</b>	<b>123,510</b>	<b>39,000</b>
<b>Surplus/(Deficit)</b>	<b>\$ (1,205,159)</b>	<b>\$ (139,979)</b>	<b>\$ (116,510)</b>	<b>\$ (32,000)</b>

The following ISF funds do not have any activity budgeted for the FY18-20 budget cycle:

- 630 Equipmt Replacmt LCA
- 650 Equipmt Replacmt Finance
- 670 Facilities Replacement
- 680 Major Roadway Reconstruction

**Section D**

**SUPPLEMENTAL INFORMATION**

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## FUND DESCRIPTIONS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

The City has 25 governmental funds, of which five are considered major funds for presentation purposes. The City's five major funds are: the **General Fund**, the **Housing Successor Agency Fund**, the **Housing Fund**, the **Community Development Block Grant Fund**, and the **Capital Investment Program Fund**.

**General Fund** – This fund is the City's primary operating fund. It accounts for all financial resources necessary to carry out basic governmental activities of the City which are not accounted for in another fund.

**Housing Successor Agency Fund** – This fund was established to account for the housing activities related to the restricted assets assumed by the City as Housing Successor of the former Redevelopment Agency of the City of Walnut Creek.

**Housing Fund** – This fund accounts for in lieu fees and other restricted funds to be used for affordable housing projects.

**Community Development Block Grants (CDBG)** – This fund accounts for federal grant receipts and related expenditures restricted for the primary purpose of developing viable communities.

**Capital Investment Program Fund** – This fund accounts for resources used for making capital improvements and funding large maintenance projects.

**Assessment Districts Group I Fund** accounts for the redemption of special assessment bonds issued for the purposes of acquisition and improvement in various Local Improvement Districts.

**Boundary Oak – Onsite Contract Operations Enterprise Fund** accounts for golf course and clubhouse operations run by a third-party operator for the Boundary Oak Golf Course.

**Downtown Parking and Enhancement Enterprise Fund** accounts for receipts from parking meter revenues to be used for funding parking structure improvements and for enhancement of the downtown area.

**IT Equipment Replacement Fund** accumulates funds for the replacement of personal computers, technology infrastructure and major software applications based upon their expected replacement cost and useful life.

**LCA Equipment Replacement Fund** has accumulated funds for the replacement of theater equipment. Funds are budgeted in the Arts and Recreation Department operating budget as they become available and are transferred to this fund.

***ASD Equipment Replacement Fund*** has accumulated available funds for the replacement of finance equipment based upon their expected replacement cost and useful life.

***General Equipment Replacement Fund*** accumulates funds for the replacement of worn and obsolete equipment other than vehicles based upon their expected useful life and replacement cost.

***Facilities Replacement Fund*** accumulates funds as they become available for the costs associated with the maintenance of all City facilities.

***Golf Course - City Administration Enterprise Fund*** accounts for the City administration of the Boundary Oak Golf Course and Clubhouse, and capital improvements made to the golf course and clubhouse, including any related debt service.

***Local Agency Investment Fund (LAIF)*** is an investment pool managed by the State of California in which the City participates. Investments in LAIF are subject to credit risk, with the full faith and credit of the State of California collateralizing these investments.

***Pension Trust Fund*** (City of Walnut Creek Section 115 Pension Trust) accumulates funds to provide for funding of pension, retiree health, and other post-employment benefits for the City's eligible retirees.

***PERS Safety Side Fund Liability Fund*** accounts for the repayment of an internal loan made for the early retirement of a portion of the public safety pension liability.

***Police Equipment (Radio) Fund*** accounts accumulate funds for the replacement of radio equipment on a regular basis. Funds are budgeted in operating budgets annually based upon expected useful life.

***RDA Successor Agency Debt Service Fund*** accounts for accumulation of resources to be used for payment of debt service on former Redevelopment Agency Merged Project Area Tax Allocation Bonds.

***Redevelopment Agency Obligation Retirement Fund*** accounts for the accumulation of resources to be used for payments at appropriate amounts and times in the future.

***Trust and Agency Fund*** accounts for assets held by the City as an agent for various organizations and activities.

***Vehicle Replacement Fund*** accumulates funds for the replacement of vehicles and other fleet equipment on a regular basis.

**Historical Comparison of Revenues by Fund**

	<b>Actual 2016-17</b>	<b>Adopted 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>General Fund</b>				
Property Taxes	21,595,755	22,636,859	23,845,257	24,780,250
Sales and Use Tax	24,021,800	24,429,587	24,523,300	25,038,500
Other Taxes	8,172,032	8,844,000	9,196,609	9,836,300
Interest Earnings	635,524	320,000	320,000	320,000
Other Revenue	293,442	139,342	166,874	228,991
Total Departmental Revenues	32,752,405	31,892,227	30,757,756	30,693,690
Transfer In From Other Funds	845,895	2,553,058	2,682,161	757,250
<b>Total General Fund Revenue &amp; Transfer In</b>	<b>\$ 88,316,853</b>	<b>\$ 90,815,073</b>	<b>\$ 91,491,957</b>	<b>\$ 91,654,981</b>
<b>Other Funds</b>				
General Plan Update	187,159	128,000	198,000	198,000
Open Space	706,765	616,727	694,454	698,454
Revolving Loan	86,087	3,000	6,000	6,000
SLESF (Sup. Law Enforcement Service Fund)	143,391	100,000	100,000	100,000
Astound (Seren) PEG Access Fees	405,254	326,868	341,868	341,868
Comcast Technology Grants	5,350	3,500	3,500	3,500
Gas Tax	1,210,494	1,467,141	1,824,467	1,824,467
NPDES (Nat'l Pollut. Discharge Elimin. Syst.)	1,197,551	1,198,659	1,284,097	1,307,676
In-Lieu Underground	20,879	10,000	10,000	10,000
Storm Drain	5,928	2,500	2,500	2,500
In-Lieu Creek Restoration	3,154	21,200	1,200	1,200
In-Lieu Park	1,563,183	1,120,000	1,432,000	1,848,000
In-Lieu Public Art	3,467	51,000	51,000	51,000
CDBG (Community Develop. Bldg. Grant)	556,429	597,160	463,000	260,000
In-Lieu Parking	4,475	16,800	16,800	16,800
Alternative Energy	8,326	12,500	0	0
Local Street & MTCE-Measure J	1,289,388	1,118,886	1,118,886	1,118,886
Traffic Congestion Relief - RMRA (SB1)	0	404,778	1,178,598	1,706,259
Federal Grant	193,106	0	0	0
Traffic Impact Mitigation	368,938	245,000	495,000	295,000
Tree Replacement	177,427	20,600	20,600	20,600
Core Area	0	700	0	0
Commercial Linkage Housing	72,274	1,201,000	1,711,150	201,000
Affordable Housing (City)	80,354	2,120	8,850	8,200
Inclusionary Housing	1,816,158	2,253,000	2,520,000	2,523,000
Housing Successor Agency	213,203	265,000	91,500	88,750
Shadelands Park Maintenance	45,252	5,000	10,000	10,000
Shadelands Property & Business Improvement District	395,496	385,000	390,000	390,000
<b>Total Other Funds</b>	<b>\$ 10,759,491</b>	<b>\$ 11,576,139</b>	<b>\$ 13,973,470</b>	<b>\$ 13,031,160</b>
<b>Capital Project Funds</b>				
Capital Improvement Program	0	0	0	0
Capital Projects Outside Funding	5,105,136	0	0	0
Improvement District 31 North Locust Parking	1,024	500	500	500
Improvement District 41 North Broadway Ext.	10,474	4,000	4,000	4,000
<b>Total Capital Project Funds</b>	<b>\$ 5,116,633</b>	<b>\$ 4,500</b>	<b>\$ 4,500</b>	<b>\$ 4,500</b>

**Historical Comparison of Revenues by Fund (continued)**

	Actual 2016-17	Adopted 2017-18	Proposed 2018-19	Proposed 2019-20
<b>Enterprise Funds</b>				
Downtown Parking and Enhancement	6,135,393	6,338,750	8,289,931	8,299,681
Golf Course Construction	0	0	0	0
Golf Course Debt Service	199,955	225,960	329,955	329,956
Golf Course - City Operations	36,258	5,000	37,800	37,800
Boundary Oak Golf Course-Contract Operations	5,494,651	5,804,142	5,668,614	6,052,173
<b>Total Enterprise Funds</b>	<b>\$ 11,866,257</b>	<b>\$ 12,373,852</b>	<b>\$ 14,326,300</b>	<b>\$ 14,719,610</b>
<b>Internal Service Funds</b>				
Vehicle Replacement	948,543	886,972	962,425	968,102
Police Equipment Replacement	46,951	43,810	44,884	44,884
Equipment Replacement Fund-LCA	514	0	0	0
Equipment Replacement Fund-IT	1,025,241	861,000	881,000	864,500
Equipment Replacement Fund-Finance	13	0	0	0
Equipment Replacement Fund-General	23,383	7,000	7,000	7,000
Facilities Replacement	3,659	1,500	1,500	1,500
Major Roadway Reconstruction	3,473	2,000	3,000	3,000
PERS Safety Side Fund Liability	1,824,298	1,904,298	1,992,283	0
<b>Total Internal Service Funds</b>	<b>\$ 3,876,075</b>	<b>\$ 3,706,580</b>	<b>\$ 3,892,092</b>	<b>\$ 1,888,986</b>
<b>Other Agency Funds</b>				
Assessment Districts 38, 41 and 42	20,637	9,000	0	0
<b>Total Other Agency Funds</b>	<b>\$ 20,637</b>	<b>\$ 9,000</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Redevelopment Agency</b>				
RDA Obligation Retirement Fund	632,776	662,000	276,136	271,630
Redevelopment Debt Service	648	0	0	0
<b>Total Redevelopment Funds</b>	<b>\$ 633,423</b>	<b>\$ 662,000</b>	<b>\$ 276,136</b>	<b>\$ 271,630</b>
<b>Total Transfer In Other Funds</b>	<b>\$ 31,340,833</b>	<b>\$ 12,606,934</b>	<b>\$ 15,540,509</b>	<b>\$ 6,598,427</b>
<b>Total All Funds</b>	<b>\$ 151,930,202</b>	<b>\$ 131,754,077</b>	<b>\$ 139,504,964</b>	<b>\$ 128,169,294</b>

