

City of Walnut Creek, California
BIENNIAL BUDGET
Fiscal Years 2022 & 2023



CITY OF
**WALNUT
CREEK**

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Principal Officers



Kevin Wilk
Mayor



Matt Francois
Mayor Pro Tem



Cindy Darling
Council Member



Loella Haskew
Council Member



Cindy Silva
Council Member



Ron Cassano
City Treasurer

Executive Team

City Manager – Dan Buckshi
Assistant City Manager – Teri Killgore
City Attorney – Steve Mattas
Administrative Services Director – Kirsten LaCasse
Arts & Recreation Director – Kevin Safine
Chief of Police – Jamie Knox
City Clerk – Suzie Martinez
Communications & Outreach Manager – Betsy Burkhart
Community Development Director – Mark Wardlaw
Public Works Director – Heather Ballenger

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City Manager's Office
1666 North Main Street
Walnut Creek, CA 94596

City Manager's Transmittal Letter

June 15, 2021

Honorable Mayor and Members of the City Council:

In accordance with the City of Walnut Creek municipal code, I am pleased to present the Fiscal Year 2022 & 2023 (FY22 & FY23) budget to the City Council. The City's budget represents the two-year spending plan that will support operating departments and the City Council priorities as we continue to recover from the COVID-19 pandemic and includes the use of American Rescue Plan Act (ARPA) federal stimulus funding.

COVID-19 Recovery Continues

The end of Fiscal Year 2020 and the entirety of Fiscal Year 2021 were marked by the impacts of the novel coronavirus, COVID-19, which upended life as we knew it and changed the economic outlook nearly overnight. Shelter in Place orders, issued by state and county public health officials, closed large swaths of industries in order to encourage social distancing and protect public health. Since March 2020, restrictions have been alternately relaxed, allowing for increased economic activity, or tightened, resulting in closures or reduced operations.

In the early days of the Shelter in Place order, only 180 of the 4,204 commercial business in Walnut Creek were listed as open and essential. Restaurants and retail experienced an 80% reduction in revenue alongside mandated physical distancing. In the face of this adversity, the City of Walnut Creek, Walnut Creek businesses, and our residents have demonstrated resilience and creativity in finding ways to navigate the pandemic. Somewhat surprisingly, new stores and restaurants have opened in Walnut Creek and new leases have been signed, even in these unusual conditions.

As of June 2021, many public health restrictions have been lifted, and there is reason to be hopeful. Thanks to the prudent financial planning of this and prior city councils, Walnut Creek held ample reserves that put us in a more favorable position going into the economic crisis. Staff came together to make difficult recommendations for spending reductions to close the FY21 budget deficit, and when layoffs proved necessary, members of some bargaining units made personal sacrifices to help save the jobs of several of their colleagues.

The City cut over \$9 million through a combination of one-time and ongoing budget reductions in order to close a \$12.1 million budget gap in FY21. As public health restrictions ease, and City facilities and programs continue to reopen, the FY22 & FY23 budget includes increases in expenditures and additional staffing to support these changes. Rather than a complete reinstatement of previous budget reductions, City staff have strategically recommended that funding and staffing be placed in areas which will serve the City in this new economic environment and support the 2021-2022 City Council Priorities adopted by the City Council.

The economic recovery is expected to continue over the next two years. As such, staff has developed a budget for FY22 that serves as bridge year between the deepest moments of the pandemic and the return to normalcy. We expect it to be a year of continued recovery from the economic recession triggered by the pandemic. Likewise, the budget for FY23 includes the acknowledgment that some areas of operations are still likely to be in recovery, and not yet restored to pre-pandemic levels of operation. Additionally, the passage of ARPA, which was signed into law on March 11, 2021, provides the City with \$8.33 million in one-time stimulus funds, which allows the City to support economic recovery, provide essential City services, and fund key projects and initiatives.

City Accomplishments

Despite the challenges brought about by COVID-19 and the necessary redistribution of focus and City resources needed to respond to it, the City of Walnut Creek continues to serve our community with excellence. Areas of accomplishment include:

- **COVID-19 Pandemic Response**

Responding to the COVID-19 pandemic was a true cross-departmental effort and, though City Hall was closed to the public, staff was hard at work throughout the Shelter in Place and during the subsequent period of incremental reopening. With employee and public safety top of mind, many of our city operations and facilities were modified.

The Rebound Program was a citywide effort to support local businesses during the shutdowns and periods of reduced operations initiated by State and County public health orders. Representatives from every department worked on the Rebound Program and a Council Ad Hoc Committee oversaw the direction of the program. The program suspended portions of the municipal code in order to allow business operations to extend into the public right of way, private patios, and parking lots. It also streamlined approval processes to allow businesses to make building improvements for safety and activate the downtown core with public art. In addition, the Restaurant Grant Program supported eligible restaurants with grants of either \$5,000 or \$10,000.

Inside City Hall and other City facilities, staff installed signage, sneeze guards, and increased filtration. In addition, extra sanitation was implemented to protect the health of employees and prepare for the return of the public. City Council, commission, and committee meetings transitioned to a remote format while expanded technology allowed for online City services and remote work.

For members of the public, many of our Arts and Recreation programs and classes moved online with virtual classes, workshops, and other programming, providing safe opportunities for community members to enhance mental health, wellness, and connection. The City partnered with health officials to host vaccine and COVID-19 testing clinics at Tice Valley Gym.

- **Mental Health Crisis Response Initiative and Diversity, Equity, & Inclusion (DEI)**
In 2019, the City began implementing a variety of initiatives intended to expand training, increase communication, and improve the ability to serve the community and respond to incidents involving public safety and mental health.

The City of Walnut Creek and your Council initiated the effort to pilot a more comprehensive, 24/7 mental health crisis response program with the County’s Behavioral Health Division by providing \$100,000 in seed money and gathering support from other Contra Costa cities. The project is well under way, with the goal of realizing improvements during the summer of 2021.

The Police Department implemented additional training for mental health crisis response and began the development of a Regional Crisis Intervention Team with neighboring cities. Improvements were made to their body-worn camera system and non-lethal force options, and empathy development training was implemented to support the Department’s use of force and crisis intervention training programs.

The City Council also gave direction to focus on Diversity, Equity, and Inclusion (DEI) as a citywide initiative. Jason Seals & Associates completed eight separate listening sessions in November and December 2020, which provided opportunities for feedback from both community members and staff related to the officer-involved shooting that resulted in the death of Miles Hall, and the City’s approach to DEI, implicit bias, and mental health response. This initiative will continue into FY22 and beyond through the work of the DEI Task Force and an internal staff working group for DEI.

- **Awards and Grants**

The City received a number of awards and grants including:

- The American Planning Association “Award of Merit” for the Community Development Department’s work in the areas of innovation, quality, outreach, and implementation related to the North and West Downtown Specific Plans, Rethinking Mobility, Climate Action Plan implementation, Affordable Housing Outreach, and the Blueprint for Success v2.
- Approximately \$3 million in State grant funding to support housing efforts in our community. The City also committed \$6 million in housing funds for the acquisition and development of a 95-unit mixed-use affordable housing project at 699 Ygnacio Valley Road and CDBG-Coronavirus funds to provide support to low-income households impacted by the pandemic.
- Cal-ICMA’s Talent Action Award in three categories: implementing best practices in attracting and recruiting talent, developing and retaining talent, and improving workplace culture.

- The 2020 MISAC Excellence in Information Technology Practices Award which signifies the City has met or exceeded MISAC standards in the technology-focused areas of Budget and Strategic Planning, Purchasing, Operations and Staffing, Customer Satisfaction, Internet, Project Management, Professional Development and Training, Disaster Preparation and Recovery, Policies and Procedures, Security, and GIS.

Council Priorities

On March 25, 2021 the City Council identified five strategic priorities for the next two calendar years (2021 and 2022). City Staff has used the Council Priorities as a guide when building the FY22 & 23 budget. They are as follows:

- **Diversity, Equity, & Inclusion (DEI)**
Keep building a welcoming and inclusive community by continuing the City’s DEI efforts, including training of City leadership and employees, review of policies and practices, communication, outreach to under-represented communities, and partnerships with not-for-profit organizations, with some initiatives guided/augmented by the DEI Task Force.
- **Economic Development and COVID Recovery**
Informed by our pandemic experience, revisit and implement the Economic Development Strategic Plan, including efforts related to improving economic diversification, job retention and creation, the jobs/housing ratio, and permit processing, with an added emphasis on pandemic recovery and revitalization strategies within the downtown core and elsewhere.
- **Environmental Sustainability and Climate Action**
Remain a leader in reducing greenhouse gas emissions and achieving other sustainability goals by completing the update of the City's Sustainability Action Plan, establishing a funding program, adopting a climate action emergency resolution, and implementing the plan as well as other efforts in program areas such as alternative transportation, open space protection, and disaster resiliency.
- **Infrastructure and Facilities**
Meet ongoing infrastructure maintenance needs and create clear priorities and funding strategies for parks, athletic fields, community buildings and other related facilities and infrastructure as identified in the “Your Parks, Your Future” plan.
- **Social Wellness and Public Safety**
Support new and better responses to homelessness, mental health crises, and public safety challenges through (1) city programming that promotes the health and well-being of our residents; (2) partnerships with other service providers; (3) police training and other programs that enable greater community engagement; and (4) more innovative, effective responses to behavioral/non-criminal calls for service.

Budget Assumptions & Financial Forecast

As the FY22 & 23 budget was developed in the midst of the COVID-19 pandemic, the following assumptions are included in the budget:

- Vaccines will be available to people age 16 and up;
- California will fully reopen on June 15, 2021;
- Masks and social distancing will still be required; and
- No capacity restrictions will be in place for most activities and businesses.

Generally, these result in FY22 being a year of continued recovery from the economic recession, while FY23 has areas of operations still recovering from public health restrictions and the public's perception of safety, with growth normalizing as the economy stabilizes. This is also in line with trends projected in the 10-Year Financial Forecast.

FY22 & FY23 General Fund Budget Summary

The FY22 & FY23 General Fund operating budget shows continued growth in City revenues as Public Health restrictions loosen, vaccination rates increase, and the economy recovers from the COVID-19 pandemic. In FY22, the proposed General Fund budget began with a small deficit, which staff is recommending to balance with ARPA stimulus funds.

Up to \$2.83 million in uses for ARPA monies have been identified in FY22 & FY23. As the ARPA stimulus is one-time funding, any ongoing costs will have an impact on the General Fund in the next budget cycle, once ARPA monies are fully spent. Revenues and expenditures in FY22 will be \$86.99 million, including the ARPA funds, resulting in a balanced budget in FY22. FY23 revenues will be \$92.94 million, and expenditures will be \$91.33 million. After contribution to reserves in FY23 of \$300,000, FY23 is projected to have a surplus of \$1.31 million.

Key highlights of the FY22 & FY23 General Fund operating budget include:

1. The addition of a Financial Analyst (1 FTE) in the Administrative Services Department in FY23;
2. \$100,000 for annual training of City staff, including implicit bias training and other topics regarding Diversity, Equity, and Inclusion;
3. \$150,000 for facilitation and implementation costs related to the City's community DEI Task Force;
4. \$100,000 in each year for Police Department-specific training for crisis intervention, de-escalation, and response;
5. \$150,000 allocated in both FY22 & FY23 for regional mobile crisis response;
6. \$200,000 in both FY22 & FY23 for implementation of action items as recommended by the Sustainability Action Plan;
7. \$519,650 per year for funding 12 extra library hours at the Walnut Creek and Ygnacio Valley libraries;
8. Approximately \$280,000 to fund a full-time Coordinated Outreach Referral Engagement (CORE) team over the two-year budget cycle;
9. \$810,000 over both fiscal years for economic development and other City services;
10. \$60,000 per year for crossing guard service price increases;

11. \$100,000 in FY22 for improvements to air filtration at City facilities;
12. \$31,000 in FY22 for Walnut Creek Downtown; and
13. Up to \$445,000 in ARPA funds to offset lost revenue, in order to balance the FY22 budget.

While the City Council authorized the use of reserve funds to balance the FY21 budget, in the end they were not required. As such, the City's General Fund reserves are fully funded per current policy, and exceed the Government Financial Officers Association's (GFOA) recommendation to maintain reserve balances of at least two months' worth of General Fund operating revenues or expenditures.

Other Funds

Downtown Parking & Enhancement Enterprise Fund

The FY22 & FY23 Parking Fund budget assumes the continuation of outdoor dining through Rebound program pop-ups and greater revenue growth in purple poles and downtown garages. In addition to funding 22.55 FTE, the Parking Fund budget includes the resumption of Downtown events like the Summer Sounds series and annual capital contributions. The anticipated economic recovery projects the Parking Fund will have a surplus of approximately \$50,000 in FY22 and \$540,000 in FY23.

Boundary Oak Golf Course Enterprise Fund

The Boundary Oak Golf Course operates as a self-supporting City enterprise fund. Revenues generated by golf and food and beverage operations fund its operating expenses, capital improvements, support services, and debt service. The FY22 & FY23 Boundary Oak Golf Course budget projects a strong increase in revenue, and the ongoing proactive management of expenses will ensure the course remains an asset to the City and community.

Capital Budget

The FY22 and FY23 Capital Budget allocates \$22.1 million in funding to create and preserve the City's physical infrastructure, including roads and bridges, storm water systems, public buildings, parks, open spaces, and trails. The Capital Budget is funded from many different sources, with primary funding from the General Fund, Gas Tax, Measure J, Downtown Parking Enterprise and Enhancement Fund, Traffic Impact Fee, In-Lieu Parkland, and grant funding. The General Fund contribution to the Capital Budget is \$3.3 million over two years, or approximately 22% of the Capital Budget.

Conclusion

Much changed in 2020. Our community, city, and the world were hard hit by overlapping crises—from the COVID-19 pandemic to the subsequent economic recession, from social isolation to civil unrest. Walnut Creek wasn't spared from these experiences. And yet, this past year has also emphasized the power of community and its ability to move us towards health and safety, towards a more equal society.

Thank you to staff, at every level and in every department, who adapted, innovated, and worked hard for our residents, through it all. Thank you to the City Council for your leadership, which

helped bring Walnut Creek through this time, and for your vision, which will help us move into the future. And finally, thank you to the Finance team for your hard work in the preparation of this budget.

Prudent financial decision making from this and past City Councils has helped place Walnut Creek in a healthy position. The State of California has fully opened the economy and City Hall has reopened to the public. City operations and services will continue to evolve as we find the best ways to serve our residents and business community. Some uncertainty remains; however, the City is well positioned to meet what lies ahead.

Sincerely,

A handwritten signature in blue ink that reads "Dan L. Buckshi". The signature is written in a cursive style with a prominent initial "D".

Dan Buckshi
City Manager

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Introduction



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City of Walnut Creek

Mission, Vision, & 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

City of Walnut Creek Mission, Vision, & Values

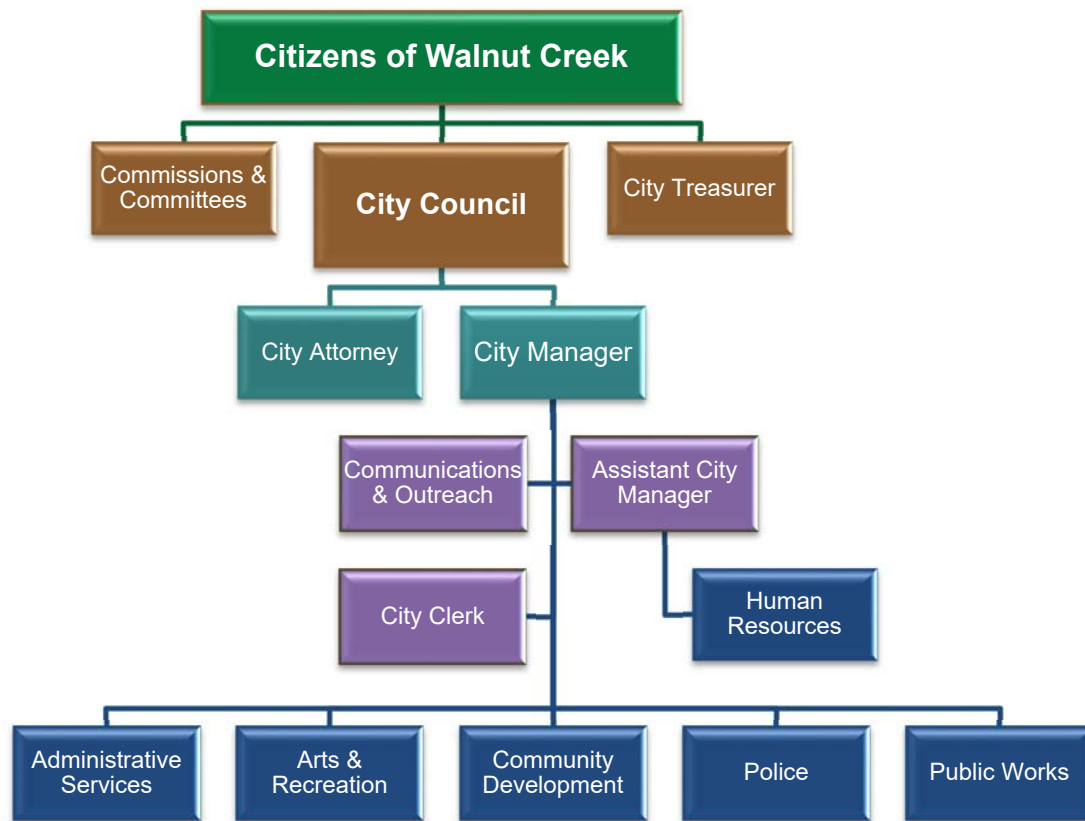
Our Values

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



Citywide Organizational Chart



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Strategic Goals & Council Priorities

The City Council has a practice of setting priorities, every two years, which help guide City staff and inform the budget development process. The Council priority-setting process is now aligned with the City's biannual budget development calendar, following the adoption of a one-year budget in Fiscal Year 2021. The alignment of priority setting and budget development allows for the allocation of funding and resources to support Council's priorities. As part of the priority-setting process for calendar years 2021-2022, the following actions were taken to gather input from the community, staff, and City Council members:

- **Online Survey:** The City offered an online survey for residents to weigh in on where to focus City resources. The survey was available to residents in early March 2021 and more than 1,000 people responded with their opinions. While the results do not constitute a statistically valid survey, they do provide useful insights into public opinion and helped inform the City Council during their deliberation.¹
- **Comprehensive Update:** Staff provided a final comprehensive update on the work plans for the 2019-2020 Council Priorities, laid out expectations for what work was expected to continue, and outlined potential significant work on the horizon in the next two years.²

2021-2022 City Council Priorities

On March 23, 2021, the City Council identified five strategic priorities for the City for the next two calendar years (2021-2022):

- Diversity, Equity, and Inclusion
- Economic Development and COVID Recovery
- Environmental Sustainability and Climate Action
- Infrastructure and Facilities
- Social Wellness and Public Safety

The City hired a consultant to work with the Council members and facilitate the special public meeting on March 23, 2021 to develop the 2021-2022 City Council priorities. In preparation, each councilmember was asked to propose up to five goals for 2021-2022. The Councilmembers' proposed goals were formed into a comprehensive list of goal statements,³ which were discussed and refined during the special meeting. The public was able to provide input through public comment, and the Council prioritized each goal before adopting the final set of priorities.⁴

¹ City Council Priorities Online Survey Summary Results.

https://walnutcreek.granicus.com/MetaViewer.php?view_id=12&clip_id=4261&meta_id=243993

² City Council 2019-2020 Calendar year Priorities and Other High Priority Work Update, February 16, 2021.

https://walnutcreek.granicus.com/MetaViewer.php?view_id=12&clip_id=4261&meta_id=243992

³ March 23 Goal-Setting Workshop: Candidate Goals and Draft Synthesized Goal Statements.

https://walnutcreek.granicus.com/MetaViewer.php?view_id=12&clip_id=4261&meta_id=243994

⁴ City Council 2021-2022 Priority Setting, March 23, 2021.

https://walnutcreek.granicus.com/MetaViewer.php?view_id=12&clip_id=4261&meta_id=243991

Strategic Goals & Council Priorities

Diversity, Equity and Inclusion

Keep building a welcoming and inclusive community by continuing the City's DEI efforts, including training of City leadership and employees, review of policies and practices, communication, outreach to under-represented communities, and partnerships with not-for-profit organizations, with some initiatives guided/augmented by the DEI Task Force.

City staff has established a workplan with several key initiatives related to the appropriated funding for diversity, equity and inclusion (DEI).

- Establish diversity and inclusion, implicit bias, and human trafficking awareness training for all City staff.
- Establish a community-based DEI Task Force with Council, public, and staff representation.
- Complete listening sessions and present findings to Council with recommendations to be utilized by the DEI Task Force as consideration for future recommendations.
- Form an internal staff working group for DEI to analyze existing policies, training, procedures and practices related to DEI; examine alternatives; facilitate discussions; and contribute information to the community-based DEI Task Force when appropriate.

Economic Development and COVID Recovery

Informed by our pandemic experience, revisit and implement the Economic Development Strategic Plan, including efforts related to improving economic diversification, job retention and creation, the jobs-housing ratio, and permit processing, with an added emphasis on COVID recovery and revitalization strategies with the downtown core and elsewhere.

The workplan for this priority consists of four major areas:

1. **Economic Development**, which will focus on reevaluating the Strategic Plan with updated information and new assumptions based on current industry thinking, a more detailed analysis of retail industry trends, and the potential for fiber optic communication as a competitive advantage.
2. **Blueprint and Development Services Streamlining**, which will review and identify the remaining strategies in the Blueprint for Success Version 2.0⁵ and prioritize strategies that improve digital services and streamline approval processes.
3. **Downtown Support and Management Strategy** to vet ideas and lessons learned during the Rebound Program⁶ (an innovative response to the challenges experienced by businesses during the pandemic) and in the wake of protest, vigils, and gatherings that took place during 2020 and added a new layer of complexity to the management of Downtown.

⁵ Blueprint for Success Version 2.0. City of Walnut Creek Development Services Team. September 2019.
https://walnutcreek.granicus.com/MetaViewer.php?view_id=12&event_id=1638&meta_id=206463

⁶ City of Walnut Creek Rebound Business Re-open Program.
<https://www.walnut-creek.org/departments/economic-development/rebound-business-re-open-program>

Strategic Goals & Council Priorities

4. **Short-Term Rental and Cannabis Regulations and Management** to explore regulations, management, and the collection of Transient Occupancy Tax (TOT) as well as the regulatory framework for commercial cannabis operations and personal cultivation of cannabis.

Environmental Sustainability and Climate Action Plan

Remain a leader in reducing greenhouse gas emissions and achieving other sustainability goals by completing the update of the City's Sustainability Action Plan, establishing a funding program, adopting a climate action emergency resolution, and implementing the plan as well as other efforts in program areas such as alternative transportation, open space protection, and disaster resiliency.

This priority was carried forward from the 2020-2021 Council Priority cycle. The work plan continues to track toward the adoption of the Sustainability Action Plan.⁷ Based on the City Council's feedback, new workplan tasks have been added: approve a Climate Emergency Resolution and Phase 2 report; develop a funding and implementation plan; and implement the adopted Plan.

The Sustainability Action Plan is being developed in three phases.

1. Phase 1: Project Initiation and Visioning (complete).
2. Phase 2: Policy and Strategy Development (in progress).
3. Phase 3: Plan Preparation and Environmental Review.

Infrastructure and Facilities

Meet ongoing infrastructure maintenance needs and create clear priorities and funding strategies for parks, athletic fields, community buildings and other related facilities and infrastructure as identified in the "Your Parks, Your Future" plan.

Continuing the work identified in the "Your Parks, Your Future" (YPYF) plan,⁸ this priority is focused on implementing outcomes endorsed by the Council at the conclusion of YPYF Phase 1.

❖ Your Parks, Your Future: Phase 1 Planning Outcomes

- Prioritize and combine the Heather Farm Park Community Center and Clarke Swim Center. The community center and bathhouse will be combined into a single, new building.
- Consider both the 50-meter and 25-meter recreational pool size options and work with the Walnut Creek Aquatic Foundation (WCAF) to determine a definitive amount of funding that could be raised towards a 50-meter pool, with the assumption that the WCAF would raise at least half the funding for the difference in cost between the sizes.
- Maintain the preschool spaces, at all three locations, in their current facilities.
- Consolidate all industrial arts programs (e.g. ceramics, jewelry) at Shadelands Arts Center.

⁷ City of Walnut Creek Sustainability Action Plan.

<https://www.walnut-creek.org/departments/e-c-o/climate-action/sustainability-action-plan>

⁸ City of Walnut Creek Your Parks, Your Future plan. <https://www.walnut-creek.org > yourparks>

Strategic Goals & Council Priorities

- Scale back the Civic Park Facilities by replacing the Community Center, eliminating the Assembly Hall, and relocating the industrial arts to Shadelands.

Social Wellness and Public Safety

Support new and better responses to homelessness, mental health crises, and public safety challenges through (1) City programming that promotes the health and well-being of our residents; (2) partnerships with other service providers; (3) police training and other programs that enable greater community engagement; and (4) more innovative, effective responses to behavioral/non-criminal calls for service.

This new Council priority integrates existing and new programs that are provided by multiple departments throughout the City. The work centers around three areas:

1. **Mental health crisis response and training**

- a. The City Manager is representing Walnut Creek as part of a working group with neighboring city managers in support and establishment a program for non-police department response to calls for service. Key initiatives for the project have been confirmed and include the following:
 - i. Establish a single phone number for behavioral health crisis response
 - ii. Establish mobile crisis 24/7 response
 - iii. Evaluate non-police mobile crisis team composition and effectiveness
 - iv. Identify alternative destinations for individuals in crisis other than jail or psych hospitals.
- b. New police department specific training/programming for mental health crisis response have been established and include:
 - i. Crisis Intervention Training provided by a licensed therapist
 - ii. Non-criminal barricaded subject training.
- c. The Police Department is partnering with Martinez and Pleasant Hill police departments to establish a regional crisis intervention team and approach, which will be a coordinated program to improve each agency's ability to respond to mental health crises. An oversight board with representation from behavioral sciences, the County Mobile Crisis Response Team, and the community will review progress of the program.

2. **Continuing to alleviate homelessness** through the funding of a full-time CORE Team,⁹ redeployment of the Homeless Outreach Program officers, and coordinating the City's cross-departmental approach to combating homelessness by forming an internal homeless response team.

3. **Enhanced Police Department Community Engagement.** In addition to the aforementioned training and program development, the Police Department is evaluating the current staffing

⁹ Contra Costa Health Services Coordinated Outreach, Referral, & Engagement (CORE) program.
<https://cchealth.org/h3/services.php#CORE>

Strategic Goals & Council Priorities

model to prioritize and address current community service needs with existing authorized personnel. Identified needs include:

- a. More support and presence Downtown.
- b. Reinforce and enhance Police Department community outreach by optimizing social media engagement in coordination with the City's Communications and Outreach Manager.
- c. Establish an internal Continuous Improvement Team, which formalizes a process for staff members to bring forward ideas for operational improvement and better community engagement by actively seeking input from other staff members and the community.

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Citywide Accomplishments: Fiscal Years 2020 & 2021

COVID-19 Pandemic Response

- Administered the Rebound program, a citywide effort to support businesses facing reduced operations resulting from the County and State Public Health orders;
- Fabricated and installed signage and sneeze guards to promote social distancing and implemented increased sanitation to prepare City facilities for reopening;
- Transitioned City Council, Commission, and Committee public meetings to a virtual platform, and managed all technical aspects of public meetings;
- Implemented and expanded technology to allow for digital and online services;
- Launched virtual classes, workshops, and other programming, providing safe opportunities for community members and families to enhance their mental health, wellness, and connection to others;
- Continued to support City employees through the implementation of the Families First Coronavirus Response Act, enhanced safety measures, and remote work arrangements due to the closure of City facilities;
- Coordinated with the County to host a vaccine clinic at Tice Valley Gym.

Awards

- Talent Action Award from Cal-ICMA for implementing best practices in attracting and recruiting talent, developing and retaining talent, and improving workplace culture;
- 2020 MISAC Excellence in Information Technology Practices Award from the Municipal Information Systems Association of California for implementing information technology practices that excel in creative and efficient uses of local government resources; and
- American Planning Association Award of Merit in the category of Planning Agency.

Grants

- Transportation Partnership and Cooperation (TRANSPAC) funding to support the Senior Transportation Program;
- California Arts Council grant to provide school-age youth with arts education programming;
- Multiple California Housing Grants, including funding under the Permanent Local Housing Allocation, and grants to accelerate the production of affordable housing and to right-size parking standards for multifamily developments; and
- CDBG-Coronavirus funds to provide support to low-income households impacted by COVID.

Citywide Accomplishments: Fiscal Years 2020 & 2021

Listening Sessions

- Conducted listening sessions to give community members and staff the opportunity to be heard regarding the intersection of policing and mental health care

Infrastructure

- EV-charging stations;
- Automated License Plate Readers at key City intersections;
- Leshher Plaza;
- Cyprus Mini-Plaza; and
- Improvements to City facilities, including roof replacements, HVAC system upgrades, and park and open space projects.

Technology

- Expansion of free public wifi in downtown Walnut Creek;
- Implementation of technological solutions for employee onboarding, benefits, and training; and
- Virtual service delivery, including an electronic plan submittal system and online permitting.

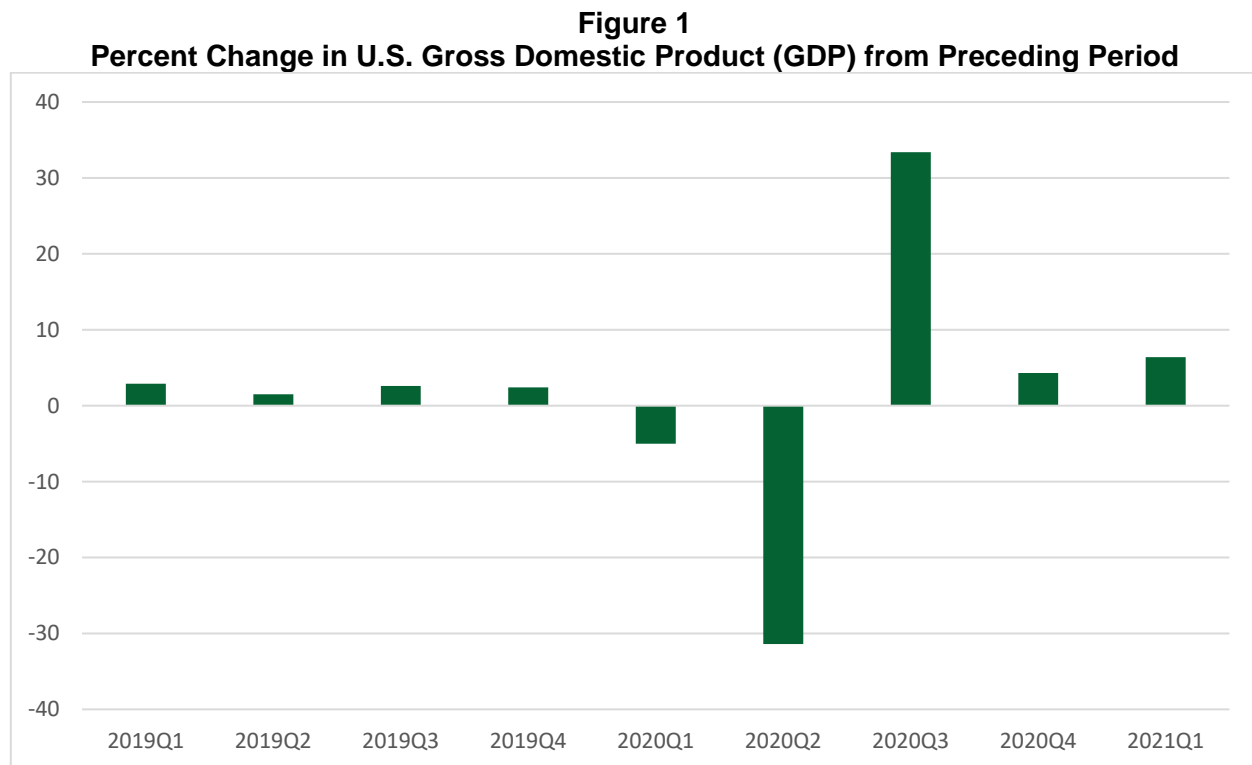


Economic Outlook

The economic crisis resulting from the COVID-19 pandemic continues, as the impacts are felt locally and nationally. California looks forward to a reopening of the state in June 2021, as vaccine distribution continues to grow and vaccines are more widely available and accessible to those who want them. As the City and State look to re-opening, service delivery and business models across all economic sectors continue to adapt to the changing conditions and the “new normal” of a post-pandemic economic recovery. The third federal stimulus package, the American Rescue Plan Act (ARPA), provides additional support to individuals and businesses, as well as local municipalities, supporting economic growth and recovery from the lingering impacts of the pandemic.