**Historical Comparison of Expenditures by Fund**

	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>General Fund</b>				
Administrative Services	4,901,030	4,876,921	5,480,202	5,643,926
Human Resources	1,176,187	1,425,818	1,552,361	1,578,430
Community and Economic Development	7,343,575	7,479,119	7,437,257	7,424,417
Public Works	20,908,147	21,486,236	22,731,134	23,436,036
Police	25,398,829	26,960,893	26,591,635	25,527,005
Arts and Recreation	15,993,376	17,008,186	18,008,918	18,313,278
General Government	5,601,705	6,067,413	6,227,801	6,277,799
Total Transfer out	3,753,050	2,792,405	2,923,706	3,003,452
<b>Total General Fund</b>	<b>\$ 85,075,899</b>	<b>\$ 88,096,991</b>	<b>\$ 90,953,014</b>	<b>\$ 91,204,343</b>
<b>Other Funds</b>				
General Plan Update	1,687	50,000	125,291	128,454
Open Space	1,353,786	1,503,856	1,320,031	1,363,550
Revolving Loan	0	0	0	0
SLESF (Sup. Law Enforcement Service Fund)	151,221	146,758	122,543	158,807
Astound PEG Access Fees	350,818	373,747	364,923	373,323
Comcast Technology Grants	30,820	30,945	31,750	32,575
Comcast PEG Access	0	0	0	0
Gas Tax	0	0	0	0
NPDES (Nat'l Pollut. Discharge Elimin. Syst.)	1,285,467	1,563,142	1,651,963	1,717,664
In-Lieu Underground	0	0	0	0
Storm Drain	0	0	0	0
In-Lieu Creek Restoration	0	0	0	0
In-Lieu Park	0	0	73,991	75,866
In-Lieu Public Art	0	0	0	0
CDBG (Community Develop. Bldg. Grant)	335,857	543,160	463,000	260,000
In-Lieu Parking	0	0	0	0
Local Street & MTCE-Measure J	0	0	0	0
Traffic Congestion Relief	0	0	0	0
Federal Grant	249,788	9,086	0	0
Traffic Impact Mitigation	0	0	0	0
Tree Replacement	0	5,433	5,575	5,720
Core Area	0	0	0	0
Commercial Linkage Housing	0	2,900,000	1,700,000	200,000
Affordable Housing (City)	384,145	582,103	592,237	572,695
Inclusionary Housing	4,667,198	3,019,328	3,162,466	2,465,552
Housing Successor Agency	369,063	138,897	363,616	65,055
Shadelands Property & Business Improvement District	391,616	375,000	386,100	386,100
<b>Total Other Funds</b>	<b>\$ 9,571,467</b>	<b>\$ 11,241,457</b>	<b>\$ 10,363,484</b>	<b>\$ 7,805,361</b>
<b>Capital Project Funds</b>				
Capital Improvement Program	13,018,931	21,100,366	10,454,057	10,724,997
Capital Projects Outside Funding	0	0	0	0
Improvement District 31 North Locust Parking	0	0	0	0
Improvement District 41 North Broadway Ext.	0	0	0	0
<b>Total Capital Project Funds</b>	<b>\$ 13,018,931</b>	<b>\$ 21,100,366</b>	<b>\$ 10,454,057</b>	<b>\$ 10,724,997</b>

**Historical Comparison of Expenditures by Fund (continued)**

	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>Enterprise Funds</b>				
Downtown Parking and Enhancement	6,016,386	5,451,078	6,783,951	7,086,593
Golf Course Construction	7,279	0	158,400	0
Golf Course Debt Service	73,769	225,960	329,955	329,955
Golf Course - City Operations	460,485	610,302	667,548	754,761
Boundary Oak Golf Course - Contract Operations	4,921,192	4,880,642	5,011,620	5,239,788
<b>Total Enterprise Funds</b>	<b>\$ 11,479,110</b>	<b>\$ 11,167,982</b>	<b>\$ 12,951,474</b>	<b>\$ 13,411,098</b>
<b>Internal Service Funds</b>				
Vehicle Replacement	898,994	1,123,986	921,384	945,340
Police Equipment Replacement	207,041	87,991	81,607	86,887
Equipment Replacement Fund-LCA	5,936	0	0	0
Equipment Replacement Fund-IT	1,548,496	1,630,396	1,263,445	1,196,382
Equipment Replacement Fund-Finance	0	0	0	0
Equipment Replacement Fund-General	78,542	146,979	123,510	39,000
Facilities Replacement	4,700	0	0	0
Major Roadway Reconstruction	0	0	0	0
PERS Safety Side Fund Liability	186,803	129,490	67,372	0
<b>Total Internal Service Funds</b>	<b>\$ 2,930,513</b>	<b>\$ 3,118,841</b>	<b>\$ 2,457,318</b>	<b>\$ 2,267,609</b>
<b>Other Agency Funds</b>				
Assessment Districts 38, 41 and 42	0	0	0	0
<b>Total Other Agency Funds</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Redevelopment Agency</b>				
RDA Obligation Retirement Fund	29,648	87,383	30,040	28,040
Redevelopment Debt Service	84,830	370,555	245,096	242,590
<b>Total Redevelopment Funds</b>	<b>\$ 114,478</b>	<b>\$ 457,938</b>	<b>\$ 275,136</b>	<b>\$ 270,630</b>
<b>Total Transfer Out</b>	<b>\$ 20,913,029</b>	<b>\$ 10,677,587</b>	<b>\$ 15,298,964</b>	<b>\$ 4,352,225</b>
<b>Total All Funds</b>	<b>\$ 143,103,427</b>	<b>\$ 145,861,162</b>	<b>\$ 142,753,447</b>	<b>\$ 130,036,263</b>

**Historical Comparison of Revenues by Department and Division**

<b>General Fund</b>	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>General Government</b>				
Non-Departmental 710	19,601	0	0	0
City Council 720	23,669	10,000	10,000	10,000
City Manager 730	0	0	0	0
Communication and Outreach 731	725	650	650	650
Risk Management 735	145,209	60,000	60,000	60,000
Emergency Preparedness 738	13,807	5,000	5,000	5,000
Economic & Development 740	0	0	0	0
City Clerk 741	61,206	90,225	66,950	66,950
City Treasurer 750	0	0	0	0
City Attorney 760	11,607	118,040	118,040	118,040
<b>Total General Government</b>	<b>\$ 275,825</b>	<b>\$ 283,915</b>	<b>\$ 260,640</b>	<b>\$ 260,640</b>
<b>Administrative Services</b>				
Administration 111	17,016	10,867	11,150	11,150
Finance Division 121	0	0	0	0
Information Technology 141	620,982	620,982	728,789	728,789
Telecommunication 142	187,024	187,024	336,830	336,830
<b>Total Administrative Services</b>	<b>\$ 825,022</b>	<b>\$ 818,873</b>	<b>\$ 1,076,769</b>	<b>\$ 1,076,769</b>
<b>Human Resources</b>				
Administration 511	0	0	0	0
Employee Services 532	0	0	0	0
CARE 533	0	0	0	0
Employee Benefits 534	0	0	0	0
<b>Total Human Resources</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Arts &amp; Recreation</b>				
Administration 611	0	0	0	0
Center for Community Arts 621	2,106,503	2,250,462	2,173,435	2,302,680
Leshner Center for the Arts 631	3,263,296	3,092,300	3,352,500	3,326,200
Center REPeritory 641	1,990,038	2,025,664	2,018,250	2,089,150
Bedford Gallery 651	233,535	196,750	355,500	295,300
Public Art 652	75,833	30,200	110,500	10,500
Sports & Camps 660	1,263,280	1,360,893	1,314,939	1,334,222
Aquatics 661	771,634	821,800	779,200	805,400
Facility Rentals 662	573,214	576,602	618,400	647,100
Recreation & Social Services 663	889,637	777,741	802,500	820,000
Tennis & Event Rentals 664	82,765	0	141,650	144,650
<b>Total Arts &amp; Recreation</b>	<b>\$ 11,249,735</b>	<b>\$ 11,132,412</b>	<b>\$ 11,666,874</b>	<b>\$ 11,775,202</b>
<b>Community &amp; Economic Development (CED)</b>				
Administration 210	3,350	2,500	2,500	2,500
Transportation Planning 220	43,771	40,835	40,835	40,835
Building Division 230	6,943,361	5,943,309	6,193,307	5,841,144
Economic & Development 240	0	0	0	0
Planning 260	822,300	1,068,310	892,684	810,810
<b>Total CED</b>	<b>\$ 7,812,782</b>	<b>\$ 7,054,954</b>	<b>\$ 7,129,326</b>	<b>\$ 6,695,289</b>

**Historical Comparison of Revenues by Department and Division (continued)**

<b>General Fund</b> (continued)	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>Police</b>				
Administration 411	10,187	41,600	41,600	41,600
Patrol 431	945,998	890,323	1,037,323	999,323
Investigations 441	30,583	70,500	70,500	70,500
Support Services Division 461	1,371,140	1,400,233	60,100	60,100
<b>Total Police</b>	<b>\$ 2,357,908</b>	<b>\$ 2,402,656</b>	<b>\$ 1,209,523</b>	<b>\$ 1,171,523</b>
<b>Public Works</b>				
Administration 311	843,238	625,422	845,588	969,653
Engineering 301	2,695,880	2,783,650	2,771,150	2,761,150
Parks & Open Space 322	61,515	39,000	39,000	39,000
Traffic Signals, Marking, Parking Meters 331	1,025,498	1,025,498	0	0
Traffic Signals and Streetlights 332	23,791	21,000	21,000	21,000
Street Maintenance 341	1,164,411	1,026,384	1,026,384	1,026,384
CIP 342	0	0	0	0
Street Sweeping 344	665,846	755,887	803,765	839,810
Custodial 345	818,868	842,245	872,974	897,918
Building Maintenance 346	1,534,562	1,574,477	1,579,400	1,647,847
Equipment Maintenance 347	1,397,523	1,427,354	1,455,363	1,511,505
Maintenance 393	0	0	0	0
<b>Total Public Works</b>	<b>\$ 10,231,132</b>	<b>\$ 10,120,917</b>	<b>\$ 9,414,624</b>	<b>\$ 9,714,267</b>
Total Departmental Revenues	32,752,405	31,813,727	30,757,756	30,693,690
Total General Revenues	54,718,552	56,448,288	58,052,040	60,204,041
Total Transfer In from Other Funds	845,895	2,553,058	2,682,161	757,250
<b>Total General Fund</b>	<b>\$ 88,316,853</b>	<b>\$ 90,815,073</b>	<b>\$ 91,491,957</b>	<b>\$ 91,654,981</b>
<b>Other Funds</b>				
Enterprise Activities	11,449,857	13,297,353	14,949,557	15,531,995
Redevelopment Activities	1,195,830	1,041,555	521,232	514,220
Internal Service Activities	3,614,422	3,706,580	3,892,092	1,888,986
Capital Projects and Assessment Districts	13,097,851	3,637,380	13,512,950	4,309,500
Special Program Activities	12,070,338	12,907,561	15,137,176	14,269,612
<b>Total All Funds</b>	<b>\$ 129,745,151</b>	<b>\$ 125,405,502</b>	<b>\$ 139,504,964</b>	<b>\$ 128,169,294</b>



**Historical Comparison of Expenditures by Department and Division**

<b>General Fund</b>	<b>Actual 2016-17</b>	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>
<b>General Government</b>				
Non-Departmental 710	522,968	505,311	357,610	367,736
City Council 720	312,439	320,228	341,487	358,572
City Manager 730	654,484	667,177	719,596	727,319
Communication and Outreach 731	393,755	389,713	436,893	422,383
Risk Management 735	1,947,339	2,223,332	2,046,223	2,108,870
Emergency Preparedness 738	174,661	204,012	146,073	144,782
Economic & Development 740	0	0	382,415	388,220
City Clerk 741	492,577	521,642	638,315	565,067
City Treasurer 750	10,974	14,054	28,205	31,065
City Attorney 760	1,092,508	1,221,945	1,130,984	1,163,786
<b>Total General Government</b>	<b>\$ 5,601,705</b>	<b>\$ 6,067,413</b>	<b>\$ 6,227,801</b>	<b>\$ 6,277,799</b>
<b>Administrative Services</b>				
Administration 111	466,230	404,064	354,437	350,064
Finance Division 121	1,968,920	1,949,117	2,097,662	2,175,920
Information Technology 141	2,192,232	2,123,621	2,625,466	2,713,450
Telecommunication 142	273,647	400,119	402,637	404,493
<b>Total Administrative Services</b>	<b>\$ 4,901,030</b>	<b>\$ 4,876,921</b>	<b>\$ 5,480,202</b>	<b>\$ 5,643,926</b>
<b>Human Resources</b>				
Administration 511	726,320	864,935	1,203,279	1,248,673
Employee Services 532	167,279	271,336	143,091	117,063
CARE 533	0	0	198,800	207,103
Employee Benefits 534	282,588	289,547	7,191	5,591
<b>Total Human Resources</b>	<b>\$ 1,176,187</b>	<b>\$ 1,425,818</b>	<b>\$ 1,552,361</b>	<b>\$ 1,578,430</b>
<b>Arts &amp; Recreation</b>				
Administration 611	832,390	559,689	513,306	497,468
Center for Community Arts 621	2,994,643	3,279,040	3,315,027	3,307,096
Leshner Center for the Arts 631	3,510,776	3,940,409	4,079,088	4,150,810
Center REPeritory 641	2,353,344	2,568,118	2,546,281	2,647,008
Bedford Gallery 651	645,485	682,387	857,783	805,853
Public Art 652	193,835	275,149	341,825	251,128
Sports & Camps 660	1,425,560	1,488,198	1,562,208	1,607,118
Aquatics 661	1,446,894	1,677,278	1,729,426	1,799,798
Facility Rentals 662	768,354	820,047	990,369	1,089,935
Recreation & Social Services 663	1,791,951	1,711,580	1,997,855	2,078,785
Tennis & Event Rentals 664	30,144	6,291	75,750	78,279
<b>Total Arts &amp; Recreation</b>	<b>\$ 15,993,376</b>	<b>\$ 17,008,186</b>	<b>\$ 18,008,918</b>	<b>\$ 18,313,278</b>