National

National GDP increased in the last half of calendar year 2020, but overall GDP fell 3.5% from 2019¹, making 2020 the worst year of economic growth since 1946.² As shown in Figure 1, the first quarter of calendar year 2021 GDP increased by 6.4% compared to 4.3% growth in Q4 of 2020, reflecting the continued economic recovery, reopening of establishments, and continued government response related to the COVID-19 pandemic³.



Source: United States Bureau of Economic Analysis⁴

¹ <https://www.bea.gov/news/2021/gross-domestic-product-4th-quarter-and-year-2020-advance-estimate>

² *ibid.*

³ *ibid.*

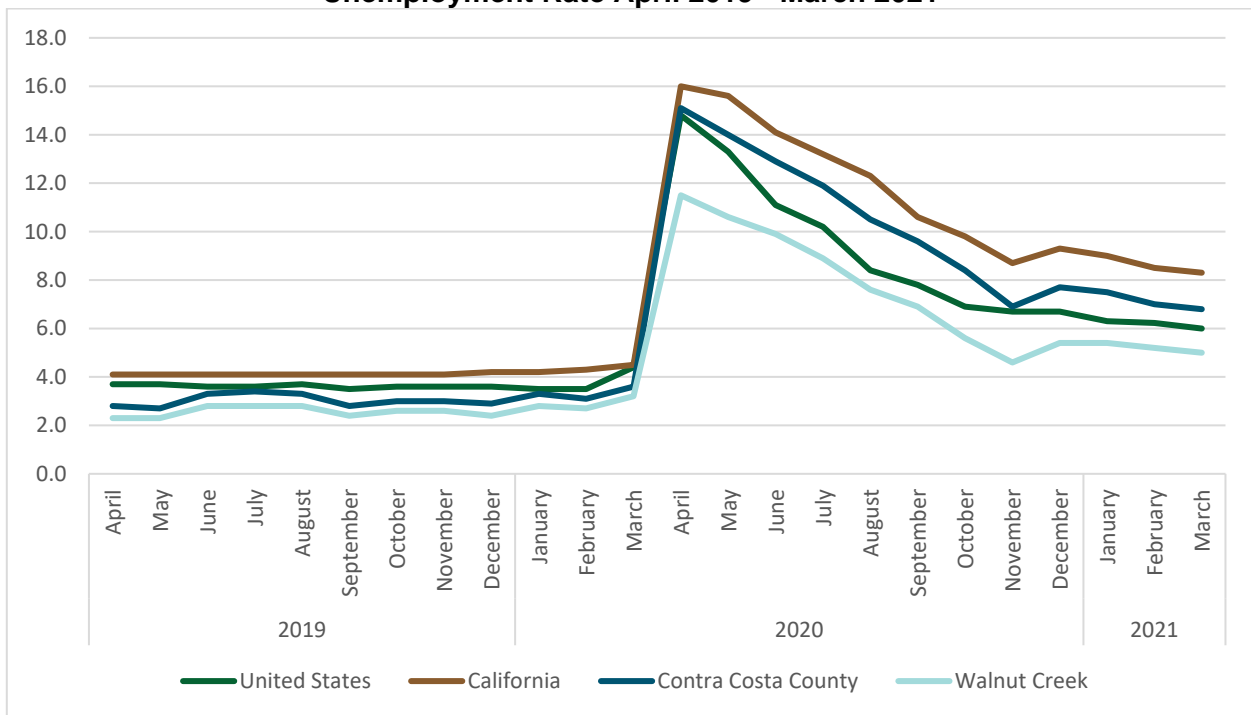
⁴ *ibid.*

Economic Outlook

The Congressional Budget Office (CBO) projects rapidly expanding GDP, surpassing its peak in mid-2021, and a gradually declining unemployment rate through 2026. The CBO projects employment levels will return to pre-pandemic levels in 2024.⁵

Unemployment continues to remain above pre-pandemic levels. Nationally, March 2021 saw non-farm payroll employment grow by 916,000 jobs, reflecting the continued resumption of economic activity. Job growth in March 2021 was widespread, with leisure and hospitality, public and private education, and construction sectors seeing job gains. Despite improvements in the unemployment rate, non-farm payroll employment is still down by 8.4 million compared to pre-pandemic employment.⁶ As of March 2021, the national unemployment rate was 6.0%, down from a peak of 14.8% in April 2020. In Contra Costa County, the unemployment rate was 6.8% in March 2021, compared to a pandemic peak of 15.1% in April 2020. Walnut Creek’s unemployment rate was 5% in March 2021, compared to under 3% pre-pandemic and a peak of 11.5% in April 2020.

Figure 2
Unemployment Rate April 2019 - March 2021



Source: United States Bureau of Labor Statistics⁷

⁵ <https://www.cbo.gov/system/files/2021-02/56965-Economic-Outlook.pdf>

⁶ https://www.bls.gov/news.release/archives/empsit_04022021.pdf

⁷ [https://beta.bls.gov/dataQuery/find?st=0&r=100&s=popularity%3AD&fq=mcd:\[Rate\]&more=0](https://beta.bls.gov/dataQuery/find?st=0&r=100&s=popularity%3AD&fq=mcd:[Rate]&more=0)

Economic Outlook

California

California is projecting a \$75.7 billion budget surplus, compared to a \$54 billion projected shortfall in spring 2020. This projected surplus, along with \$25 billion in federal relief, fund the \$100 billion “California Comeback Plan” included in the Governor’s May Revise. Under the Governor’s proposal, families making \$75,000 per year or less would receive a stimulus payment, and families with children would receive additional stimulus funds. Additionally, the Governor’s proposal includes over \$7 billion for rental and utility assistance, and continued support for small businesses. The California Comeback Plan is intended to speed California’s recovery from the pandemic and provide opportunities to California families.⁸

The first quarterly UCLA Anderson Forecast of 2021 expects robust growth for both the United States and California as the pandemic recedes. Forecasters anticipate that while California will begin a significant recovery later than some other states, due to more restrictive pandemic controls, the California recovery will ultimately be faster than that of the overall United States.⁹

Walnut Creek

As with many cities, Walnut Creek is seeing signs of recovery from the pandemic. Programs launched by the City, as well as state and federal grants and loan programs, have provided needed assistance to the business community to aid in their survival. However, the pandemic dealt an especially devastating blow to certain industry sectors. Restaurants and retailers experienced one of their best years in 2019; however, 2020 saw a drop in sales tax generation back to 2013 numbers. The City experienced a retail vacancy rate of 13.5 % in the first quarter of 2021¹⁰, due in part to the vacancy of a large, downtown retailer. With new, smaller businesses still finding Walnut Creek a place to call home or to expand, retail vacancies are expected to stabilize.

The office market in Walnut Creek is currently at a 19% vacancy rate. The lack of high-growth tech companies, which drive significant office demand in other parts of the Bay Area, has led to limited activity. In 2020, investor and lender activity have seemingly paused to reassess changing marketing dynamics.

Economic development efforts going forward—including a review and revision of portions of the Economic Development Strategic Plan—will seek to address both the retail and office markets in the city, with a focus on helping with pandemic recovery and growth opportunities.

⁸ <http://www.ebudget.ca.gov/2021-22/pdf/Revised/BudgetSummary/Introduction.pdf>

⁹ <https://newsroom.ucla.edu/releases/anderson-forecast-anticipates-robust-growth-march-2021>

¹⁰ John Cumbelich & Associates, Downtown Walnut Creek Retail Market Overview

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Long-Term Financial Forecast

The financial forecast is a long-range planning tool, highlighting the anticipated trends for the City's long-term financial outlook. Identifying known trends, such as rising pension costs, helps the City plan for increased expenses in a strategic manner. While it is a support for budget development, the forecast does not contain the level of detail or nuance required for the creation of the City's two-year spending plan.

On March 2, 2021, the City Council received an update on the City's 10-Year Financial Forecast. Since the forecast's previous update in April 2019, the City experienced a loss of sales tax revenue and department revenues due to the 2020 recession and activity restrictions imposed by State and County public health orders related to the COVID-19 pandemic.

General Assumptions

The most recent financial forecast includes the following general assumptions:

1. Base Data Sets Updated. The forecast is based on up-to-date budget information including year-end results from FY19 and FY20, the FY21 adopted budget, and information available as of the FY21 2nd Quarter Budget Update.
2. Recessions. The forecast models a moderate recession occurring every seven years. The moderate recession includes an 18-month downturn, followed by a three-year recovery. The current recession began in FY20, and the recession impacts to revenue are included in the FY20 results and FY21 budget. The next recession modeled in the forecast begins in FY27.
3. Budget Balancing Actions. The forecast is presented without any budget balancing strategies applied, including any use of reserves or the pension trust, in order to illustrate trends based on current information.
4. Reserves and Pension Trust. The forecast presumes that all current reserve policy guidelines are met, and no pension trust balances are used. Again, this is done to illustrate the trends before any budget balancing strategies are applied, including any use of reserves or the pension trust.

Revenue Assumptions

The following outlines the revenue assumptions and trends included in the updated forecast.

1. Sales Tax. The forecast uses the "Most-Likely" sales tax forecast from the City's sales tax consultant, using actual sales tax receipts from the quarter ending September 2020.
2. Property Tax. Property tax revenues continue to grow based upon historical trends. The Proposition 13 inflator on assessed values will be 1.036% in FY22, according to information released by the California Board of Equalization. The model assumes a 2% inflator in FY23 and beyond.

Long-Term Financial Forecast

3. Transient Occupancy Tax. The City has experienced a significant loss in Transient Occupancy Tax (TOT) revenue due to travel-related restrictions imposed by State and County health orders, and consumer behavior related to business and leisure travel. The forecast assumes TOT will return to pre-pandemic levels by FY25.
4. Arts & Recreation Revenue. The Arts & Recreation Department has been impacted by County and State health orders restricting activities and limiting group gathering sizes. For example, the Leshner Center for the Arts has been closed since the first shelter-in-place order, which was issued in March 2020. The forecast assumes all Arts & Recreation revenues will return to pre-pandemic levels by FY25.
5. Other Revenue Sources. Generally, all other revenue sources are forecasted to grow at an average of 2.7% annually, which is the 10-year average of the Bay Area CPI.

Expenditure Assumptions

The following outlines the expenditure assumptions and trends included in the updated forecast.

1. Personnel Costs. The forecast assumes the restoration of one-time personnel reductions (i.e., negotiated employee concessions) and Cost of Living Adjustment (COLAs) per current adopted Memorandums of Understanding (MOUs). Healthcare costs are forecasted to increase at 4%. Staff has provided two scenarios with regard to personnel. Scenario A adds one full-time equivalent position (FTE) annually starting in FY23, and Scenario B does not add any new personnel.
2. Pension Costs. The forecast assumes a pension discount rate of 6%, to be phased in over 20 years.
3. General Fund Capital Contributions. General Fund contributions to the Capital Budget are forecasted to be 2% of General Fund revenues, as previously authorized by City Council.
4. Other Operations & Maintenance Expenses. The forecast restores one-time expenditure reductions that were implemented as part of the FY21 budget balancing actions, and includes a 2.7% inflator, on average, to all other operation and maintenance expenses.

Forecast Scenarios

Scenarios 1A and 1B are considered the most likely combination of economic conditions, anticipated revenues, and expenditures. The main difference between scenario 1A and 1B is the addition of one FTE annually. The addition of FTEs should be strategically considered as necessary to ensure service levels are met. It is very unlikely that no new FTEs will be required over the time period covered by this forecast, yet the addition of one new FTE annually is not guaranteed.

Each forecast scenario represents the net operating surplus or deficit, after required contributions to reserves.

Long-Term Financial Forecast

Figure 1
Forecast Scenario 1A: Most Likely Sales Tax & +1 FTE Annually

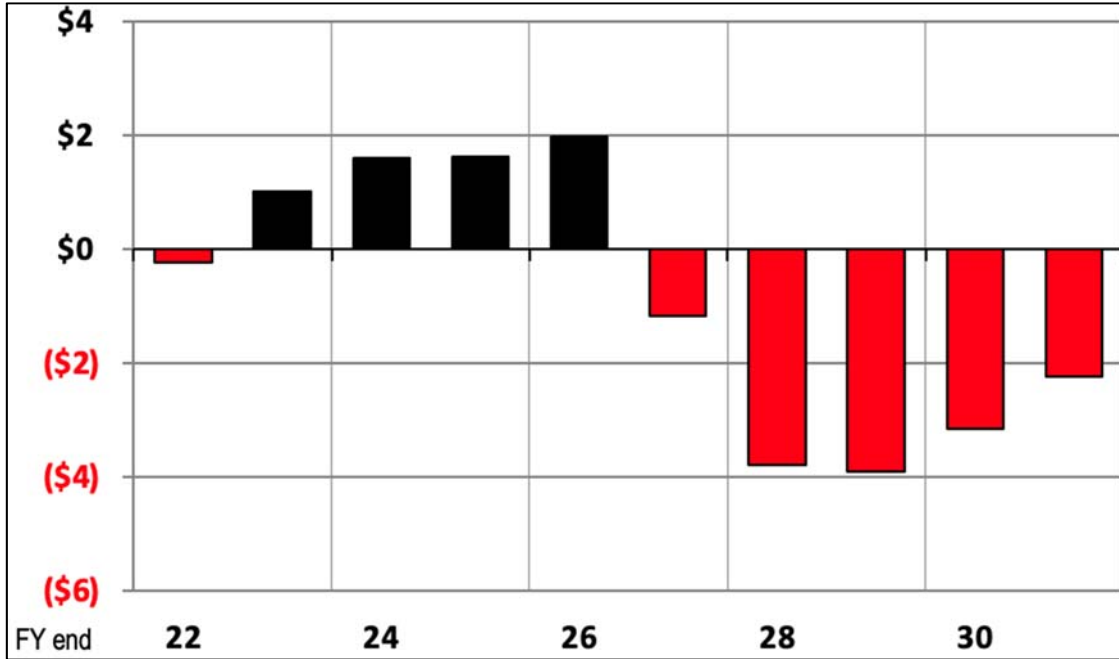
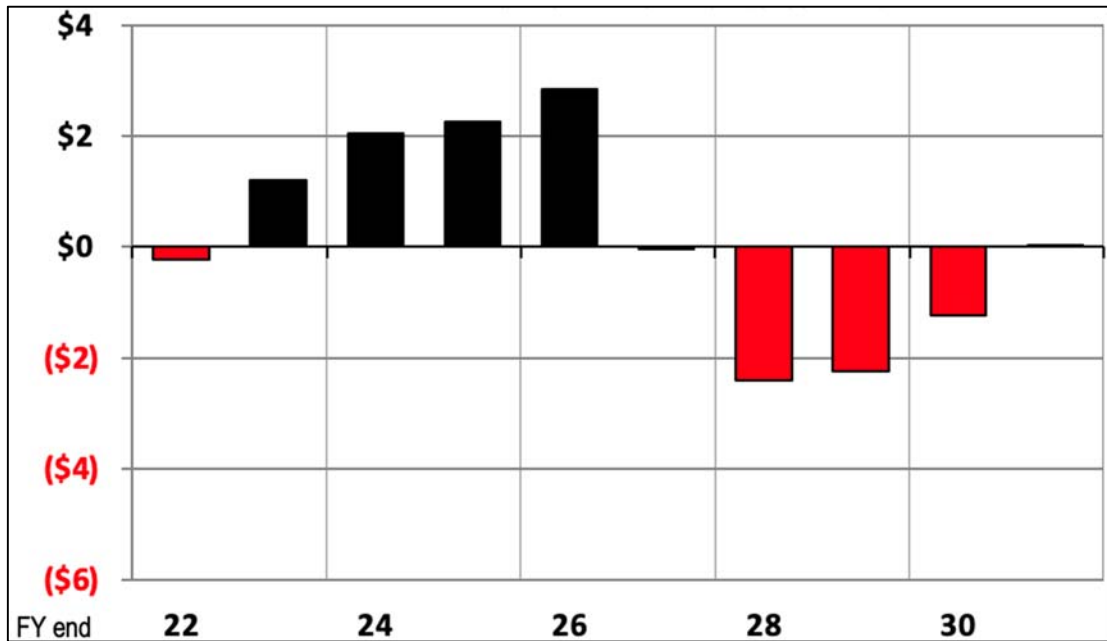