**Historical Comparison of Expenditures by Department and Division (continued)**

	<u>Actual 2016-17</u>	<u>Revised 2017-18</u>	<u>Proposed 2018-19</u>	<u>Proposed 2019-20</u>
<b>Community &amp; Economic Development (CED)</b>				
Administration 210	847,085	530,741	568,270	562,625
Transportation Planning 220	212,677	357,966	227,592	203,969
Building Division 230	4,040,856	3,971,944	4,263,569	4,216,966
Economic & Development 240	314,274	414,246	0	0
Planning 260	1,928,683	2,204,223	2,377,827	2,440,856
<b>Total CED</b>	<b>\$ 7,343,575</b>	<b>\$ 7,479,119</b>	<b>\$ 7,437,257</b>	<b>\$ 7,424,417</b>
<b>Police</b>				
Administration 411	4,035,924	3,912,164	3,557,811	1,426,794
Patrol 431	14,260,049	15,550,859	14,774,130	15,410,341
Investigations 441	2,763,013	2,741,238	3,057,484	3,177,687
Support Services Division 461	4,339,844	4,756,632	5,202,210	5,512,183
<b>Total Police</b>	<b>\$ 25,398,829</b>	<b>\$ 26,960,893</b>	<b>\$ 26,591,635</b>	<b>\$ 25,527,005</b>
<b>Public Works</b>				
Administration 311	2,610,792	3,089,993	3,416,104	3,470,033
Engineering 301	4,632,521	4,557,900	5,016,494	5,198,125
Parks & Open Space 322	5,117,562	5,152,436	5,287,915	5,468,275
Traffic Signals, Marking, Parking Meters 323	646,839	662,597	733,323	724,174
Traffic Signals and Streetlights 332	1,549,083	1,533,889	1,609,801	1,667,941
Street Maintenance 341	1,763,097	1,929,844	1,993,285	2,053,835
CIP 342	0	0	0	0
Street Sweeping 344	740,156	737,645	798,590	832,409
Custodial 345	897,891	870,750	871,781	895,873
Building Maintenance 346	1,546,570	1,550,713	1,556,908	1,626,784
Equipment Maintenance 347	1,403,637	1,400,469	1,446,933	1,498,587
Maintenance 393	0	0	0	0
<b>Total Public Works</b>	<b>\$ 20,908,147</b>	<b>\$ 21,486,236</b>	<b>\$ 22,731,134</b>	<b>\$ 23,436,036</b>
Transfer out to Other Funds	\$ 3,753,050	\$ 2,792,405	\$ 2,923,706	\$ 3,003,452
<b>Total General Fund</b>	<b>\$ 85,075,899</b>	<b>\$ 88,096,990</b>	<b>\$ 90,953,014</b>	<b>\$ 91,204,343</b>
<b>Other Funds</b>				
Enterprise Activities	13,421,031	12,458,349	15,391,181	14,631,483
Redevelopment Activities	1,136,266	828,493	520,232	513,220
Internal Service Activities	7,087,406	3,842,397	4,382,229	2,267,609
Capital Projects and Assessment Districts	34,825,811	12,283,642	13,984,057	10,724,997
Special Program Activities	23,547,116	10,522,044	17,522,734	10,694,611
<b>Total All Funds</b>	<b>\$ 165,093,529</b>	<b>\$ 128,031,915</b>	<b>\$ 142,753,447</b>	<b>\$ 130,036,263</b>

**Budget Summary & Transfers In/Out**

	<b>Estimated Beginning Balance 2018-19</b>	<b>Proposed Revenues / Transfers In 2018-19</b>	<b>Proposed Expenses / Transfers Out 2018-19</b>	<b>Estimated Ending Balance 2018-19</b>	<b>Proposed Revenues/ Transfers In 2019-20</b>	<b>Proposed Expenses/ Transfers Out 2019-20</b>	<b>Estimated Ending Balance 2019-20</b>
<b>General Fund</b>	<b>\$ 42,075,026</b>	<b>\$ 91,491,957</b>	<b>\$ 90,953,014</b>	<b>\$ 42,613,969</b>	<b>\$ 91,654,981</b>	<b>\$ 91,204,343</b>	<b>43,064,607</b>
Housing Funds	3,661,778	4,797,500	5,454,703	3,004,575	3,296,200	3,238,247	3,062,528
Measure J	1,907,045	1,118,886	2,100,000	925,931	1,118,886	-	2,044,817
Gas Tax	34,394	1,824,467	710,000	1,148,861	1,824,467	1,110,000	1,863,328
Gas Tax (RMRA)/SB1	4,778	1,178,598	1,175,000	8,376	1,706,259	1,705,000	9,635
Capital Budget	13,350,880	13,508,450	13,984,057	12,875,273	4,305,000	10,724,997	6,455,276
Downtown Parking/Enhancement	2,511,148	8,289,931	7,500,401	3,300,678	8,299,681	7,494,593	4,105,766
Golf Course Enterprise Funds	6,069,766	6,659,626	7,890,780	4,838,612	7,232,314	7,136,890	4,934,036
Information Technology Replacement	6,660,921	881,000	1,263,445	6,278,476	864,500	1,196,382	5,946,594
PERS Safety Side Fund Liability	0	1,992,283	1,992,283	0	0	0	0
All Other Funds	28,445,043	10,765,331	11,614,765	27,603,503	9,691,473	7,335,811	29,960,424
<b>Total Other Funds</b>	<b>\$ 62,606,581</b>	<b>\$ 48,013,007</b>	<b>\$ 51,800,433</b>	<b>\$ 58,827,049</b>	<b>\$ 36,514,313</b>	<b>\$ 38,831,920</b>	<b>\$ 56,509,442</b>
<b>Total All Funds</b>	<b>\$104,681,608</b>	<b>\$139,504,964</b>	<b>\$142,753,447</b>	<b>\$ 101,441,018</b>	<b>\$ 128,169,294</b>	<b>\$ 130,036,263</b>	<b>\$ 99,574,049</b>
Total Appropriations FY 2018-19	\$ 142,753,447						
Total Appropriations FY 2019-20	\$ 130,036,263						
<b>Combined Appropriations FY 2018-20</b>	<b>\$272,789,710</b>						

**All Funds Budget Detail & Transfers In/Out**

	<b>Estimated Beginning Balance 2018-19</b>	<b>Proposed Revenues / Transfers In 2018-19</b>	<b>Proposed Expenses / Transfers Out 2018-19</b>	<b>Estimated Ending Balance 2018-19</b>	<b>Proposed Revenues/ Transfers In 2019-20</b>	<b>Proposed Expenses/ Transfers Out 2019-20</b>	<b>Estimated Ending Balance 2019-20</b>
<b>General Fund</b>	<b>\$ 42,075,026</b>	<b>\$ 91,491,957</b>	<b>\$ 90,953,014</b>	<b>\$ 42,613,969</b>	<b>\$ 91,654,981</b>	<b>\$ 91,204,343</b>	<b>43,064,607</b>
<b>Special Revenue Funds</b>							
Alternative Energy	118,565	0	0	118,565	0	0	118,565
CDBG	33,072	463,000	463,000	33,072	260,000	260,000	33,072
Federal Grant	9,718	0	0	9,718	0	0	9,718
Gas Tax	34,394	1,824,467	710,000	1,148,861	1,824,467	1,110,000	1,863,328
General Plan Update	1,240,396	198,000	125,290	1,313,106	198,000	128,454	1,382,652
Housing Funds	3,661,778	4,797,500	5,454,703	3,004,575	3,296,200	3,238,247	3,062,528
Housing Successor Agency	740,857	91,500	363,616	468,741	88,750	65,055	492,436
In Lieu Funds	752,823	82,800	79,825	755,798	82,800	79,970	758,628
In Lieu Parking	1,337,112	16,800	0	1,353,912	16,800	0	1,370,712
In-Lieu Park	2,554,597	1,432,000	1,473,991	2,512,606	1,848,000	75,866	4,284,740
In-Lieu Underground	841,337	10,000	0	851,337	10,000	0	861,337
Library Parcel	0	0	0	0	0	0	0
Measure J	1,907,045	1,118,886	2,100,000	925,931	1,118,886	0	2,044,817
NPDES	2,388,184	1,284,097	1,651,963	2,020,318	1,307,676	1,717,664	1,610,330
Open Space	0	1,290,660	1,320,031	(29,371)	1,362,906	1,363,550	(30,015)
PEG Access & Comcast Grant Funds	3,103,583	345,368	396,673	3,052,278	345,368	405,898	2,991,748
Public Safety Funds	182,682	100,000	122,543	160,139	100,000	158,807	101,332
Revolving Loan	712,994	6,000	0	718,994	6,000	0	724,994
Shadelands Park Maintenance	2,216,954	10,000	0	2,226,954	10,000	0	2,236,954
Shadelands PBID	21,773	390,000	386,100	25,673	390,000	386,100	29,573
Storm Drain	506,347	2,500	0	508,847	2,500	0	511,347
Gas Tax (RMRA)/SB1	4,778	1,178,598	1,175,000	8,376	1,706,259	1,705,000	9,635
Traffic Impact Mitigation	6,183,489	495,000	1,700,000	4,978,489	295,000	0	5,273,489
<b>Total Special Revenue Funds</b>	<b>\$ 28,544,584</b>	<b>\$ 15,137,176</b>	<b>\$ 17,522,735</b>	<b>\$ 26,166,919</b>	<b>\$ 14,269,612</b>	<b>\$ 10,694,611</b>	<b>\$ 29,741,920</b>