Figure 2
Forecast Scenario 1B: Most Likely Sales Tax & +0 FTE Annually



Long-Term Financial Forecast

Long-Term Outlook

The outlook of the forecast is improved, due in part to significant cost reductions and restructuring made in order to balance the FY21 budget. Approximately \$9 million in cuts were made to balance the FY21 budget, including the elimination of 10.0 FTEs. About half of those cuts were ongoing reductions.

The improved outlook puts Walnut Creek in a better position to weather the upcoming pension cost increases, compared to the prior 2019 forecast. The City's healthy reserves and pension trust provide time to consider courses of action.

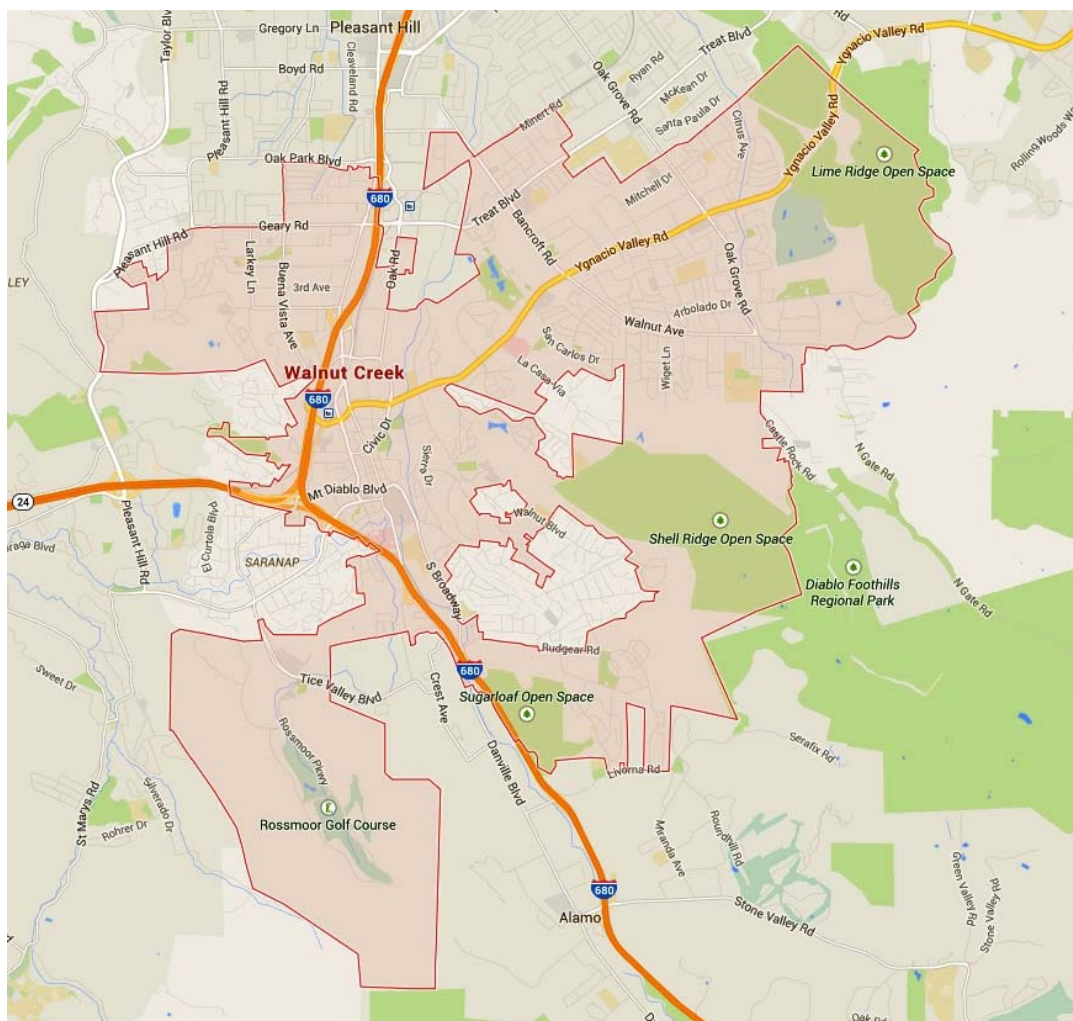


About Walnut Creek

The City of Walnut Creek was incorporated on October 21, 1914. Today, Walnut Creek is home to over 70,000 residents and a large number of guests that come to the City for work, recreation, and to enjoy the vibrant downtown and amenities. The City offers suburban convenience with a walkable downtown full of shopping, dining, and cultural activities, has top performing schools, and ranks as one of the California cities offering the most open space per capita.

The City has a range of housing available to meet the needs of residents and workers employed by various businesses and agencies throughout the region. The City's large retail base serves local residents as well as those in surrounding communities. Additionally, Walnut Creek has a mix of major employers and small business that drive innovation in areas such as software and green technology. Walnut Creek continues to show strength as a successful retail and entertainment center and a safe community with attractive residential neighborhoods.

Map of Walnut Creek



Source: https://www.worldmap1.com/map/united-states/california/walnut-creek/walnut_creek_california_map_usa.jpg

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Budget & Financial Policies



CITY OF
WALNUT
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Budget Goals & Policies

Adopted March 6, 2018

Reaffirmed on November 19, 2019

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;
- 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.

Budget Goals & Policies

- 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 project.



FY22 & FY23 Budget Development Calendar

Date	Responsible Party	Description
November 2020	City Staff	<ul style="list-style-type: none"> Administrative Services Department begins budget software set-up
December 2020	City Staff	<ul style="list-style-type: none"> Administrative Services holds Budget Kickoff Meeting with departments Departments receive budget software training
<i>Ongoing</i> – December 2020 - June 2021	City Staff	<ul style="list-style-type: none"> Administrative Services holds monthly Budget Coordinator meetings with departments
December 2020 - January 2021	City Staff	<ul style="list-style-type: none"> Departments enter budget information into budget system Administrative Services prepares update of 10-year financial forecast
February 2021	Public Meeting Finance Committee	<ul style="list-style-type: none"> 10-Year Financial Forecast Update
February 2021	City Staff	<ul style="list-style-type: none"> City Manager and Administrative Services review department budget submittals
March 2021	Public Meeting City Council	<ul style="list-style-type: none"> 10-Year Financial Forecast Update
March 2021	City Staff	<ul style="list-style-type: none"> Departments meet with City Manager and Administrative Services on budget submittals
April 2021	Public Meeting Finance Committee	<ul style="list-style-type: none"> Fiscal Year 2022 & 2023 Budget Development Overview Fiscal Year 2022 & 2023 Capital Budget Funding Levels

FY22 & FY23 Budget Development Calendar

Date	Responsible Party	Description
April 2021	Public Meeting City Council	<ul style="list-style-type: none"> Fiscal Year 2022 & 2023 Budget Development Overview Fiscal Year 2022 & 2023 Capital Budget Funding Levels
April 2021	City Staff	<ul style="list-style-type: none"> Incorporate City Council feedback and prepare proposed FY22 & FY23 budget
May 2021	Public Meeting Finance Committee	<ul style="list-style-type: none"> Fiscal Year 2022 & 2023 Proposed General Fund Budget and Master Fee Schedule
May 2021	Public Meeting City Council	<ul style="list-style-type: none"> Fiscal Year 2022 & 2023 Proposed General Fund Budget and Master Fee Schedule
June 2021	City Staff	<ul style="list-style-type: none"> Incorporate City Council feedback and prepare proposed FY22 & FY23 budget
June 2021	Public Hearing City Council Committee	<ul style="list-style-type: none"> Adopt FY22 & FY23 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 Budget & 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 GAAP. 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 using 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 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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**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

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

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.

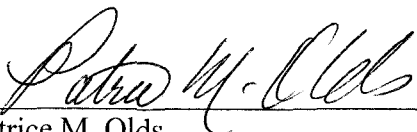
PASSED AND ADOPTED by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 7th day of June 2011, by the following called vote:

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



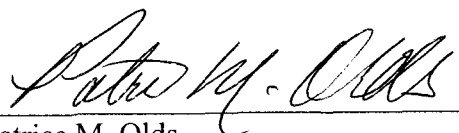
 Cindy Silva
 Mayor of the City of Walnut Creek

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 7th 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.

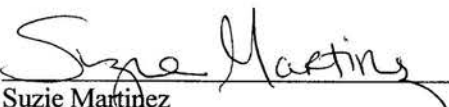
PASSED AND ADOPTED by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 19th day of June 2012, by the following called vote:

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



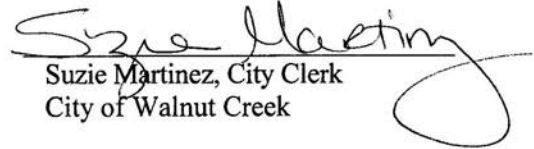
Bob Simmons
Mayor of the City of Walnut Creek

Attest:



Suzie Martinez
City Clerk of the City of Walnut Creek

I HEREBY CERTIFY the foregoing to be a true and correct copy of Resolution No. 12-36, 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 19th day of June 2012.


Suzie Martinez, City Clerk
City of Walnut Creek

**CITY OF WALNUT CREEK
RESOLUTION NO. 12-37**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK ADOPTING
A FISCAL POLICY ESTABLISHING THE USE OF ONE-TIME REVENUES AND GENERAL
FUND SURPLUSES FOR ONE-TIME INFRASTRUCTURE, CAPITAL AND TECHNOLOGY
NEEDS**

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

WHEREAS, the City Council has determined that the use of One-Time Revenues to fund ongoing programs jeopardizes the City's ability to meet continued service demand and undermines the organization's commitment to fiscal discipline; and

WHEREAS, 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, including specific direction regarding the use of General Fund Surplus for purposes of funding one-time capital and technology needs; and

WHEREAS, the City Council is 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; and

WHEREAS, the City Council has determined that a fiscal policy should be established entitled "Use of One-Time Revenues and General Fund Surpluses", committing the use of One-Time Revenues and General Fund Surplus for purposes of funding one-time capital, infrastructure and technology needs.

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

Section 1. If at the end of each budget year the General Fund Surplus is \$250,000 or less, the City Manager is authorized to transfer those General Fund Surpluses after fulfilling the City's established General Fund Reserve Policy requirements, to the following funds: Equipment Replacement-IT Fund ("Fund 640"), Capital Improvement Fund ("Fund 210") and Facilities Improvement and Replacement Fund ("Fund "670").

Section 2. If at the end of each budget year the General Fund Surplus exceeds \$250,000, the City Manager will propose allocations of those funds to the City Council as part of the six-month and eighteen-month budget updates, including specific appropriation recommendations as warranted.


Section 3. The City Council has determined that One-Time Revenues, resulting from one-time events, should be used for purposes of funding one-time capital, infrastructure and technology needs.

Section 4. the City Council has determined that any One-Time Revenues should be reported as part of the six-month and eighteen-month budget updates, and at additional intervals determined by the City Manager, and at such times the City Council may authorize specific allocations of One-Time Revenues for purposes of funding One-Time Expenses, which may include, but not be limited to, the following funds: Capital Improvements Fund ("Fund 210") and Downtown Parking and Enhancement Enterprise Fund ("Fund 180").

Section 5. The City Council hereby approves and adopts the One-Time Revenue and General Fund Surpluses Policy, effective immediately.

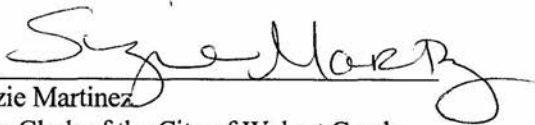
PASSED AND ADOPTED by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 19th day of June 2012, by the following called vote:

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



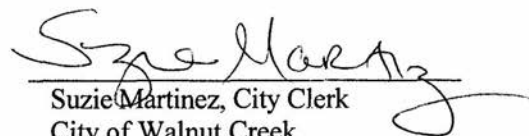
 Bob Simmons
 Mayor of the City of Walnut Creek

Attest:



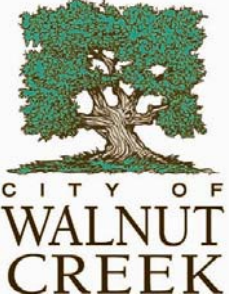
 Suzie Martinez
 City Clerk of the City of Walnut Creek

I HEREBY CERTIFY the foregoing to be a true and correct copy of Resolution No. 12-37 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 2012.



 Suzie Martinez, City Clerk
 City of Walnut Creek

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	POLICIES AND PROCEDURES	
	<i>Subject</i>	Use of One-Time Revenues and General Fund Surpluses
	<i>Policy #</i>	302
	<i>Date</i>	Issued:6/19/2012 Amended: 7/18/17
	<i>Approved by</i>	City Council
	<i>Authored by</i>	City Manager's Office / Administrative Services Department

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 bi-annual 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 is hereby amended effective July 18, 2017 via Resolution No. 17-54.

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**CITY OF WALNUT CREEK
RESOLUTION NO. 14-37**

**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 fund balance policy was revised by the City Council on June 19, 2012 with Resolution 12-36, and

WHEREAS, the City Council has determined that the Council Contingency will be amended to become a flat amount of \$100,000 per year.