**All Funds Budget Detail & Transfers In/Out (continued)**

	<b>Estimated Beginning Balance 2018-19</b>	<b>Proposed Revenues / Transfers In 2018-19</b>	<b>Proposed Expenses / Transfers Out 2018-19</b>	<b>Estimated Ending Balance 2018-19</b>	<b>Proposed Revenues/ Transfers In 2019-20</b>	<b>Proposed Expenses/ Transfers Out 2019-20</b>	<b>Estimated Ending Balance 2019-20</b>
<b>Capital Project Funds</b>							
Capital Budget	13,350,880	13,508,450	13,984,057	12,875,273	4,305,000	10,724,997	6,455,276
Local Improvement Districts	981,675	4,500	0	986,175	4,500	0	990,675
<b>Total Capital Project Funds</b>	<b>\$ 14,332,555</b>	<b>\$ 13,512,950</b>	<b>\$ 13,984,057</b>	<b>\$ 13,861,448</b>	<b>\$ 4,309,500</b>	<b>\$ 10,724,997</b>	<b>\$ 7,445,951</b>
<b>Enterprise Funds</b>							
Downtown Parking/Enhancement	2,511,148	8,289,931	7,500,401	3,300,678	8,299,681	7,494,593	4,105,766
Golf Course Enterprise Funds	6,069,766	6,659,626	7,890,780	4,838,612	7,232,314	7,136,890	4,934,036
<b>Total Enterprise Funds</b>	<b>\$ 8,580,914</b>	<b>\$ 14,949,557</b>	<b>\$ 15,391,181</b>	<b>\$ 8,139,290</b>	<b>\$ 15,531,995</b>	<b>\$ 14,631,483</b>	<b>\$ 9,039,802</b>
<b>Internal Service Funds</b>							
Equipment Replacement Funds	265,607	7,000	123,510	149,097	7,000	39,000	117,097
Facilities Replacement	312,498	1,500	0	313,998	1,500	0	315,498
Information Technology Replacement	6,660,921	881,000	1,263,445	6,278,476	864,500	1,196,382	5,946,594
Major Roadway Reconstruction	5,178	3,000	0	8,178	3,000	0	11,178
PERS Safety Side Fund Liability	0	1,992,283	1,992,283	0	0	0	0
Police Equipment (Radio) Replacement	452,396	44,884	81,607	415,673	44,884	86,887	373,670
Vehicle Replacement / Repair	815,470	962,425	921,384	856,511	968,102	945,340	879,273
<b>Total Internal Service Funds</b>	<b>\$ 8,512,070</b>	<b>\$ 3,892,092</b>	<b>\$ 4,382,229</b>	<b>\$ 8,021,933</b>	<b>\$ 1,888,986</b>	<b>\$ 2,267,609</b>	<b>\$ 7,643,310</b>
<b>Other Agency Funds</b>							
Assmt. District Redemption I	1,762,917	0	0	1,762,917	0	0	1,762,917
Assmt. District Redemption II	0	0	0	0	0	0	0
RDA Debt Service-Successor Agency	236,091	245,096	245,096	236,091	242,590	242,590	236,091
RDA Obligation Retirement Fund	637,450	276,136	275,136	638,450	271,630	270,630	639,450
<b>Total Other Agency Funds</b>	<b>\$ 2,636,458</b>	<b>\$ 521,232</b>	<b>\$ 520,232</b>	<b>\$ 2,637,458</b>	<b>\$ 514,220</b>	<b>\$ 513,220</b>	<b>\$ 2,638,458</b>

**All Funds Budget Detail & Transfers In/Out (continued)**

	<b>Estimated Beginning Balance 2018-19</b>	<b>Proposed Revenues / Transfers In 2018-19</b>	<b>Proposed Expenses / Transfers Out 2018-19</b>	<b>Estimated Ending Balance 2018-19</b>	<b>Proposed Revenues/ Transfers In 2019-20</b>	<b>Proposed Expenses/ Transfers Out 2019-20</b>	<b>Estimated Ending Balance 2019-20</b>
<b>Total Other Funds</b>	<b>\$ 62,606,581</b>	<b>\$ 48,013,007</b>	<b>\$ 51,800,433</b>	<b>\$ 58,827,049</b>	<b>\$ 36,514,313</b>	<b>\$ 38,831,920</b>	<b>\$ 56,509,442</b>
<b>Total All Funds</b>	<b>\$104,681,608</b>	<b>\$139,504,964</b>	<b>\$142,753,447</b>	<b>\$ 101,441,018</b>	<b>\$ 128,169,294</b>	<b>\$ 130,036,263</b>	<b>\$ 99,574,049</b>

**General Fund Reserves**

	<b>Audited Balance 6/30/2017</b>	<b>Estimated Balance 6/30/2018</b>	<b>Estimated Balance 6/30/2019</b>
<b><u>General Fund Reserves*</u></b>			
<b><u>Nonspendable**</u></b>			
1. Advance to Other Funds***	\$ 3,974,263	\$ 1,924,911	\$ 0
2. Inventory	52,932	52,000	52,000
3. Interfund Loan	319,091	276,194	232,431
4. Prepaid Expense	48,424	50,000	50,000
<b><u>Committed</u></b>			
5. Catastrophic Emergency - To be used in the event of actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within this City caused by such conditions as fire, flood, storm, epidemic, riot, earthquake, nuclear disaster, tornado, or terrorism. Policy is that the minimum budgeted reserve should equal 10% of annual General Fund budgeted operating expenditures.	8,481,416	8,805,141	8,820,089
6. Compensated Absences - To fund payouts of accumulated leave due upon separation from City employment that exceed the regularly budgeted amount for this purpose. Policy is to set a reserve equal to the projected one-year liability based on the previous year's experience.	290,002	290,000	290,000
7. Dental Claims - To fund dental self-insurance program claims that exceed the regularly budgeted amount for this purpose. Policy is to reserve an amount equal to six months of budgeted dental expenses.	230,000	235,980	242,115
8. Fiscal Emergency - This reserve is to cover declines of more than 5% of property tax, sales tax, or departmental revenues or increases of more than 10% in PERS, medical costs, utility (electric, gas, and water), or fuel. Policy is to set aside in amount equal to 5% of the annual General Fund revenue budget for property tax, sales tax, and departmental revenue, plus 5% of the annual General Fund expenditure budget for PERS and medical costs.	4,648,365	4,838,227	4,649,758
9. Legal Claims - To pay claims awarded against the City during the budget period that exceed the regularly budgeted amount for this purpose Policy is to reserve an amount based on the City's five-year claim history, but no less than \$3 million.	3,000,000	3,000,000	3,000,000
10. PERS Liability*** - Funding set aside for PERS costs either to pay down future liabilities or smooth large increases anticipated for the next budget cycle, whichever is the most fiscally advantageous.	13,969,204	2,775,089	4,868,923
11. Worker's Compensation*** - This reserve is to pay worker compensation awards that exceed the regularly budgeted amount for this purpose. Policy is to set aside an amount equal to twice the annual expenses paid out over the previous five years, but no less than \$2 million.	2,000,000	2,000,000	2,000,000
<b><u>Assigned</u></b>			
12. Arts & Rec Scholarships	79,351	54,000	54,000
13. Contractual Commitments - Encumbrances	1,387,546	1,000,000	1,000,000
14. Capital Projects - General Fund Portion	12,665,299	11,739,518	15,992,787
<b><u>Unassigned</u></b>			
15. City Manager Contingency - For City Manager use to fund unanticipated needs not otherwise included in budget, within limits of the City Manager's discretionary authority without needing prior Council approval. This amount covers a two year budget cycle.	72,000	72,000	72,000

\* Per GASB 54, when the City has the ability to expend various resources in different Fund Balance classifications, the order of use has to be specified. The City's order of use will be as follows: (1) Restricted Fund Balance, (2) Committed Fund Balance, (3) Assigned Fund balance, (4) Unassigned Fund Balance.

\*\* The portion of the fund balance that is not spent because they are in a non-spendable form like prepaid items or inventory of supplies or loan receivables.

\*\*\* These committed reserves were used to pay the PERS Safety Side Fund Liability. A Council-approved repayment schedule restores the borrowed amounts prior to the funds being needed (\$2M for Workers Compensation and \$4.8M for PERS Liability).

**General Fund Reserves**

	<b>Audited Balance 6/30/2017</b>	<b>Estimated Balance 6/30/2018</b>	<b>Estimated Balance 6/30/2019</b>
16. <b>Council Contingency****</b> - For Council to use to take advantage of unforeseen opportunities	60,000	100,000	100,000
17. <b>Unassigned Fund Balance</b> - adjustments based on other reserve activities	2,780,505	2,180,983	250,922
18. <b>One-Time Funds</b>	681,927	500,000	400,000
19. <b>Unrealized Gain</b>	0	0	0
Revenues Over (Under) Expenditure - preliminary amount until budget is adopted	<u>0</u>	<u>2,180,983</u>	<u>538,943</u>
<b>Fund Balance, End of Year</b>	<b><u>\$ 54,740,325</u></b>	<b><u>\$ 42,075,026</u></b>	<b><u>\$ 42,613,969</u></b>

\*\*\*\* Council Contingency reserve represents Council action on May 6, 2014.



**Authorized Positions Summary**

<b>PERMANENT FTEs</b>	<b>Actual 2014-16</b>	<b>Revised 2016-18</b>	<b>Proposed 2018-20</b>	<b>Change</b>
Police	115.00	122.00	122.00	-
Public Works	105.00	107.00	107.00	-
Arts and Recreation	54.00	54.00	54.50	0.50
Community and Economic Development	37.50	37.00	36.00	(1.00)
Administrative Services	21.50	22.50	22.50	-
General Government	19.00	18.50	19.50	1.00
Human Resources	6.00	6.50	6.50	-
<b>Total Permanent Positions</b>	<b>358.00</b>	<b>367.50</b>	<b>368.00</b>	<b>0.50</b>

<b>LIMITED DURATION FTEs</b>	<b>Actual 2014-16</b>	<b>Revised 2016-18</b>	<b>Proposed 2018-20</b>	<b>Change</b>
Police	-	-	-	-
Public Works	-	4.00	3.50	(0.50)
Arts and Recreation	-	1.00	1.00	-
Community and Economic Development	-	4.00	2.50	(1.50)
Administrative Services	-	2.00	-	(2.00)
General Government	-	1.00	-	(1.00)
Human Resources	-	1.00	1.00	-
<b>Total Limited Duration Positions</b>	<b>9.75</b>	<b>13.00</b>	<b>8.00</b>	<b>(5.00)</b>

<b>TOTAL Permanent &amp; Limited Duration Positions</b>	<b>367.75</b>	<b>380.50</b>	<b>376.00</b>	<b>(4.50)</b>
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\* FY 2014-16 detailed information unavailable.

\*\* FY 2018-20 as of 07/01/18

## Authorized Positions

### PERMANENT FTEs

	Revised 2016-18	Proposed 2018-20	Change
<b>General Government</b>			
City Councilmembers	5.00	5.00	-
City Treasurer	1.00	1.00	-
City Manager	1.00	1.00	-
Assistant City Attorney	1.00	1.00	-
Assistant City Manager	0.50	0.50	-
Assistant to the City Clerk	1.00	1.00	-
Assistant to the City Manager	1.00	1.00	-
City Clerk	1.00	1.00	-
Communications Manager	1.00	1.00	-
Economic Development Manager	0.00	1.00	1.00
Emergency Management Program Analyst	1.00	1.00	-
Executive Assistant to the City Manager	1.00	1.00	-
Multimedia Analyst	1.00	1.00	-
Legal Assistant	1.00	0.00	(1.00)
Office Specialist - Confidential	1.00	2.00	1.00
Video Production Analyst	1.00	1.00	-
<b>Total</b>	<b>18.50</b>	<b>19.50</b>	<b>1.00</b>
<b>Administrative Services</b>			
Accountant I/II	2.00	2.00	-
Accounting Assistant	1.75	1.75	-
Administrative Services Director	1.00	1.00	-
Chief Information Officer	1.00	1.00	-
Executive Assistant	1.00	1.00	-
Finance Manager	1.00	1.00	-
Information System Analyst I/II	4.00	4.00	-
Information System Technician	3.00	3.00	-
Payroll Technicians	2.00	2.00	-
Revenue Collection Coordinator	1.00	1.00	-
Senior Accountant	3.00	3.00	-
Senior Information System Analyst	1.75	1.75	-
<b>Total</b>	<b>22.50</b>	<b>22.50</b>	<b>0.00</b>
<b>Arts &amp; Recreation</b>			
Administrative Analyst I/II	2.00	2.00	-
Arts + Recreation Director	1.00	1.00	-
Executive Assistant	1.00	1.00	-
General Maintenance Worker	1.00	1.00	-
Office Assistant I/II	5.25	5.50	0.25
Office Specialist	5.50	5.50	-
Program Assistant I/II	10.75	11.50	0.75
Program Coordinator	8.50	8.00	(0.50)
Program Manager	5.00	5.00	-
Program Supervisor	7.00	7.00	-
Senior Program Assistant	4.00	4.00	-
Senior Ticket Office Clerk	1.00	1.00	-
Ticket Office Clerk	2.00	2.00	-
<b>Total</b>	<b>54.00</b>	<b>54.50</b>	<b>0.50</b>