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


Section 1. The Council hereby amends the Council Contingency 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 17th day of June 2014 by the following called vote:

AYES: Councilmembers: Haskew, Silva, Simmons, Wedel, Mayor Lawson

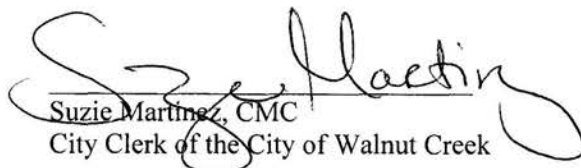
NOES: Councilmembers: None

ABSENT: Councilmembers: None



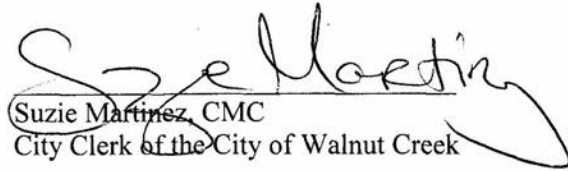
Kristina Lawson
Mayor of the City of Walnut Creek

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. 14-37 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 17th day of June 2014.


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

**CITY OF WALNUT CREEK
RESOLUTION NO. 17-54**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK
AMENDING ADMINISTRATIVE POLICY NO. 302, USE OF ONE-TIME REVENUES AND
GENERAL FUND SURPLUSES**

WHEREAS, Administrative Policy No. 302, "Use of One-Time Revenues and General Fund Surpluses", was adopted on June 19, 2012 by formal action of the City Council via Resolution No. 12-37.

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

Section 1. Administrative Policy No. 302 is amended to allow an allocation to an irrevocable pension trust as an acceptable use of funds.

Section 2. Administrative Policy No. 302 is on file in the office of the City Clerk, and incorporated herein by reference.

Section 3. This resolution shall become effective July 18, 2017.

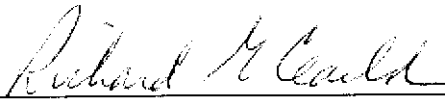
Section 4. To the extent that any provision of this resolution conflicts with any provision of any prior Council resolution concerning the Policy covered by this resolution, the provision of the prior resolution is repealed.

PASSED AND ADOPTED by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 18th day of July, 2017 by the following called vote:

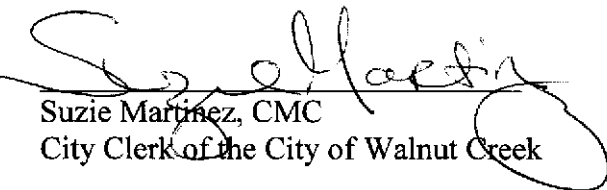
AYES: Councilmembers: Haskew, Silva, Wilk, Wedel, Mayor Carlston

NOES: Councilmembers: None

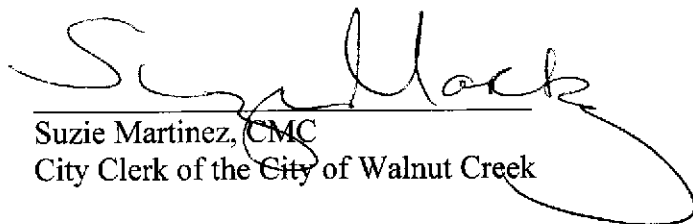
ABSENT: Councilmembers: None


Richard G. Carlston
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. 17-54 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 18th day of July, 2017.



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



General Fund Summary & Overview



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FY2022 & FY2023 General Fund Budget Overview & Analysis

The total Fiscal Year 2022 (FY22) and Fiscal Year 2023 (FY23) General Fund Operating Budget is projected to be balanced in FY22, after required contributions to reserves, while FY23 has a projected \$1.13 million surplus. FY22 General Fund revenue and expenditures are budgeted at \$86.99 million. FY23 General Fund revenue is budgeted at \$92.95 million, and FY23 expenditures are \$91.52 million, as shown in Table 1.

Table 1
FY22 & FY23 General Fund Budget Summary (in millions)

General Fund	FY22	FY23
Revenues	\$ 86.99	\$ 92.95
Expenditures	86.99	91.52
Surplus (Deficit)	-	1.43
<i>Required Contribution to Reserves</i>	-	0.30
Surplus / (Deficit) after Reserve Contribution	\$ -	\$ 1.13

The FY22 and FY23 budget includes the use of up to \$2.83 million in American Rescue Plan Act (ARPA) stimulus monies. Up to \$445,000 will be used to balance the FY22 budget while the remainder will be used to fund programs, services, and infrastructure improvements. Table 2 summarizes the adopted uses of ARPA funds in FY22 and FY23 that are included in the adopted General Fund budget.

Table 2
FY22 & FY23 Adopted Uses of ARPA Stimulus Funds (in millions)

Uses of ARPA Funds	FY22	FY23	Total
Lost Revenue to offset FY22 Deficit	\$ 0.44	\$ -	\$ 0.44
Library Hours (12 Extra Hours)*	0.52	0.52	1.40
CORE Homeless Outreach*	0.12	0.16	0.28
Economic Development & City Services*	0.42	0.40	0.82
Crossing Guards*	0.06	0.06	0.12
Air Filtration Improvements at City Facilities	0.10	-	0.10
Walnut Creek Downtown Request	0.03	-	0.03
Total Use of ARPA Funds	\$ 1.69	\$ 1.14	\$ 2.83

* \$1.14 million in ongoing requests are temporarily funded through ARPA.

FY2022 & FY2023 General Fund Budget Overview & Analysis

Key Budget Assumptions

The FY22 and FY23 budget was developed in the midst of the Coronavirus (COVID-19) pandemic. During the spring of 2021, vaccine availability increased and State and County health orders loosened rapidly. The following assumptions are included in the FY22 and FY23 operating budget:

- Vaccines will be available to adults age 16 and up;
- California will fully re-open on June 15, 2021;
- Masks and social distancing will still be required; and
- No capacity restrictions for most activities and businesses.

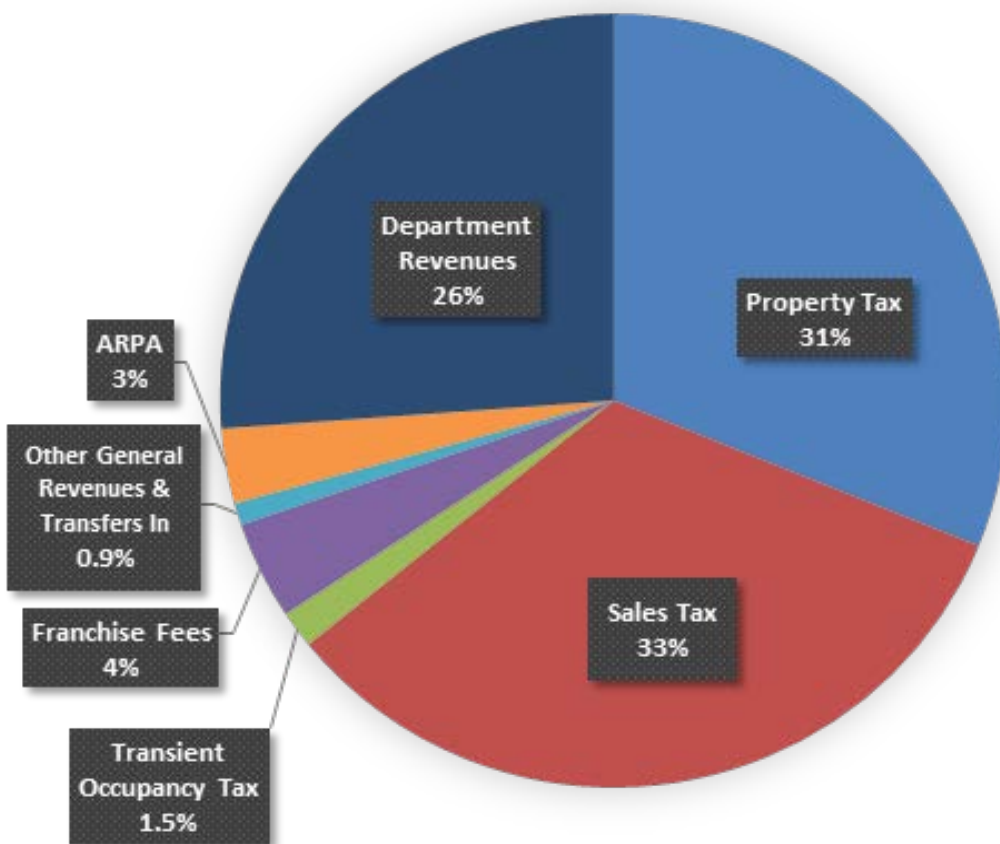
Generally, the budget assumptions result in FY22 being a year of continued recovery from the economic recession initiated by the pandemic. While FY23 has areas of operations still recovering from public health restrictions and the public's perception of safety, growth normalizes as the economy stabilizes. This is also in line with the trends projected in the 10-Year Financial Forecast, which was updated and presented to the City Council on March 2, 2021.

FY2022 & FY2023 General Fund Budget Overview & Analysis

FY22 & FY23 General Fund Revenues

The City's general revenues include sales tax, property tax, transient occupancy tax, and franchise fees from various utilities. Additionally, departments receive revenues through fees and charges for services. General Fund Revenue is budgeted at \$86.99 million in FY22, and \$92.95 million in FY23. Figure 1 shows the City's General Fund revenues by source.

Figure 1
FY22 & FY23 General Fund Revenues by Source (as % of total)



FY2022 & FY2023 General Fund Budget Overview & Analysis

The City's revenues most impacted by the COVID-19 pandemic, beginning in FY20, were sales tax, Arts & Recreation Department revenue, and Transient Occupancy Tax (TOT). Other General Fund revenue streams, such as property tax, and other department revenues, including development fees and business licenses, were not significantly impacted by the pandemic and resulting State and County Public Health Orders. While FY22 and FY23 revenues are expected to grow as a result of the economic recovery, General Fund revenues are not expected to meet or exceed FY19 actuals until FY23. Not all revenue sources are projected to be back at pre-pandemic levels during this budget cycle. TOT and Department Revenues are anticipated to remain below FY19 levels in FY23, and not return to pre-pandemic levels until the next two-year budget cycle. Table 3 outlines the adopted FY22 & FY23 General Fund revenue budget compared to FY19 & FY20 actuals and the FY21 revised budget.

Table 3
General Fund Revenues (in millions)

	FY19 Actuals*	FY20 Actuals	FY21 Revised Budget	FY22 Adopted Budget	FY23 Adopted Budget
General Revenues					
Property Tax	\$ 24.69	\$ 26.04	\$ 26.53	\$ 27.44	\$ 28.82
Sales Tax	26.57	24.74	22.30	29.01	30.65
Transient Occupancy Tax	2.22	1.50	1.87	1.30	1.50
Franchise Fees	3.56	3.64	3.66	3.71	3.73
Interest & Other General Revenues	3.82	1.96	1.52	1.17	1.17
Total General Revenues	\$ 60.86	\$ 57.88	\$ 55.88	\$ 62.62	\$ 65.87
Department Revenues					
Administrative Services	\$ 2.72	\$ 2.73	\$ 2.09	\$ 2.14	\$ 2.20
Arts & Recreation	11.07	7.10	5.04	6.11	8.91
Community Development	8.41	6.41	7.01	6.45	6.83
General Government	0.21	0.38	0.13	0.12	0.12
Police Department	1.39	1.74	1.46	1.60	1.62
Public Works	4.81	5.91	5.23	5.57	5.58
Total Department Revenues	\$ 28.61	\$ 24.27	\$ 20.96	\$ 21.99	\$ 25.26
Transfer In – ARPA	-	-	-	1.69	1.14
Transfers In – Other	0.76	0.72	0.68	0.68	0.68
Total Revenue & Transfers-In	\$ 90.23	\$ 82.88	\$ 77.52	\$ 86.99	\$ 92.95

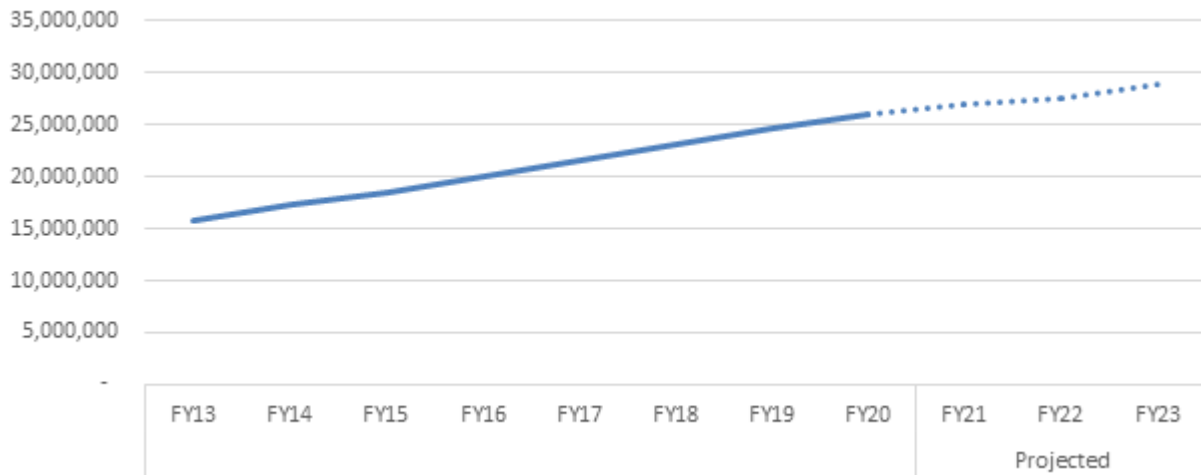
*FY19 Actuals adjusted for accounting changes.

FY2022 & FY2023 General Fund Budget Overview & Analysis

Property Tax

Property Tax revenues account for 31% of General Fund revenues, and are projected to continue to grow incrementally in FY22 and FY23. Property Tax revenues are based upon the most recent assessed valuation, as calculated by the County, which is set by the beginning of the Calendar Year. In FY22, the California Board of Equalization has set the Proposition 13 cost inflator at 1% of assessed value, based on the current Consumer Price Index. In FY23, staff assumes this inflator will continue at 2%. Property Tax revenues are budgeted to increase by 3.5% in FY22 (compared to FY21 adopted budget), and 5% in FY23 (compared to FY22 budget). Figure 2 shows the history of property taxes, which have grown steadily over the last seven years.

Figure 2
Property Tax History & Projections FY13 – FY23



FY2022 & FY2023 General Fund Budget Overview & Analysis

Sales Tax

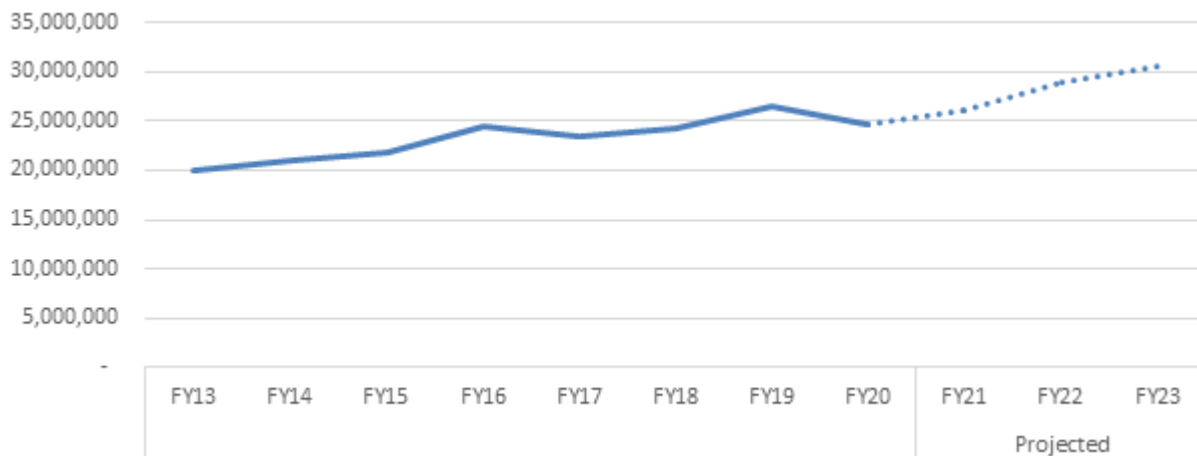
Sales Tax comprises 33% of the City’s General Fund revenues. Using the most recent conservative forecast provided by the City’s Sales Tax consultant, staff is projecting sales tax revenue to be \$29 million in FY22 and \$30.6 million in FY23. These forecasts are based upon actual sales tax receipts for the October-December 2020 quarter.