**Authorized Positions****PERMANENT FTEs (continued)**

	<b>Revised 2016-18</b>	<b>Proposed 2018-20</b>	<b>Change</b>
<b>Community and Economic Development</b>			
Administrative Analyst I/II	2.00	2.00	-
Assistant Planner	4.00	4.00	-
Associate Planner	2.00	2.00	-
Building Inspection Supervisor	1.00	1.00	-
Building Inspector	5.00	5.00	-
Chief Building Official	1.00	1.00	-
Code Enforcement Officer	2.00	2.00	-
Community & Economic Development Director	1.00	1.00	-
Economic Development Manager	1.00	0.00	(1.00)
Housing Administrator	1.00	1.00	-
Office Assistant I/II	1.00	1.00	-
Office Specialist - Confidential	1.00	1.00	-
Permit Center Supervisor	1.00	1.00	-
Permit Technician I/II	2.00	2.00	-
Plan Check Engineer	4.00	4.00	-
Planning Manager	1.00	1.00	-
Principal Planner	1.00	1.00	-
Senior Permit Technician	2.00	2.00	-
Senior Planner	4.00	4.00	-
<b>Total</b>	<b>37.00</b>	<b>36.00</b>	<b>(1.00)</b>
<b>Human Resources</b>			
Administrative Analyst I/II	3.00	3.00	-
Assistant City Manager	0.50	0.50	-
Human Resources Manager	1.00	1.00	-
Office Specialist - Confidential	2.00	2.00	-
<b>Total</b>	<b>6.5</b>	<b>6.5</b>	<b>0</b>
<b>Police</b>			
Administrative Analyst I/II	2.00	2.00	-
Chief of Police	1.00	1.00	-
Crime & Intelligence Analyst I/II	1.00	1.00	-
Lead Police Dispatcher	3.00	3.00	-
Lead Police Records Technician	1.00	1.00	-
Lead Police Services Officer	1.00	1.00	-
Office Specialist - Confidential	1.00	1.00	-
P&E Technician / Assistant II	1.00	1.00	-
Police Captain	2.00	2.00	-
Police Dispatcher/Assistant	10.00	10.00	-
Police Lieutenant	6.00	6.00	-
Police Officer	62.00	62.00	-
Police Record Technician	6.00	6.00	-
Police Sergeant	10.00	10.00	-
Police Services Officer	11.00	11.00	-
Police Services Supervisor	4.00	4.00	-
<b>Total</b>	<b>122</b>	<b>122</b>	<b>0</b>

**Authorized Positions****PERMANENT FTEs (continued)**

	<b>Revised 2016-18</b>	<b>Proposed 2018-20</b>	<b>Change</b>
<b>Public Works</b>			
Accountant II	1.00	1.00	-
Administrative Analyst I/II	3.00	3.00	-
Project Manager / Architect	1.00	1.00	-
Assistant / Associate Engineer	10.00	10.00	-
Assistant Public Works Director	1.00	1.00	-
Building Maintenance Supervisor	1.00	1.00	-
Building Trades Worker	6.00	6.00	-
Engineering Inspector	4.00	4.00	-
Engineering Technician II	2.00	2.00	-
Equipment Mechanic II	3.00	3.00	-
Executive Assistant	1.00	1.00	-
Landscape Maintenance Worker	17.00	17.00	-
Office Assistant I/II	1.00	1.00	-
Office Specialist - Confidential	1.00	1.00	-
Open Space Ranger	3.00	3.00	-
Open Space Supervisor	1.00	1.00	-
Park Maintenance Supervisor	2.00	2.00	-
Park Maintenance Worker	9.00	9.00	-
Project Manager	2.00	2.00	-
Public Works Director	1.00	1.00	-
Public Works Manager	2.00	2.00	-
Senior Building Trades Worker	1.00	1.00	-
Senior Civil Engineer	2.00	2.00	-
Senior Custodian	1.00	1.00	-
Senior Equipment Mechanic	1.00	1.00	-
Senior Park Maintenance Worker	4.00	4.00	-
Senior Signal Technician	1.00	1.00	-
Senior Street Maintenance Worker	3.00	3.00	-
Senior Traffic Maintenance Worker	1.00	1.00	-
Street Maintenance Supervisor	1.00	1.00	-
Street Maintenance Worker	7.00	7.00	-
Street Sweeper Operator	2.00	2.00	-
Traffic Control Supervisor	1.00	1.00	-
Traffic Engineer	1.00	1.00	-
Traffic Maintenance Worker	4.00	4.00	-
Traffic Signal Technician I/II	3.00	3.00	-
Traffic Technician	1.00	1.00	-
Vehicle & Maintenance Supervisor	1.00	1.00	-
<b>Total</b>	<b>107</b>	<b>107</b>	<b>0</b>
<b>Total Permanent Positions</b>	<b>367.50</b>	<b>368.00</b>	<b>0.50</b>

**Authorized Positions**

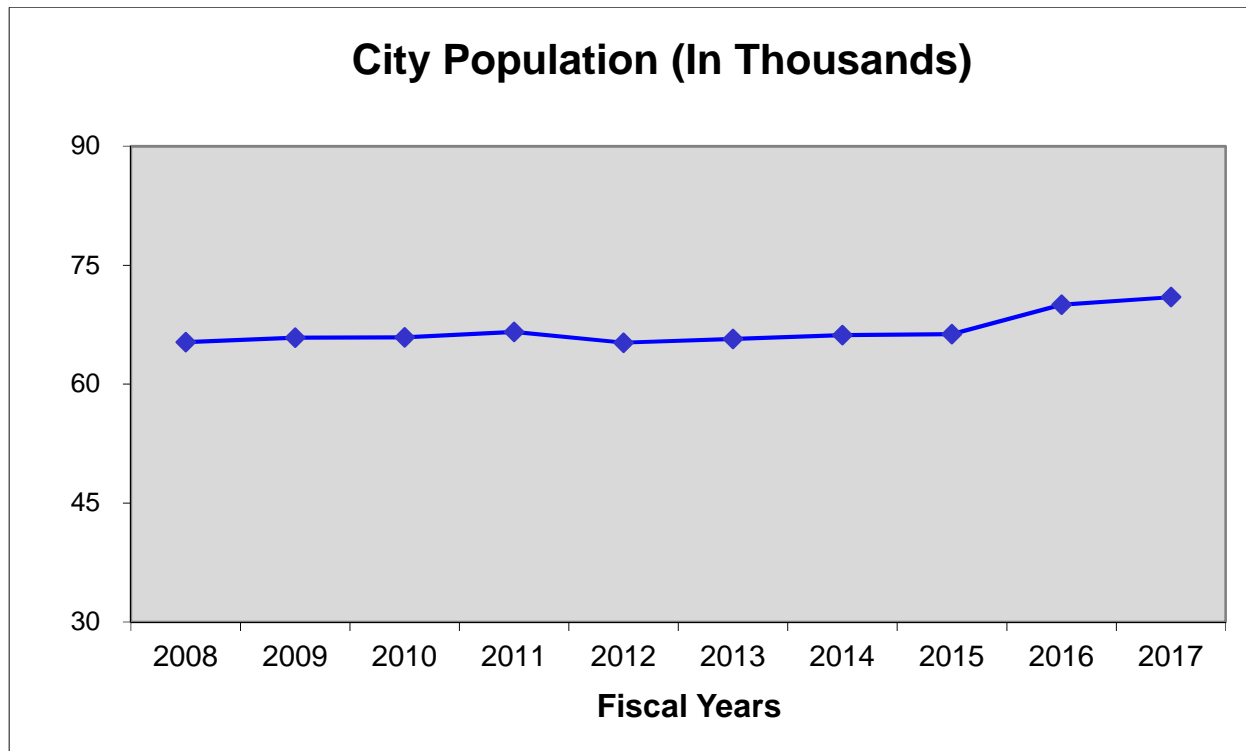
**LIMITED DURATION FTEs**

	<b>Revised 2017-18</b>	<b>Proposed 2018-19</b>	<b>Proposed 2019-20</b>	<b>Change</b>
<b>Administrative Services</b>				
Sr. Information Systems Analyst	1.00	-	-	(1.00)
Accounting Assistant	1.00	-	-	(1.00)
<b>Total</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>(2.00)</b>
<b>Arts &amp; Recreation</b>				
Office Assistant I/II	1.00	1.00	-	(1.00)
<b>Total</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>(1.00)</b>
<b>Community &amp; Economic Development</b>				
Project Manager (Econ. Dev.)	1.00	-	-	(1.00)
Office Assistant I/II	1.00	1.00	-	(1.00)
Permit Technician	1.00	1.00	-	(1.00)
Senior Planner	1.00	0.50	0.50	(0.50)
<b>Total</b>	<b>4.00</b>	<b>2.50</b>	<b>0.50</b>	<b>(3.50)</b>
<b>General Government</b>				
Office Specialist - Confidential	1.00	-	-	(1.00)
<b>Total</b>	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>(1.00)</b>
<b>Human Resources</b>				
Office Specialist - Confidential	1.00	1.00	-	(1.00)
<b>Total</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>(1.00)</b>
<b>Public Works</b>				
Associate Engineer	2.00	1.00	1.00	(1.00)
Engineering Inspector	1.00	1.00	1.00	-
Junior Engineer (Clean Water)	1.00	1.00	1.00	-
Senior Planner		0.50	0.50	0.50
<b>Total</b>	<b>4.00</b>	<b>3.50</b>	<b>3.50</b>	<b>(0.50)</b>
<b>Total Limited Duration Positions</b>	<b>13.00</b>	<b>8.00</b>	<b>4.00</b>	<b>(9.00)</b>
<b>TOTAL Permanent &amp; Limited Duration Positions</b>	<b>380.50</b>	<b>376.00</b>	<b>372.00</b>	<b>(8.50)</b>

## DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Fiscal Years

Fiscal Year Ended June 30	City Population	Personal Income (in Thousands)	Per Capita Personal Income	Unemployment Rate	Rank in Size of California Cities
2008	65,306	\$ 3,240,876	\$ 49,626	3.10%	126
2009	65,860	3,349,908	50,864	6.80%	126
2010	65,915	3,362,538	51,013	7.00%	125
2011	66,584	3,216,606	48,309	7.60%	128
2012	65,233	3,273,783	50,186	7.00%	128
2013	65,684	3,383,317	51,509	4.70%	129
2014	66,183	3,338,866	50,449	4.10%	129
2015	66,319	3,341,682	50,388	4.20%	128
2016	70,018	3,427,871	48,956	3.40%	122
2017	70,974	3,518,787	49,578	3.00%	122

Source: HDL Coren & Cone, State of California Department of Finance - Demographic Research Unit (ranking)



## BUDGET PROCESS

### Budget Development Calendar

(Fiscal Years 2019 and 2020 Operating Budget, Capital Budget, and Master Fee Schedule)

Date	Responsible Party	Description
September 2017	City staff	Initiate budget process discussion with Executive Team and senior managers
October 2017	City staff	Executive Team reviews and affirms the budget development calendar and process
November 2017 - January 2018	City staff	Administrative Services begins budget software set up
January 2018	City staff	Administrative Services holds budget kickoff meeting with departments
January 2018	City staff	Departments review staffing FTEs and Master Fee Schedule, and receive budget software training
February 2018	City staff	Departments enter budget information in budget software
<b>February 2018</b>	<b>PUBLIC HEARING</b> City Council	➤ Receive and Accept General Fund Long-Term Financial Forecast Update
<b>March 2018</b>	<b>PUBLIC MEETING</b> City Council	➤ Review and adopt City Council Priorities
March 2018	City staff	City Manager and Administrative Services review department budget submittals (Review #1)
March 2018	City Staff	Departments meet with City Manager and Administrative Services on budget submittals
March 2018	City staff	Administrative Services reviews proposed budget with City Manager
March 2018	City staff	Review proposed Operating Budget and Master Fee Schedule (Review #2)
<b>April 2018</b>	<b>PUBLIC MEETING</b> Council Finance Committee	➤ Review proposed Operating Budget and Capital Budget (Review #1)
April 2018	City staff	Administrative Services makes adjustments based upon Finance Committee review

**Budget Development Calendar** (continued)

Date	Responsible Party	Description
<b>April 2018</b>	<b>PUBLIC MEETING</b> City Council	➤ Review proposed Capital Budget
<b>May 2018</b>	<b>PUBLIC MEETING</b> Council Finance Committee	➤ Review proposed Operating Budget (Review #2) and Master Fee Schedule (Review #1)
April – May 2018	City staff	Develop proposed budget document
<b>May 2018</b>	<b>PUBLIC MEETING</b> City Council	➤ Review proposed Operating Budget and Master Fee Schedule*
May – June 2018	City staff	Continued review of proposed budget and fees for presentation to City Council at June meeting
<b>June 2018</b>	<b>PUBLIC MEETING</b> City Council	➤ Adopt GANN Limit ➤ Adopt Operating Budget, Capital Budget, and Master Fee Schedule*

\* Prior to adoption by the City Council, the Parks, Recreation, and Open Space (PROS) Commission and the Arts Commission review and approve certain fee changes in their jurisdictions.