In FY20, the City received \$24.74 million in sales tax, which was a 7% decline from pre-pandemic sales tax revenues. General retail and restaurants have been the most impacted sectors during the pandemic, due to shelter-in-place orders and capacity restrictions. The transportation sector, which includes auto sales, and the construction sector have seen continued growth. Additionally, sales tax revenues for online sales have significantly increased since FY19. This is not only due to shifting consumer behavior, through increased online purchases during shelter-in-place orders, but also due to the full implementation of the AB 147¹ and the collection of sales tax from online marketplace retailers.

Sales Tax revenue in FY22 and FY23 is expected to continue to recover beyond pre-pandemic receipts. Continued recovery in sectors such as retail and restaurants is anticipated throughout the FY22 and FY23 budget cycle. Additionally, the continued strength of online sales contributes to the projected growth in sales tax.

Figure 3 shows historical sales tax revenues from FY13-FY20 and projections through FY21-FY23. The City experienced a 7% decrease in sales tax receipts from FY19 through FY20. Beginning in FY22, sales tax revenues are projected to exceed pre-pandemic levels.

Figure 3
Sales Tax History & Projections FY13 – FY23



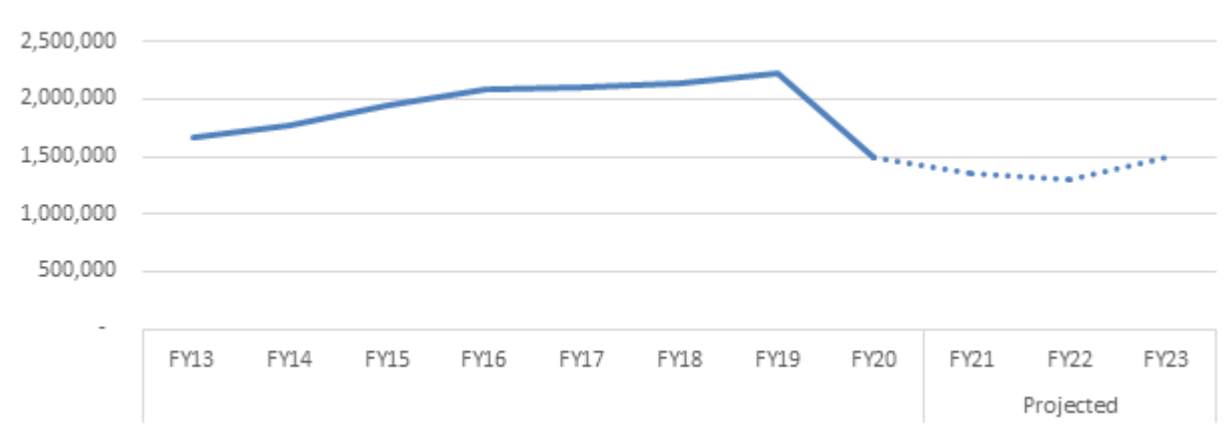
¹ In California, the Passage of AB147 required that, effective April 1, 2019, any retailer whose sales of tangible personal property for delivery in California meets a \$500,000 sales threshold in the preceding or current calendar year is a retailer engaged in business in the state, and is required to report, collect, and pay sales and use tax to the California Department of Tax & Fee Administration. <https://www.cdtfa.ca.gov/industry/wayfair.htm>

FY2022 & FY2023 General Fund Budget Overview & Analysis

Transient Occupancy Tax

Transient Occupancy Tax (TOT) is about 2% of the City’s General Fund revenues, and has been one of the City’s most impacted revenue streams throughout the pandemic. The travel and hospitality industry are seeing lingering impacts related to the pandemic, and City TOT revenues are not projected to return to pre-pandemic levels until beyond this current budget cycle. While staff generally assumes the travel industry will begin to recover in FY22, staff is projecting FY22 TOT revenues will remain relatively flat, at \$1.3 million, with a slow recovery in FY23 at \$1.5 million. Figure 4 shows historical TOT revenues from FY13-FY20, and projections through FY21-FY23.

Figure 4
Transient Occupancy Tax History & Projections FY13 – FY23

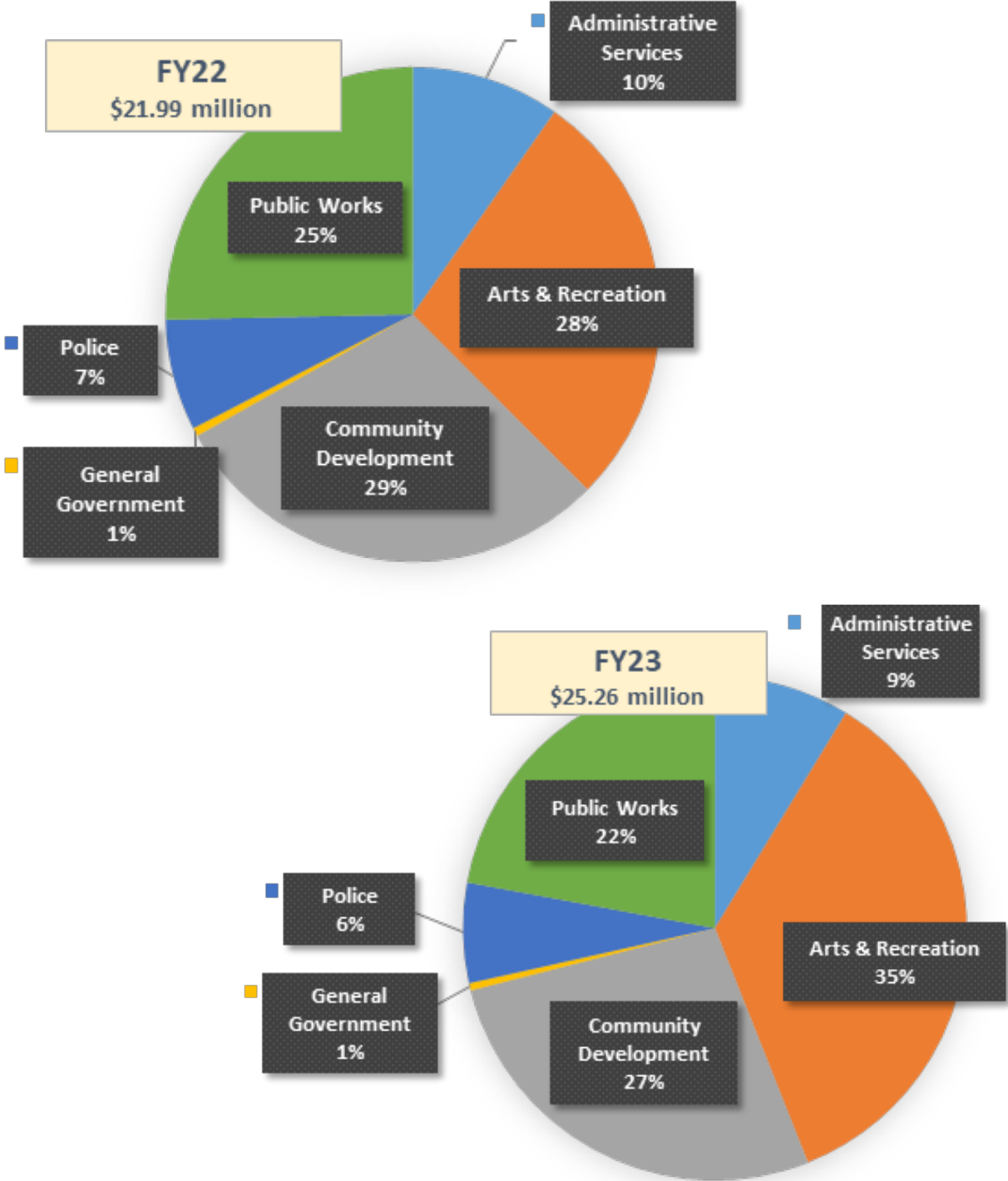


Department Revenues

Department revenues include development fees, rental income, business licenses, and charges for classes and services, and comprise approximately 26% of General Fund revenue. Figure 5 shows the General Fund revenue by department for FY22 and FY23.

FY2022 & FY2023 General Fund Budget Overview & Analysis

Figure 5
FY22 & FY23 General Fund Revenue by Department (% of total department revenues)



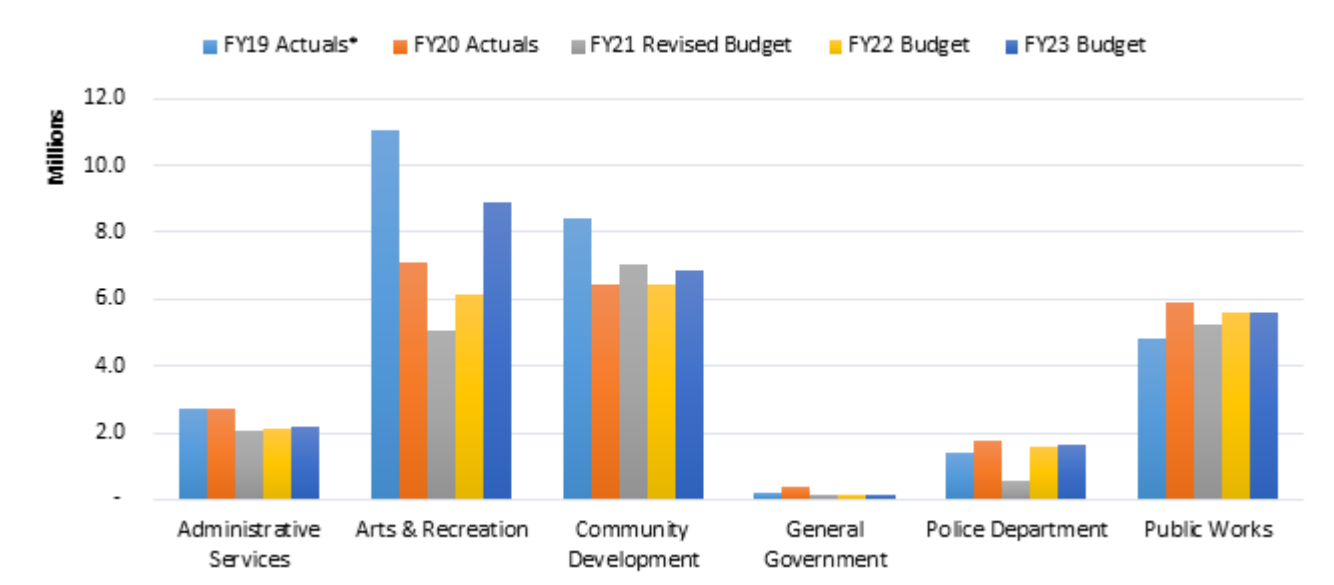
FY2022 & FY2023 General Fund Budget Overview & Analysis

Department revenues are projected to grow by about \$3 million in FY22 and \$3.2 million in FY23. Significant adjustments to department revenues include:

- Community Development is projecting revenue growth of approximately 1% in FY22 and 6% in FY23, compared to FY21 projections. Permit activity remains at an all-time high, and high levels of residential permits are anticipated to continue in the next budget cycle;
- The Arts & Recreation Department is projecting an increase in revenues as public health orders loosen restrictions and vaccinations become widely available, which allows the department to restore in-person classes and programming and resume indoor facility rentals;
- The Lesher Center for the Arts is anticipated to reopen in Fall 2021, with capacity restrictions lifting over the course of the two-year budget cycle; and
- The Police Department has rightsized its revenue budget based upon existing contracts with Apple and John Muir for reimbursable overtime. This revenue is fully offset by overtime expenditures.

Figure 6 shows department revenues comparing FY19 and FY20 actuals, the FY21 revised budget, and the FY22 and FY23 adopted budget.

Figure 6
Department Revenues Historical Comparison FY19 – FY23



FY2022 & FY2023 General Fund Budget Overview & Analysis

FY22 & FY23 General Fund Expenditures

General Fund expenditures are budgeted at \$86.99 million in FY22, and \$91.52 million in FY23. Table 4 details the adopted FY22 and FY23 General Fund expenditures by department, compared to FY19 and FY20 actuals and the FY21 revised budget. The FY22 and FY23 adopted General Fund budget includes expenditures that will be funded through the use of ARPA stimulus funds.

Table 4
FY22 & FY23 General Fund Expenditures by Department (in millions)

	FY19 Actuals	FY20 Actuals	FY21 Revised Budget	FY22 Adopted Budget	FY23 Adopted Budget
Administrative Services	\$ 3.90	\$ 3.98	\$ 4.49	\$ 4.86	\$ 5.14
Arts & Recreation	17.10	15.97	13.35	14.52	16.44
Community Development	7.18	7.10	7.72	8.47	8.79
General Government	6.31	7.30	7.37	8.51	8.35
Human Resources	1.42	1.45	1.52	1.66	1.72
Police Department	27.07	26.71	27.24	29.19	30.62
Public Works	16.64	16.67	16.30	17.63	18.22
Total Department Expenditure	\$ 79.62	\$ 78.40	\$ 77.92	\$ 84.84	\$ 89.28
Transfers Out*	\$ 4.88	\$ 1.99	\$ 1.92	\$ 2.15	\$ 2.24
Total Expenditures & Transfers Out	\$ 84.50	\$ 80.39	\$ 79.84	\$ 86.99	\$ 92.52

*Transfers Out include General Fund contribution to Capital.

FY22 and FY23 General Fund operating expenditures include cost-of-living increases for personnel, per existing Memorandums of Understanding (MOUs) as well as the restoration of FY21 one-time budget reductions. One-time restorations in the FY22 and FY23 budget include:

- Restoration of extended furloughs and other employee concessions;
- Contributions to community groups;
- One-time cuts to department operating and maintenance budgets; and
- Contributions to the Vehicle Replacement Internal Service Fund.

Other expenditures incorporated in the operating budget include:

- Increases in the Arts & Recreation Department budget related to restored operations, including budgets for hourly staff, and costs related to the reopening of closed City facilities;
- An increase in the Police budget for reimbursable overtime related to contracts with Apple and John Muir. These costs are fully offset by revenue;
- Known contractual increases related to custodial services;
- Funding for a community survey in FY23;
- One-time costs related to insurance and ongoing litigation;

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- Technology and software upgrades to improve efficiencies;
- The addition of a Financial Analyst (1 FTE) to update and implement policies and procedures, perform periodic review of internal controls, and provide additional contracting and purchasing support to City Departments;
- Funding for implementation of recommendations from the updated Sustainability Action Plan (SAP) in both fiscal years; and
- Continued funding for Diversity, Equity, and Inclusion, and mental health response training and activities.