## **BASIS OF ACCOUNTING**

Expenditures are controlled at the fund level for all budgeted departments within the City. This is the level at which expenditures may not legally exceed appropriations. The budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP).

The accounting policies of the City conform to generally accepted accounting principles. The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Fund accounting segregates funds according to their purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

All governmental funds (i.e. General, Special Revenue Capital Projects, and Redevelopment Agency Funds) are accounted for on the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. Expenditures are recorded in the accounting period when the liability is incurred.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute GAAP basis expenditures or liabilities because the commitments will be honored during the subsequent year. The commitments will be reappropriated and honored in the subsequent year. Encumbrances are not displayed in this budget document.

Proprietary funds (i.e. Enterprise and Internal Service Funds) are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized when the liability is incurred.

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**Section E**  
**FINANCIAL POLICIES**

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**CITY OF WALNUT CREEK  
RESOLUTION NO. 11-30**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK  
ESTABLISHING THE CLASSIFICATIONS OF FUND BALANCE IN ACCORDANCE WITH  
GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54**

**WHEREAS**, The Governmental Accounting Standards Board has issued Statement No. 54 (“GASB 54”) entitled “Fund Balance Reporting and Governmental Fund Type Definitions”, a new standard that became effective in governmental fiscal years starting after June 15, 2010, and

**WHEREAS**, the City Council elects to implement GASB 54 requirements and to apply such requirements to its financial statements beginning with the current (July 1, 2010-June 30, 2011) fiscal year, and

**WHEREAS**, GASB 54 states that the City Council may commit General Fund balance for specific purposes by taking formal action and these committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific uses through the same formal action taken to establish the commitment; and

**WHEREAS**, the City Council has determined that the Catastrophic Emergency commitment should be established and approved at 10% of annual General Fund budgeted operating expenditures as recommended by the City Manager, and

**WHEREAS**, the City Council has determined that the Compensated Absences commitment should be established and approved as equal to the projected one-year liability based on the previous year’s experience, and

**WHEREAS**, the City Council has determined the Dental Claim commitment should be established and approved as equal to six months of budgeted dental expenses, and

**WHEREAS**, the City Council has determined that the Fiscal Emergency commitment should be established and approved at 10% of annual General Fund revenue budget for property tax, sales tax, and departmental revenue, plus 10% of the annual General Fund expenditure budget for PERS and medical costs as recommended by the City Manager, and

**WHEREAS**, the City Council has determined that the Legal Claims commitment should be established and approved based on the City’s five year claim history, but no less than \$3 million, and

**WHEREAS**, the City Council has determined that the Public Employee Retirement System (PERS) commitment should be established and approved, and

**WHEREAS**, the City Council has determined that the Radio Communications commitment should be established and approved, and

**WHEREAS**, the City Council has determined that the Workers Compensation commitment should be established and approved equal to twice the annual expenses paid out over the previous five years, but no less than \$2 million, and

**WHEREAS**, the City Council has determined where an expenditure is to be made for a purpose for which amounts are available in multiple Fund Balance classifications, the order in which

Walnut Creek City Council

Resolution 11-30

resources will be expended is as follows: Restricted Fund Balance, followed by Committed Fund Balance, Assigned Fund Balance, and lastly Unassigned Fund Balance.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Walnut Creek as follows:

Section 1. The Council hereby approves and defines the various components of Fund Balance reported by the City as defined in Governmental Accounting Standards Board Statement No. 54 effective starting with the current (July 1, 2010-June 30, 2011) fiscal year.

Section 2. The City Council delegates to the City Manager the authority to carry thru Council direction related to those components of Fund Balance that are reported as "Assigned" in the City's Comprehensive Annual Financial Report.

Section 3. The City Council has determined that the specific purposes for which the Catastrophic Emergency commitment may be used are the actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within this City caused by such conditions as fire, flood, storm, epidemic, riot, earthquake, nuclear disaster, tornado, or terrorism. These uses may only be changed by approval of a subsequent resolution.

Section 4. The City Council has determined that the specific purposes for which the Compensated Absences commitment may be used is to fund payouts of accumulated leave due upon separation from City employment that exceed the regularly budgeted amount for this purpose. These uses may only be changed by approval of a subsequent resolution.

Section 5. The City Council has determined that the specific purposes for which Dental Claims commitment is to be used is to pay claims awarded against the City during the budget period that exceed the regularly budgeted amounts for this purpose. These uses may only be changed by approval of a subsequent resolution.

Section 6. The City Council has determined that the specific purposes for which the Fiscal Emergency commitment may be used are in the event of that the combined revenues (projected or actual) of property tax, sales tax, and departmental revenues decline more than five percent (5%) or in the event that the combined expenditures (projected or actual) of PERS retirement, medical insurance costs, utility costs (electric, gas, and water) and fuel costs increase more than 10%. These uses may only be changed by approval of a subsequent resolution.

Section 7. The City Council has determined that the specific purposes for which Legal Claims commitment is to be used is to pay claims awarded against the City during the budget period that exceed the regularly budgeted amounts for this purpose. These uses may only be changed by approval of a subsequent resolution.

Section 8. The City Council has determined that the specific purposes for the PERS commitment is to provide funding set aside for costs either to pay down future liabilities or smooth large increases anticipated for the next budget cycle, whichever is the most fiscally advantageous. These uses may only be changed by approval of a subsequent resolution.

Section 9. The City Council has determined that the specific purposes for which Radio Communications commitment is to set aside funding for the City's upcoming purchase of radios for

Walnut Creek City Council

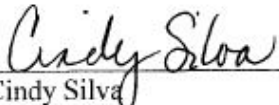
Resolution 11-30

police and public services staff and investment in infrastructure needed to facilitate emergency response and communications on a regional basis. These uses may only be changed by approval of a subsequent resolution.

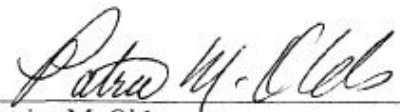
Section 10. The City Council has determined that the specific purposes for which Workers Compensation commitment is to be used is to pay workers compensation awards that exceed the regularly budgeted amount for this purpose. These uses may only be changed by approval of a subsequent resolution.

**PASSED AND ADOPTED** by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 7<sup>th</sup> day of June 2011, by the following called vote:

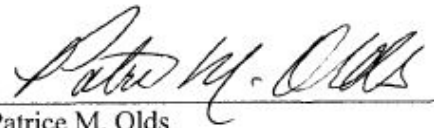
AYES:	Councilmembers:	Lawson, Rajan, Simmons, Skrel, Mayor Silva
NOES:	Councilmembers:	None
ABSENT:	Councilmembers:	None

  
 \_\_\_\_\_  
 Cindy Silva  
 Mayor of the City of Walnut Creek

Attest:

  
 \_\_\_\_\_  
 Patrice M. Olds  
 City Clerk of the City of Walnut Creek

**I HEREBY CERTIFY** the foregoing to be a true and correct copy of Resolution No.11-30, duly passed and adopted by the City Council of Walnut Creek, County of Contra Costa, State of California, at a regular meeting of said Council held on the 7<sup>th</sup> day of June 2011.

  
 \_\_\_\_\_  
 Patrice M. Olds  
 City Clerk of the City of Walnut Creek

**CITY OF WALNUT CREEK  
RESOLUTION NO. 12-36**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK AMENDING THE FUND BALANCE POLICY IN ACCORDANCE WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54**

**WHEREAS**, The Governmental Accounting Standards Board has issued Statement No. 54 (“GASB 54”) entitled “Fund Balance Reporting and Governmental Fund Type Definitions”, a new standard that became effective in governmental fiscal years starting after June 15, 2010, and

**WHEREAS**, the establishment of the fund balance policy was adopted by the City Council on June 7, 2011 with Resolution 11-30, and

**WHEREAS**, the City Council has determined that the specific purposes for which the Fiscal Emergency commitment is used remains the unchanged, described as follows: in the event that the combined revenues (projected or actual) of property tax, sales tax, and departmental revenues decline more than five percent (5%) or in the event that the combined expenditures (projected or actual) of PERS retirement, medical insurance costs, utility costs (electric, gas, and water) and fuel costs increase more than 10%. These uses may only be changed by approval of a subsequent resolution.


**WHEREAS**, the City Council has determined that the Fiscal Emergency commitment is amended to be calculated at five percent (5%) of annual General Fund revenue budget for property tax, sales tax, and departmental revenue, plus five percent (5%) of the annual General Fund expenditure budget for PERS and medical costs as recommended by the City Manager.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Walnut Creek as follows:

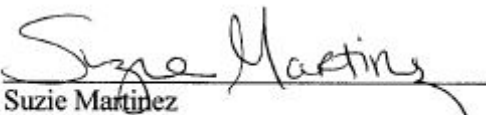
Section 1. The Council hereby amends the Fiscal Emergency component of the Fund Balance policy as defined in Governmental Accounting Standards Board Statement No. 54.

**PASSED AND ADOPTED** by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 19<sup>th</sup> day of June 2012, by the following called vote:

AYES:	Councilmembers:	Lawson, Rajan, Silva, Skrel, Mayor Simmons
NOES:	Councilmembers:	None
ABSENT:	Councilmembers:	None

  
 \_\_\_\_\_  
 Bob Simmons  
 Mayor of the City of Walnut Creek

Attest:

  
 \_\_\_\_\_  
 Suzie Martinez  
 City Clerk of the City of Walnut Creek



**CITY OF WALNUT CREEK  
RESOLUTION NO. 14-36**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK  
ADJUSTING FEES AND CHARGES FOR VARIOUS MUNICIPAL SERVICES  
AND ACTIVITIES**

**WHEREAS**, the City Council adopted Resolution No. 09-27 establishing fees and charges to assist in defraying the cost of municipal services and activities; and

**WHEREAS**, updates to the fees and charges, originally adopted on June 15, 2010 and amended with Resolution No. 11-38 on August 2, 2011 and Resolution No. 12-34 on June 19, 2012, are presented to provide clarification and provide a match to market conditions; and

**WHEREAS**, the cost of providing municipal services and activities has been reviewed since the adoption of the resolutions listed above; and

**WHEREAS**, it is now necessary to adjust fees and charges for municipal activities and services in order to defray the cost of these services and activities; and

**WHEREAS**, pursuant to Government Code Section 66018, a public hearing was held by the City Council on June 17, 2014 regarding the proposed fees;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Walnut Creek as follows:

**Section 1.** The change to the fees and charges in the Biennial Operating Operating Budget for Fiscal Year 2014-2016 and incorporated herein by reference are hereby adopted. A revised fee schedule incorporating these changes is on file in the City Clerk's office.

**Section 2.** Fees established for a department by this resolution shall be applicable to similar services or items provided by a department other than the department designated in this resolution.

**Section 3.** Pending amendment of this resolution, the City Manager is authorized, to the extent permitted by law, to set interim fees and charges that do not exceed that estimated reasonable cost of new services or items.

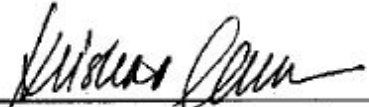
**Section 4.** This resolution shall take effect July 1, 2014, except for any new or changed fee or charge related to the processing of development applications subject to Government Code section 66017, which shall take effect on August 17, 2014.

**PASSED AND ADOPTED** by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 17th day of June 2014 by the following called vote:

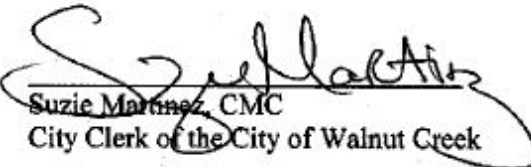
AYES:	Councilmembers:	Haskew, Silva, Simmons, Wedel, Mayor Lawson
NOES:	Councilmembers:	None
ABSENT:	Councilmembers:	None

Walnut Creek City Council

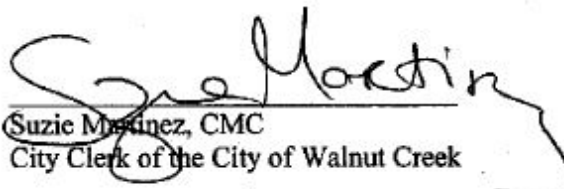
Resolution 14-36

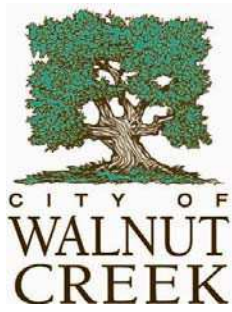
  
\_\_\_\_\_  
Kristina Lawson  
Mayor of the City of Walnut Creek

Attest:

  
\_\_\_\_\_  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

**I HEREBY CERTIFY** the foregoing to be a true and correct copy of Resolution No. 14-36 duly passed and adopted by the City Council of Walnut Creek, County of Contra Costa, State of California, at a regular meeting of said Council held on the 17<sup>th</sup> day of June 2014.

  
\_\_\_\_\_  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

	<b>POLICIES AND PROCEDURES</b>	
	<i>Subject</i>	<b>Use of One-Time Revenues and General Fund Surpluses</b>
	<i>Policy #</i>	<b>302</b>
	<i>Date</i>	<b>Issued:6/19/2012    Amended: 7/18/2017</b>
	<i>Approved by</i>	<b>City Council</b>
	<i>Authored by</i>	<b>City Manager’s Office / Administrative Services Department</b>

**1. POLICY STATEMENT AND PURPOSE**

It is the policy of the City of Walnut Creek (“City”) to establish sound financial policies that will serve as guidelines for responsible and prudent decision-making related to financial matters. The purpose of this Policy is to establish a formal process by which one-time revenues and General Fund budget surpluses are to be allocated and used for funding one-time needs in support of overall City goals and priorities.

**2. SCOPE**

This Policy shall apply and be subordinate to fulfilling the City established General Fund reserve requirements and obligations as outlined in the City’s Classification of Fund Balances Policy, identified in Resolution No. 11-30, adopted by the City Council on June 7, 2011, and as amended. The scope of this Policy is limited to annual General Fund budget surpluses, and one-time sources of non-recurring revenue.

This Policy does not include one-time grants, which by their nature are designated for specific purposes.

**3. DEFINITIONS**

General Fund Surplus – The City’s budget is a financial plan based on the best information available at the time. Budgeted revenue and expenditure projections are therefore not exact and may change over time. In the normal course of budgeting, the City regularly realizes a General Fund Surplus. A General Fund Surplus, under this Policy, occurs when actual General Fund revenues exceed expenditures, after fulfilling all annual auditing and financial reporting requirements and compliance with the City’s Classification of Fund Balances Policy.

One-Time Revenues – Non-recurring resources generated by one-time events, which may include, but are not limited to, the following:

- Sale of City-owned assets or property
- Litigation settlements
- Development agreements

One-Time Expenses – Non-recurring and non-operational expenses, typically related to short-duration activities or one-time projects, which may include, but are not limited to, the following:

- Unmet needs in the City’s Capital Budget, identified as Asset Management or Discretionary Projects. These include, but are not limited to, the following:
  - Right of Way Projects (streets, sidewalks, curb and gutters)
  - Storm Drains
  - Major facility maintenance, upgrades or renovations
  - Acquisition, design and construction of new facilities
- Equipment replacements
- Technology replacements or upgrades
- Emergency repairs of City infrastructure

The examples of One-Time Revenues and One-Time Expenses provided in this Policy are merely examples and do not preclude the City Council from identifying other appropriate one-time revenue sources or one-time funding needs, consistent with this Policy.

Existing Fund Balance Reserve Categories – The City Council has committed to maintaining General Fund reserve balances at appropriate levels to protect City assets, assure availability of cash to meet short-term obligations, address unforeseen events and avoid future debt. In accordance with the City’s existing Classification of Fund Balance Policy, the City currently establishes reserves into a number of categories to address unforeseen emergencies or disasters, legal claims, workers compensation, and significant changes in the economic environment. Pursuant to Governmental Accounting and Standards Board (GASB) Statement No. 54, the City’s existing General Fund reserve balances are organized within five classifications, which include: Nonspendable, Restricted, Committed, Assigned and Unassigned.

#### **4. RESPONSIBILITY**

Implementation of the Policy is the responsibility of the Finance Division of the Administrative Services Department.

#### **5. BACKGROUND**

The City of Walnut Creek is committed to maintaining a structurally balanced budget, in which ongoing expenditures are aligned and supported by ongoing revenues.

In 2009, through the Center for Priority based Budgeting, the City began to implement a series of initiatives in order to achieve better long-term fiscal health and wellness. Part of the Fiscal Health and Wellness Model adopted in 2009 included the premise of matching one-time resources with one-time needs. This Model included a series of policies, one of which codified the City’s past practice of using year-end budget surpluses to fund capital needs.

By their nature, one-time revenues cannot be relied on to support future expenses that are ongoing in their nature. Furthermore, use of one-time revenues to fund ongoing programs or expenditures could jeopardize the City’s ability to meet continued service demands and undermines the organization’s commitment to fiscal discipline. It has been a longstanding practice of the City of

Walnut Creek to allocate one-time revenues, whether derived from year-end budget surpluses or one-time events, for purposes of paying for one-time expenses.

#### **A. Community Blue Ribbon Task Force Recommendations**

In 2011, the Community Blue Ribbon Task Force developed and recommended viable financial strategies that could be implemented to meet future operational and capital budgets. Their final report included specific direction regarding the use of General Fund surplus, including the following:

##### *RECOMMENDATIONS:*

- 8.a. The City should develop or amend specific policies to guide the allocation and use of any surplus operating budget funds in some proportion to the following:*
  - 8.a.i. The existing Capital Equipment/Facilities Reserve Fund;*
  - 8.a.ii. PERS Reserve Fund;\**
  - 8.a.iii. Unfunded or underfunded Projects in the CIP; and*
  - 8.a.iv. The existing Technology Replacement Reserve Fund*

\*With respect to item 8.a.ii. noted above, the City established a PERS reserve fund in 2010.

#### **B. One-Time Resources and Revenues**

In the course of regular City business, a variety of one-time events may occur, such as the sale of City property or approval of a development agreement, resulting in One-Time Revenues to the City. Depending upon the source and nature of these funds, they may be restricted to some purposes, or unrestricted and available to further City and community goals.

Given our past practices, and recent recommendations, this Policy affirms current financial practices of aligning one-time resources with one-time needs. In doing so, this policy helps ensure sufficient resources are set aside for purposes of funding future one-time capital, infrastructure and technology needs.

The Council also recognizes that pension costs are likely to increase substantially in future years. In order to mitigate the impacts on future operating budgets, the Council can authorize placing end of year budget surpluses and one-time revenues into a supplemental pension trust.

## **6. PROCEDURE**

#### **A. Use of General Fund Surplus**

In keeping with the principles outlined in this Policy, at the end of each fiscal year, the Finance Division staff of the Administrative Services Department shall determine if any excess General Fund Surplus exists. If so, the City Manager shall have discretion to transfer General Fund Surpluses up to \$250,000 to the following City Funds to be used for One-Time Expenses.

- Equipment Replacement-IT Fund ( #640)

- Capital Improvements Fund (#210)
- Facilities Improvement and Replacement Fund (#670)
- Irrevocable Pension Trust

If the General Fund Surplus exceeds \$250,000, any additional recommended allocations will be presented to the City Council following acceptance of the annual audit for consideration.

#### **B. Use of One-Time Revenues**

As part of the six-month and eighteen-month budget updates (and at additional intervals as determined by the City Manager), Finance Division staff shall report any One-Time Revenues to the City Council. At that time, the City Council may authorize specific allocations of One-Time Revenues for purposes of funding One-Time Expenses.

Allocations of One-Time Revenues may include, but not be limited to, the following funds:

- • Capital Improvements Fund (#210)
- • Downtown Parking and Enhancement Enterprise Fund (#180)

Appropriations would be based upon a number of considerations, including the City's established Work Plan, General Plan priorities, Long-Term Financial Plan and on-going capital investment and infrastructure needs.

### **7. POLICY HISTORY AND CITATIONS**

This Policy is new to the City, and is to be reviewed by the City Council as part of the biannual budget development and adoption process. Any changes to this Policy would require formal Council authorization.

### **8. ADOPTION**

This policy and procedure was adopted on June 19, 2012 by formal action of the City Council at its regular meeting via Resolution No. 12-37. This policy was amended effective July 18, 2017 via Resolution No. 17-54.

**Section F**  
**RESOLUTIONS**

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**CITY OF WALNUT CREEK  
RESOLUTION NO. 18-40**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK  
ESTABLISHING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2018-2019**

**WHEREAS**, State law requires the adoption of an annual appropriations limit for each fiscal year;

**WHEREAS**, the law allows the option to select the factors to be used in the calculation of the appropriations limit; and

**WHEREAS**, the City hereby establishes its FY 2018-19 appropriations limit based upon the change in County population and the change in State per capita income.

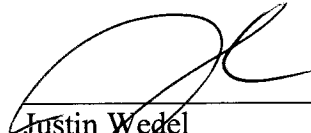
**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Walnut Creek as follows:

Section 1. Adoption. Pursuant to Government Code Section 7910 and Article XIII B of the California Constitution, the approved appropriations limit for FY 2018-19 is hereby established at \$120,414,803 as noted in Exhibit A.