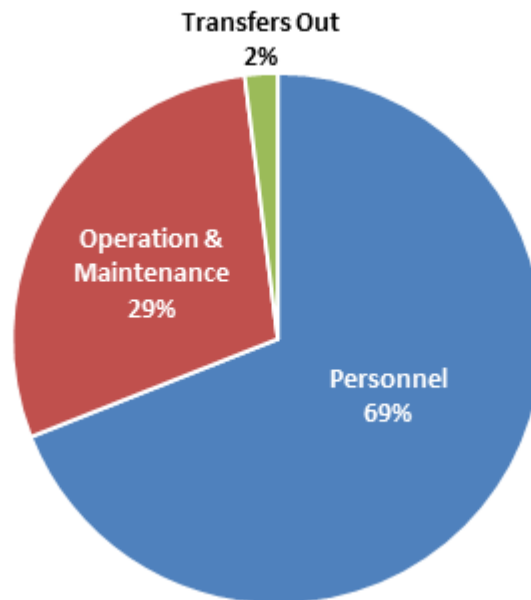
ARPA-funded expenditures included in the operating budget are:

- Twelve extra library hours per week at the Walnut Creek library and Ygnacio Valley library;
- A full-time CORE homeless outreach team;
- Funding for Economic Development;
- Cost increases for crossing guard services;
- Air filtration improvements at seven city facilities; and
- Funding for Walnut Creek Downtown.

The FY22 and FY23 General Fund contributions to the Capital Budget are set at 2% of General Fund revenues, which is \$1.63 million in FY22 and \$1.72 million in FY23.

Approximately 69% of the operating budgets in FY22 and FY23 are personnel expenditures, as shown in Figure 7.

Figure 7
FY22 & FY23 General Fund Expenditures by Category (as % of total)

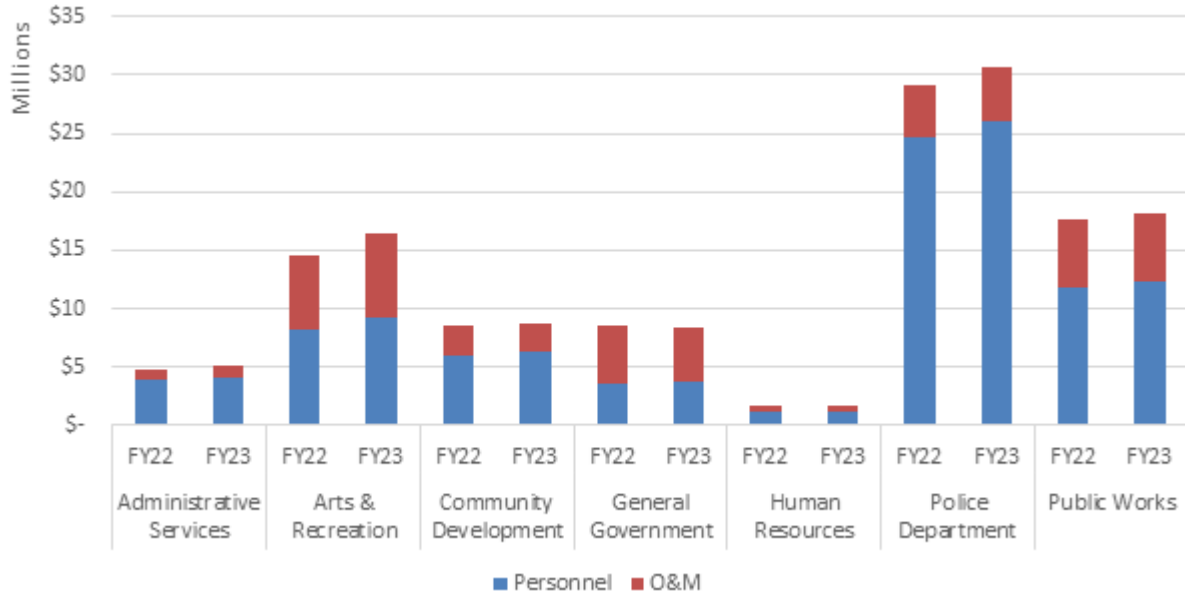


FY2022 & FY2023 General Fund Budget Overview & Analysis

Police, Public Works, and Arts & Recreation are the largest departments, totaling approximately 73% of the operating budget in both FY22 and FY23.

Figure 8 shows department expenditures by personnel and non-personnel expenditures.

Figure 8
FY22 & FY23 Department Expenditures by Department & Category



FY2022 & FY2023 General Fund Budget Overview & Analysis

FY22 & FY23 Personnel Budget

The City's personnel budget is the cost of salary and benefits for regular employees (including pension costs), overtime, and hourly staff. The FY22 and FY23 budget includes cost of living increases in salaries per existing MOUs, restores budget for employee concessions made in FY21, and fully funds positions that were on extended furlough due to facility closures in FY21. Table 5 shows departmental personnel budgets for FY22 and FY23, compared to FY19 and FY20 actuals and the FY21 revised budget.

Table 5
FY22 and FY23 Personnel Budgets by Department (in millions)

	FY19 Actuals	FY20 Actuals	FY21 Revised Budget	FY22 Adopted Budget	FY23 Adopted Budget
Administrative Services	\$ 3.58	\$ 3.66	\$ 3.55	\$ 3.86	\$ 4.17
Arts & Recreation	9.17	9.20	7.58	8.24	9.26
Community Development	5.30	5.61	5.66	5.93	6.30
General Government	2.55	2.79	2.96	3.55	3.70
Human Resources	1.10	1.17	1.13	1.17	1.22
Police Department	21.49	23.22	23.51	24.64	26.05
Public Works	11.44	11.43	11.73	11.77	12.40
Total Personnel Expenditures	\$ 54.63	\$ 57.08	\$ 56.12	\$ 59.16	\$ 63.10

The personnel budget also includes required contributions to the California Public Employees' Retirement System (CalPERS) for both the Normal Cost and the Unfunded Actuarial Liability (UAL). Pension costs are projected to rise approximately 10% year over year in FY22 and FY23, including both regular CalPERS contributions and UAL payments, as shown in Table 6.

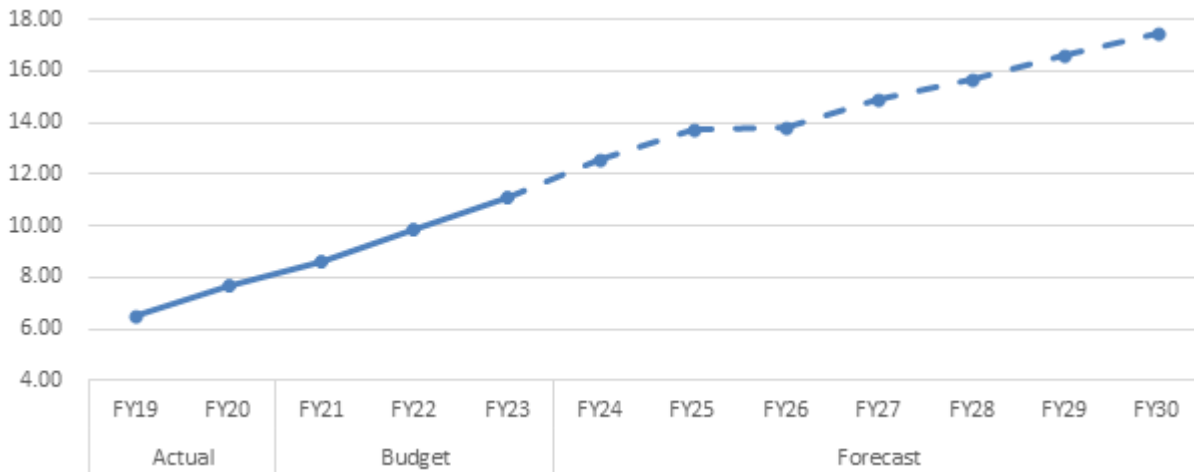
Table 6
Pension Costs FY19 – FY23 (in millions)

	FY19 Actuals	FY20 Actuals	FY21 Revised Budget	FY22 Adopted Budget	FY23 Adopted Budget
Normal Cost	\$ 4.42	\$ 4.62	\$ 4.93	\$ 4.94	\$ 5.15
UAL	6.51	7.70	8.62	9.91	11.07
Total	\$ 10.93	\$ 12.32	\$ 13.55	\$ 14.85	\$ 16.22

As CalPERS continues to take steps toward stabilizing the pension fund, the City's financial forecast projects a lower CalPERS discount rate to be phased in, increasing the City's UAL payments. Figure 9 shows the City's actual UAL payments from FY19 and FY20, budgeted costs from FY21 through FY23, and forecasted UAL costs through FY30.

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Figure 9
Unfunded Actuarial Liability FY19 – FY30 (in millions)



In addition to pension costs and MOU increases, the personnel budget includes an increase in the Police Department’s overtime budget, which is fully offset by revenue through contracts with Apple and John Muir Health for reimbursable overtime, and an increase in budgets for hourly staff (mostly in the Arts & Recreation Department) as program capacity continues to increase throughout the budget cycle.

A total of 366.5 Full Time Equivalent (FTE) positions are authorized in FY22, and 368.5 FTEs are authorized in FY23, as shown in Table 7.

Table 7
Authorized Full Time Equivalent (FTE) Positions by Department

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Administrative Services	22.50	22.50	-	23.50	1.00
Community Development*	40.00	40.00	-	41.00	1.00
Public Works	105.00	104.00	(1.00)	104.00	-
Police	121.00	121.00	-	121.00	-
Human Resources	7.00	7.00	-	7.00	-
Arts & Recreation	52.50	52.00	(0.50)	52.00	-
General Government*	19.00	20.00	1.00	20.00	-
Total Authorized FTE by Department	367.00	366.50	(0.50)	368.50	2.00

*FTE additions in Community Development & General Government will be funded by the ARPA stimulus.

The following changes to authorized FTE are included in FY22 and FY23 operating budget. Two FTE (Economic Development Program Manager & Office Specialist–Confidential) will be funded through ARPA.

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- **Financial Analyst (Administrative Services, 1 FTE):**

The addition of a Financial Analyst in the Administrative Services Department is included in FY23. This position will be key to updating and implementing administrative policies, including the City's purchasing policy, strengthening the City's internal controls and implementing additional guidelines for contracting, purchasing, and other fiscal controls. This position would be a Citywide resource for internal processes related to bidding, Request for Proposal/Qualification requirements, and would perform additional analysis related to the City's budget.

- **Economic Development Project Manager (General Government, 1 FTE):**

The addition of an Economic Development Project Manager, beginning in FY22, is authorized in order to implement business attraction and retention strategies; engage with the small business community; conduct research on industry growth trends to identify opportunities for Walnut Creek; and use community and economic development tools, sales tax data, and reports to inform and support other economic development initiatives. This position is recommended to be funded through ARPA funds in FY22 and FY23.

- **Office Specialist–Confidential (Community Development, 1 FTE):**

Administrative and office support for the Community Development Department is authorized in FY23. This position will support the department in performing administrative duties, including payroll and invoice processing, recruitment support, records management, data and information research and analysis, improvements and updates to the Department's website, contract management, process improvement, and ensuring a high level of internal and external customer service. Internal and external communication and coordination is key as the Community Development Department continues to improve the delivery of services online. This position is recommended to be funded through ARPA funds in FY23.

- **Limited Duration Engineering Inspector (Public Works, -1 FTE):**

This limited duration position is expiring at the end of FY21, and will not be renewed during the FY22 and FY23 budget cycle.

- **Limited Duration Office Assistant II (Arts & Recreation, -0.5 FTE):**

This 0.5 FTE limited duration position expired in January 2021, and was not renewed as part of FY21 budget balancing.

FY22 & FY23 Operations & Maintenance Budget

Operations and Maintenance (O&M) budgets include all non-personnel costs for departments, ranging from office supplies and utilities to contracts for professional services. The adopted O&M budget in FY22 is \$25.68 million, and \$26.18 million in FY23. The O&M budget includes the restoration of one-time reductions made in FY21, such as contributions to community organizations, reductions to professional services, and contributions to the Vehicle Replacement Internal Service Fund. Table 8 details the adopted O&M budgets by department for FY22 and FY23, compared to FY19 and FY20 actuals and the FY21 revised budget.

FY2022 & FY2023 General Fund Budget Overview & Analysis

Table 8
FY22 and FY23 Operation & Maintenance Budgets by Departments (in millions)

	FY19 Actuals	FY20 Actuals	FY21 Revised Budget	FY22 Adopted Budget	FY23 Adopted Budget
Administrative Services	\$ 0.32	\$ 0.32	\$ 0.94	\$ 1.00	\$ 0.97
Arts & Recreation	7.93	6.77	5.77	6.28	7.18
Community Development	1.88	1.49	2.06	2.54	2.49
General Government	3.76	3.73	4.34	4.96	4.65
Human Resources	0.32	0.28	0.39	0.49	0.50
Police Department	5.58	3.49	3.74	4.55	4.57
Public Works	5.20	5.24	4.57	5.86	5.82
Total O&M Expenditures	\$ 24.99	\$ 21.32	\$ 21.81	\$ 25.68	\$ 26.18

The FY22 and FY23 base budget incorporates restoration of FY21 one-time reductions, known contractual cost increases, and one-time funding for insurance and ongoing litigation. Additionally, the Arts & Recreation budget reflects restored operations as State and County health orders loosen restrictions. Also included are O&M costs related to the reopening of closed City facilities, including the Leshar Center for the Arts, the resumption of indoor rentals of City facilities, and materials for the growing numbers of participants in City programs. These costs are offset by restored revenues. The FY22 and FY23 adopted O&M budget includes the following:

- **Sustainability Action Plan (SAP) (\$200,000):**

The City is currently in the process of updating its SAP. Draft SAP strategies will be presented to the City Council in summer 2021, and the draft plan will be presented in fall 2021. While City Council will provide direction for specific SAP implementation recommendations at that time, \$200,000 in annual funding for the SAP is included in the FY22 and FY23 budget.

- **Diversity, Equity and Inclusion (DEI) (\$250,000):**

On April 20, 2021, staff recommended the inclusion of up to \$500,000 in ongoing funding for DEI and mental health training and response. The adopted FY22 and FY23 budget includes \$100,000 for annual staff training, \$150,000 for facilitation & other costs related to the City's community Diversity & Inclusion Task Force, for a total budget of \$250,000 in each Fiscal Year.

- **Mental Health Training & Response (\$100,000):**

The adopted FY22 and FY23 O&M budget includes \$100,000 in each year for Police Department-specific training for de-escalation and crisis response, as well as crisis intervention training with a licensed therapist. Other trainings and programming may be added based upon recommendations from the Diversity & Inclusion Task Force.

- **Regional Mobile Crisis Response (\$150,000):**

\$150,000 is allocated in the FY22 and FY23 budget for costs associated with a regional mobile crisis response. This effort is coordinated with Contra Costa County and other cities in the County.

FY2022 & FY2023 General Fund Budget Overview & Analysis

American Rescue Plan Act (ARPA) Stimulus Funds

ARPA was signed into law on March 11, 2021, and provides direct funding to local municipalities. The City of Walnut Creek will receive a total of \$8.33 million, paid in two, annual installments across FY21 and FY22. This one-time funding, can be used for the following:

- Government services affected by revenue loss (compared to FY19) resulting from COVID-19;
- Investments in water, sewer or broadband infrastructure;
- Responding to the COVID emergency; including addressing any economic effects (aid to small business, households, private non-profit groups, etc.); or
- Providing premium pay to essential employees.

The ARPA funds cannot be used toward pensions or tax cuts, and must be fully spent by December 31, 2024. Any ongoing costs funded by ARPA will impact the General Fund once ARPA funds are fully spent. The goals of ARPA are to direct funding towards stabilizing government, economic recovery, and uplifting communities. With these goals in mind, Table 9 outlines uses in FY21, FY22, and FY23, as recommended by City Council on May 18, 2021². ARPA uses in FY22 and FY23 are included in the adopted General Fund operating budget.