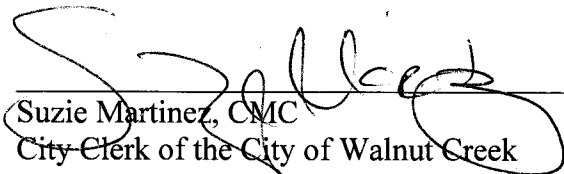
Section 2. Effective Date. This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 19th day of June, 2018 by the following called vote:

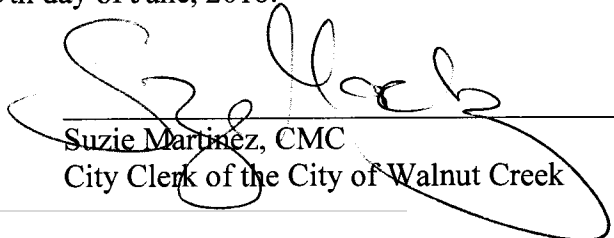
AYES:            Councilmembers:    Carlston, Haskew, Silva, Wilk, Mayor Wedel  
NOES:            Councilmembers:    None  
ABSENT:        Councilmembers:    None

  
\_\_\_\_\_  
Justin Wedel  
Mayor of the City of Walnut Creek

Attest:

  
\_\_\_\_\_  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

**I HEREBY CERTIFY** the foregoing to be a true and correct copy of Resolution No. 18-40 duly passed and adopted by the City Council of Walnut Creek, County of Contra Costa, State of California, at a regular meeting of said Council held on the 19th day of June, 2018.

  
\_\_\_\_\_  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

**CITY OF WALNUT CREEK  
APPROPRIATION LIMIT CALCULATIONS**

**A. Calculation of Appropriations Limit for Fiscal Year 2018-19**

Appropriations Limit, Fiscal Year 2017-18		\$ 115,138,802
<hr/>		
Multiplied by the greater of the following:		
% Increase in City Population	0.15%	
% Increase in County Population	0.88%	1.0088
(Source: California Department of Finance)		
Multiplied by the change in the California Per Capita		
Personal Income Factor	3.67%	1.0367
(Source: California Department of Finance)		
<b>Appropriations Limit, Fiscal Year 2018-19</b>		<b>\$ 120,414,803</b>

**B. Appropriations Subject to Limit for Fiscal Year 2018-19**

Projected Budget for Non-Exempt Funds (Fund 010, 115 and 152)		\$ 90,994,033
Less: Exempt Expenditures		(533,693)
Non-Tax Revenues		(34,418,294)
<hr/>		
<b>Total Appropriations Subject to Limit, Fiscal Year 2018-19</b>		<b>\$ 56,042,046</b>

**C. Available Balance of Appropriations Limit for Fiscal Year 2018-19**

Appropriations Limit, Fiscal Year 2018-19		\$ 120,414,803
Less: Appropriations Subject to Limit for Fiscal Year 2018-19		(56,042,046)
<hr/>		
<b>Available Balance of Appropriation Limit</b>		<b>\$ 64,372,757</b>

**CITY OF WALNUT CREEK  
RESOLUTION NO. 18-42**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK  
ADOPTING AN OPERATING BUDGET OF EXPENDITURES FOR THE PERIOD OF JULY 1,  
2018 TO JUNE 30, 2020**

**WHEREAS**, the City is required to adopt the Fiscal Year 2018-2020 budget no later than June 30, 2018; and

**WHEREAS**, between February and May 2018 several public meetings were held with City Commissions and the City Council Finance Committee to discuss development of the Fiscal Year 2018-2020 budget; and

**WHEREAS**, at a public meeting on May 15, 2018 the City Council provided direction regarding the Fiscal Year 2018-2020 budget; and

**WHEREAS**, on June 19, 2018, the City Council conducted a Public Hearing regarding the Fiscal Year 2018-2020 budget; and

**WHEREAS**, a copy of the Fiscal Year 2018-2020 operating budget is on file with the City Clerk and is hereby adopted and incorporated herein by this reference.

**NOW, THEREFORE**, the City Council of the City of Walnut Creek does resolve as follows:

Section 1. The All Funds Budget Summary, included in the City's Operating Budget for Fiscal Years 2018-2020, includes total expenditures (all funds, including transfers) to be appropriated in the sum of \$90,953,014 for Fiscal Year 2018-2019 and \$91,204,343 for Fiscal Year 2019-2020. Capital Budget expenditures are included in the budget.

A copy of said Operating Budget is on file with the City Clerk and is hereby adopted and referred to and by this reference expressly incorporated herein and made a part of this resolution as though fully set forth herein. The funds appropriated by this resolution are authorized to be expended as necessary and proper for municipal purposes.

Section 2. The City Manager shall be authorized to redistribute operating budget appropriations of up to \$100,000 from one department to another provided the transfer is within the same fund, so long as there is no effect on the total expenditures appropriated for the fund. Such transfers shall be reported in writing to the City Council. A separate resolution establishes Capital Budget expenditures for projects to maintain and enhance the City's public infrastructure.

Section 3. The City Manager or his designee is hereby authorized and directed to take all actions necessary and proper to implement this resolution, including minor reclassification of revenue and expenditure estimates, and is authorized to transfer funds within departmental budgets upon request of department directors.

Section 4. The City Manager or his designee is hereby authorized to increase appropriations associated with unanticipated grant revenues of up to \$100,000 per grant award where there is no net financial impact (awarded grant revenue matches grant expenditures). Such adjustments shall be reported in writing to the City Council.


Section 5. The City Manager is hereby authorized to extend limited duration appointments, at his discretion, in certain circumstances when it is in the best interests of the City to retain qualified individuals assigned to a project or a program for an additional period of up to two years, for a total period of up to four years. This authority is temporary and does not extend beyond June 30, 2020, the end of the two-year budget period.

**PASSED AND ADOPTED** by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 19th day of June, 2018 by the following called vote:

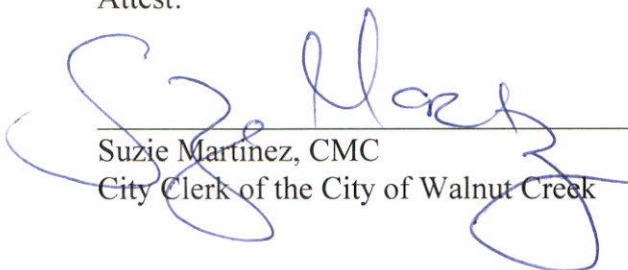
AYES: Councilmembers: Carlston, Haskew, Silva, Wilk

NOES: Councilmembers: Mayor Wedel

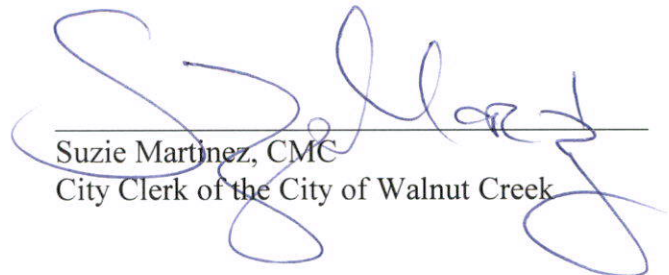
ABSENT: Councilmembers: None

  
\_\_\_\_\_  
Justin Wedel  
Mayor of the City of Walnut Creek

Attest:

  
\_\_\_\_\_  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

**I HEREBY CERTIFY** the foregoing to be a true and correct copy of Resolution No. 18-42 duly passed and adopted by the City Council of Walnut Creek, County of Contra Costa, State of California, at a regular meeting of said Council held on the 19th day of June, 2018.

  
\_\_\_\_\_  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

**CITY OF WALNUT CREEK  
RESOLUTION NO. 18-43**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK  
ADOPTING A CAPITAL BUDGET OF EXPENDITURES FOR THE PERIOD OF JULY 1, 2018  
TO JUNE 30, 2020**

**WHEREAS**, the City is required to adopt the 2018-2020 budget no later than June 30, 2018; and

**WHEREAS**, the City Council has held a series of budget study sessions including sessions highlighting the information relating to the 2018-2028 Capital Improvement Program and a review of the proposed Capital Budget on April 17, 2018; and

**WHEREAS**, the Capital Budget is an integral portion of the total City budget; and

**WHEREAS**, the City Council held a public meeting on the update of Fiscal Year 2018-2020 on April 17, 2018 where all interested parties were heard; and

**WHEREAS**, a copy of the Capital Budget is on file with the City Clerk and is hereby adopted and incorporated herein by this reference.

**NOW, THEREFORE**, the City Council of the City of Walnut Creek does resolve as follows:

Section 1. The 2018-2020 Capital Budget, included in the City's Operating Budget of Fiscal Year 2018-2020, contains the total capital expenditures for projects to maintain and enhance the City's public infrastructure to be appropriated for Fiscal Year 2018-2020, as reviewed by the City Council at its April 17, 2018 meeting.

A copy of the Capital Budget is on file with the City Clerk and is hereby adopted and referred to and by this reference expressly incorporated herein and made a part of this resolution as though fully set forth herein. The funds appropriated by this resolution are authorized to be expended as necessary and proper for municipal purposes.

Section 2. In accordance with Section 10-9.114 of the Municipal Code, the City Council hereby finds that the Capital Budget for Fiscal Year 2018-2020 consists of projects that are necessary to maintain and enhance the City's public infrastructure and conforms with the General Plan.

This approval is not a determination that any individual project will be ultimately approved or implemented; therefore, this action has no potential for resulting in physical change in the environment directly or indirectly and is not a project as defined by the California Environmental Quality Act (CEQA). Because this action is not a project under CEQA, it is not subject to the requirement of prior environmental review. Before deciding to implement any individual project listed in the program, such project will be further analyzed in compliance with CEQA.

Section 3. The City Manager shall be authorized to redistribute budgeted appropriations between similar Capital Projects. The maximum fund transfer shall be \$175,000 per project, in conformance with the City's Purchasing Policy. Funds may be transferred from projects in different Capital Budgets as long as they are between similar Projects. Unexpended General Funds (UGF) from completed projects may be transferred to unappropriated capital reserves. The UGF will not exceed fifteen percent (15%) of the total General Fund appropriations in the current adopted Capital Budget without City Council approval. The City Manager may transfer up to \$175,000 of unappropriated capital reserves to approved Capital

Projects. The City Manager may transfer remaining budgets on closed projects up to \$175,000 allocated from Enterprise/Gas Tax/Developer Funds back to the source Fund(s).


Section 4. The City Manager or his designee is hereby authorized and directed to take all actions necessary and proper to implement this resolution, including minor reclassification of revenue and expenditure estimates.

**PASSED AND ADOPTED** by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 19th day of June, 2018 by the following called vote:

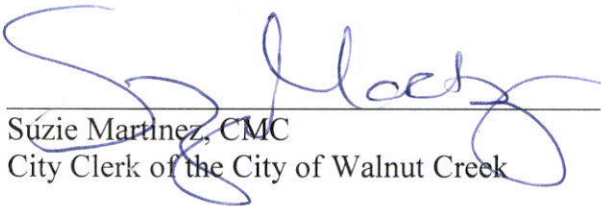
AYES: Councilmembers: Carlston, Haskew, Silva, Wilk

NOES: Councilmembers: Mayor Wedel

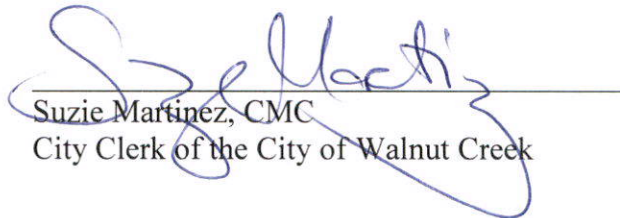
ABSENT: Councilmembers: None

  
\_\_\_\_\_  
Justin Wedel  
Mayor of the City of Walnut Creek

Attest:

  
\_\_\_\_\_  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek

**I HEREBY CERTIFY** the foregoing to be a true and correct copy of Resolution No. 18-43 duly passed and adopted by the City Council of Walnut Creek, County of Contra Costa, State of California, at a regular meeting of said Council held on the 19th day of June, 2018.

  
\_\_\_\_\_  
Suzie Martinez, CMC  
City Clerk of the City of Walnut Creek