Table 9
Adopted Uses of ARPA Funds in FY21, FY22, and FY23 (in millions)

	FY21	FY22	FY23	Total
ARPA Funds Received	\$ 4.16	\$ 4.16	\$ -	\$ 8.33
Adopted Uses of ARPA Funds				
FY21 Parking Fund Deficit	\$ 2.50	\$ -	\$ -	\$ 2.50
2021 Restaurant Grant Program	1.00	-	-	1.00
FY21 Rebound Program Costs	0.50	-	-	0.50
Lost Revenue to offset FY22 Deficit	-	0.44	-	0.44
Library Hours (12 Extra Hours)	-	0.52	0.52	1.40
CORE Homeless Outreach	-	0.12	0.16	0.28
Economic Development & City Services	-	0.42	0.40	0.82
Crossing Guards	\$ -	\$ 0.06	\$ 0.06	\$ 0.12
Air Filtration Improvements at City Facilities	-	0.10	-	0.10
Walnut Creek Downtown Request	-	0.03	-	0.03
Total Use of ARPA Funds	\$ 4.00	\$ 1.69	\$ 1.14	\$ 6.83
Remaining ARPA Funds	\$ 0.16	\$ 2.47	\$ (1.14)	\$ 1.50

² May 18, 2021 City Council Meeting Minutes.

https://walnutcreek.granicus.com/MinutesViewer.php?view_id=12&clip_id=4295

FY2022 & FY2023 General Fund Budget Overview & Analysis

FY21 Adopted Uses

In FY21, City Council approved the use of ARPA funds for the following:

- To close the projected FY21 Downtown Parking and Enhancement Fund deficit (up to \$2.5 million);
- The Restaurant Grant Program authorized by City Council on December 15, 2020 (\$1 million); and
- Rebound program costs (up to \$500,000).

These uses were discussed in greater detail as part of the FY21 3rd Quarter Budget Update on May 18, 2021.³

Identified Lost Revenue to Offset FY22 Projected Deficit

ARPA funding may be used to continue the provision of government services through the offset of lost revenue. The City experienced lost revenue in FY20 and FY21 in the areas of Sales Tax, TOT, and Arts & Recreation Department revenues. Staff anticipates revenue losses in TOT and Arts & Recreation will continue beyond this budget cycle.

Allocating up to \$445,000 in lost revenue to ARPA funds allows the City to continue the provision of City services in FY22 without making further budget reductions. This allocation ensures the City has a balanced budget for FY22, and is able to provide essential City services and fund Council priorities.

CORE Homeless Outreach

For the past four years, Walnut Creek partnered with the City of Concord to contract for a full-time designated CORE team. Concord and Walnut Creek split the cost, and each had the team for four hours per day Monday to Friday. For FY21, the **contract** cost for a full time CORE team was \$176,854, and Walnut Creek's portion was \$88,427. This upcoming year, the County updated their budget and contract cost for a full-time team, resulting in a 41% increase for a total full-time cost of \$248,984, or \$124,492 for Walnut Creek's portion.

Staff actively sought to identify a neighboring central Contra Costa County partner to share a full-time CORE team, but there was no interest among the cities. The County is willing to contract for full-time teams, either for a single jurisdiction or in partnership between two jurisdictions.

On March 16, 2021, the Housing and Community Development Committee recommended to budget for a full CORE team in both FY22 and FY23 and continue to search for a partner in FY23. The CORE team will be partially funded through Community Development Block Grants (CDBG), Homeless Services Grants, and Permanent Local Housing Allocation (PLHA) funds. To fully fund the CORE team, about \$118,000 in additional funding is required in FY22, and about \$160,000 in FY23, which will be funded through ARPA.

³May 18, 2021 City Council Meeting Minutes.

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FY2022 & FY2023 General Fund Budget Overview & Analysis

Economic Development, Economic Recovery, & City Services

The following projects and staffing are included in the adopted operating budget to support economic development, economic recovery activities, and City services that support businesses and development in our community, totaling \$416,750 in FY22, and \$389,500 in FY23. Funding includes:

- Updating the City’s internet site to improve the provision of digital services, such as improvements to online permitting;
- Modernizing the City’s sign ordinance for swifter decision making;
- Adding an Economic Development Project Manager (1 FTE) to implement attraction and retention strategies, engage with the small business community, conduct research on industry growth trends to identify opportunities for Walnut Creek, and use community and economic development tools, sales tax data, and reports to inform and support other economic development initiatives;
- Economic Development Branding, Marketing, and Communication services to develop and launch the City of Walnut Creek Economic Development brand and communications plan, including the creation of digital tools and broker/site selection materials;
- Funding for re-envisioning the Downtown Walnut Creek experience, based upon learnings from the temporary changes made due to the pandemic under the Rebound program; and
- Administrative and office support for the Community Development Department (1 FTE) in FY23 for records management, improvements and updates to the Department’s website, contract management, and ensuring a high level of internal and external customer service.

Table 10 outlines the budgeted costs for each of the above projects and staff in FY22 and FY23.

Table 10
Economic Development, Economic Recovery, & City Services
FY22 & FY23 Budgeted Costs (in millions) & FTE

	FY22	FY23	Total	New FTE
City Internet Update	\$ 0.10	\$ -	\$ 0.10	
Sign Ordinance Update	0.10	-	0.10	
Economic Development Project Manager	0.17	0.18	0.35	1.00
Economic Development Marketing & Communications	0.05	0.04	0.09	
Economic Development Re-Envisioning Downtown	-	0.06	0.06	
CDD Office Specialist - Confidential	-	0.12	0.12	1.00
Total	\$ 0.42	\$ 0.40	\$ 0.82	2.00

FY2022 & FY2023 General Fund Budget Overview & Analysis

Extra Library Hours

Prior to FY21, the Contra Costa County Library funded 35 hours at each library branch, while the City funded an additional 21 hours per week at both the Walnut Creek and Ygnacio Valley libraries, at an annual cost of approximately \$567,000. As part of the FY21 budget balancing actions, the City did not fund extra hours in FY21.

The County recently increased the number of standard, county funded hours from 35 hours per week to 40 hours per week, beginning July 1, 2021. Additionally, the County reviewed its extra hours formula and has now standardized the number of extra hours available for cities to fund. The options available to the City are outlined in Table 11.

**Table 11
Extra Library Hours Cost**

Option	Weekly Hours	Walnut Creek Branch Cost	Ygnacio Valley Branch Cost	Extra Hours Security Costs	Extra Hours Total Cost
A	46	\$67,800	\$67,800	\$12,361	\$147,961
B	52	\$348,350	\$146,577	\$24,723	\$519,650
C	56	\$432,639	\$202,441	\$32,964	\$668,044

The City and County enter into one-year contracts for the extra hours, which allows the County to plan for staffing and service levels at all County branches. As the County will likely have to hire staff in order to provide extra hours, the County does not allow cities to decrease extra hours mid-year.

The operating budget includes funding 12 extra ongoing hours in FY22 and FY23, at an annual cost of approximately \$520,000, as recommended by City Council on May 18, 2021⁴.

Crossing Guards

The City has historically contracted for 12 crossing guard sites at elementary and middle schools in both the Walnut Creek School District (WCSD) and the Mount Diablo Unified School District (MDUSD). At 10 of these sites, the City pays for 50% of the cost, and is reimbursed the remaining 50% by either the WCSD or the school site's Parent Faculty Club (PFC).

Beginning in FY22, the cost of crossing guard services will increase by about 12%. Additionally, some of the PFCs have indicated they do not have the budget available to continue to cost-share for crossing guard services. The overall impact to the General Fund in FY22 and FY23 will be about \$60,000.

Air Filtration Improvements at City Facilities

According to the Environmental Protection Agency (EPA), HVAC air filters can help reduce airborne contaminants, including viruses, in buildings and small spaces. The Public Works Department has already installed MERV13 filters at all City facilities, which is considered a hospital-grade filter.

⁴ May 18, 2021 City Council Meeting Minutes.
https://walnutcreek.granicus.com/MinutesViewer.php?view_id=12&clip_id=4295

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Ionization is a technology that can be used in HVAC systems to generate positive and negatively charged particles, which may help remove viruses and other contaminants from the air. The charged particles are attracted to walls, floors, tabletops, etc., and/or back to the HVAC unit, thus removing particles from the air. The HVAC system at City Hall already contains the ionization technology. The FY22 budget includes \$100,000 in funding to upgrade HVAC systems with ion technology at facilities with a significant number of users, including:

- Leshner Center for the Arts;
- Walnut Creek Library;
- Civic Park Community Center;
- Heather Farm Community Center;
- Tice Valley Gym;
- Shadelands Center for Community Arts; and
- Corporation Yard.

Walnut Creek Downtown Request

The City has elected to waive administrative fees for the Business Improvement District (BID) and rent Walnut Creek Downtown pays to the City for its office space in City Hall, totaling \$31,000 in FY22. Walnut Creek Downtown continues to support and advocate for its members even as it has experienced lost revenue due to pandemic effects.

FY2022 & FY2023 General Fund Budget Overview & Analysis

General Fund Reserves

The FY21 budget authorized the use of up to \$2.3 million in reserves to balance the budget. As of the 3rd Quarter budget update⁵, staff is projecting the use of reserves will not be necessary. Reserve balances will be fully funded per current policy through FY22. Reserve contributions are expected to resume, per current policy, in FY23. Table 12 shows the estimated reserve balances as of June 30, 2021 and estimated contributions in FY22 and FY23.

Table 12
Projected Reserve Balances & Contributions (in millions)

Description	Estimated Balance (June 30, 2021)	FY22 Estimated Contribution	Estimated Balance (June 30, 2022)	FY23 Estimated Contribution	Estimated Balance (June 30, 2023)
Compensated Absences	\$ 0.34	\$ -	\$ 0.34	\$ -	\$ 0.34
Dental Claims	0.23	-	0.23	-	0.23
Legal Claims	3.00	-	3.00	-	3.00
Other Reserve Designations	\$ 3.57	\$ -	\$ 3.57	\$ -	\$ 3.57
Catastrophic Emergency	9.04	-	9.04	-	9.04
Fiscal Emergency	4.93	-	4.93	0.30	5.23
Emergency Reserves	\$ 13.97	\$ -	\$ 13.97	\$ 0.30	\$ 14.27
PERS Liability	1.96	-	1.96	-	1.96
Pension Trust*	25.50	-	25.50	-	25.50
Pension Reserves	\$ 27.46	\$ -	\$ 27.46	\$ -	\$ 27.46
Total Reserves	\$ 45.00	\$ -	\$ 45.00	\$ 0.30	\$ 45.30

*Value of Pension Trust as of February 19, 2021 is \$25.5 million. Increases in value after FY19 are due to interest earnings.

The majority of City reserves are in pension reserves. The City Council has prepared for the projected increase in pension costs by creating an irrevocable Pension Trust. This Trust will help reduce the impact of rising pension costs on City services and programs that will begin in earnest in FY2024.

The City has multiple reserves that are fully funded per Council Policy and exceed the Government Financial Officers Association's (GFOA) recommendation of reserve balances of no less than two months' worth of General Fund operating revenues or expenditures.

⁵ FY2021 3rd Quarter Budget Update Council Report.

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General Fund Summary

	Actuals FY19*	Actuals FY20	Revised FY21 Budget	Adopted FY22 Budget	Adopted FY23 Budget
Revenue					
Property Tax	\$ 24,694,679	\$ 26,035,790	\$ 26,530,574	\$ 27,436,142	\$ 28,824,567
Sales Tax	26,565,101	24,738,591	22,290,859	29,005,200	30,646,100
Transient Occupancy Tax	2,224,694	1,497,342	1,873,739	1,300,000	1,500,000
Franchise Fees	3,560,438	3,635,125	3,664,040	3,710,603	3,727,716
Interest	1,072,065	1,048,840	570,000	350,000	350,000
Other General Revenues	2,747,777	908,866	949,189	818,000	818,000
Total General Revenues	\$ 60,864,754	\$ 57,864,554	\$ 55,878,401	\$ 62,619,945	\$ 65,866,383
Department Revenues					
Administrative Services	\$ 2,724,059	\$ 2,730,907	\$ 2,089,650	\$ 2,143,650	\$ 2,199,108
Arts & Recreation	11,072,920	7,095,284	5,043,524	6,111,069	8,911,621
Community Development	8,410,056	6,413,317	7,007,454	6,452,024	6,834,024
General Government	214,228	380,386	124,050	124,050	124,050
Police Department	1,386,786	1,736,035	1,469,146	1,596,323	1,620,023
Public Works	4,811,514	5,912,397	5,233,466	5,570,368	5,577,298
Total Department Revenues	\$ 28,619,563	\$ 24,268,326	\$ 20,967,290	\$ 21,997,484	\$ 25,266,124
Transfer In - ARPA Stimulus	-	-	-	1,692,969	1,143,130
Transfers In - Other	757,250	718,250	683,000	683,000	683,000
Total Revenue & Transfers In	\$ 90,241,567	\$ 82,851,130	\$ 77,528,691	\$ 86,993,398	\$ 92,958,637
Expenditures					
Administrative Services	\$ 3,901,864	\$ 3,983,833	\$ 4,495,842	\$ 4,857,568	\$ 5,144,755
Arts & Recreation	17,102,103	15,965,932	13,348,122	14,519,855	16,449,060
Community Development	7,181,128	7,104,582	7,718,393	8,467,936	8,793,122
General Government	6,309,261	6,520,897	7,298,930	8,515,397	8,348,145
Human Resources	1,421,280	1,452,318	1,524,363	1,665,084	1,715,955
Police Department	27,067,764	26,713,031	27,242,319	29,193,751	30,617,910
Public Works	16,638,364	16,665,600	16,295,645	17,626,528	18,218,282
Total Department Expenditures	\$ 79,621,764	\$ 78,406,193	\$ 77,923,614	\$ 84,846,119	\$ 89,287,229
Transfers Out					
Capital Budget	\$ 3,398,000	\$ 1,030,000	\$ 1,400,000	\$ 1,629,000	\$ 1,722,000
To Others	1,478,996	961,076	525,290	518,279	518,029
Total Transfers Out	\$ 4,876,996	\$ 1,991,076	\$ 1,925,290	\$ 2,147,279	\$ 2,240,029
Total Expenditures & Transfers Out	\$ 84,498,760	\$ 80,397,269	\$ 79,848,904	\$ 86,993,398	\$ 91,527,258
Surplus / (Deficit)	\$ 5,742,806	\$ 2,453,861	(\$ 2,320,213)	\$ -	\$ 1,431,379
<i>Estimated Contribution to Reserves</i>		-	-	-	300,000
Net Surplus / (Deficit)				\$ -	\$ 1,131,379

*FY19 Actuals adjusted for accounting changes



General Fund Reserves Summary

	Estimated Balance (June 30, 2021)	FY22 Estimated Contribution	Estimated Balance (June 30, 2022)	FY23 Estimated Contribution	Estimated Balance (June 30, 2023)
Compensated Absences	\$ 344,282	\$ -	\$ 344,282	\$ -	344,282
Dental Claims	226,775	-	226,775	-	226,775
Legal Claims	3,000,000	-	3,000,000	-	3,000,000
Other Reserve Designations	\$ 3,571,057	\$ -	\$ 3,571,057	\$ -	\$ 3,571,057
Catastrophic Emergency	9,035,876	-	9,035,876	-	9,035,876
Fiscal Emergency	4,929,010	-	4,929,010	300,000	5,229,010
Emergency Reserves	\$ 13,964,886	\$ -	\$ 13,964,886	\$ 300,000	\$ 14,264,886
PERs Liability	1,956,816	-	1,956,816	-	1,956,816
Pension Trust*	25,500,000	-	25,500,000	-	25,500,000
Pension Reserves	\$ 27,456,816	\$ -	\$ 27,456,816	\$ -	\$ 27,456,816
Total Reserves	\$ 44,992,759	\$ -	\$ 44,992,759	\$ 300,000	\$ 45,292,759

* Value as of February 19, 2021 is \$ 25.5 million. Increases in value after FY19 are due to interest earnings.

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Operating Departments

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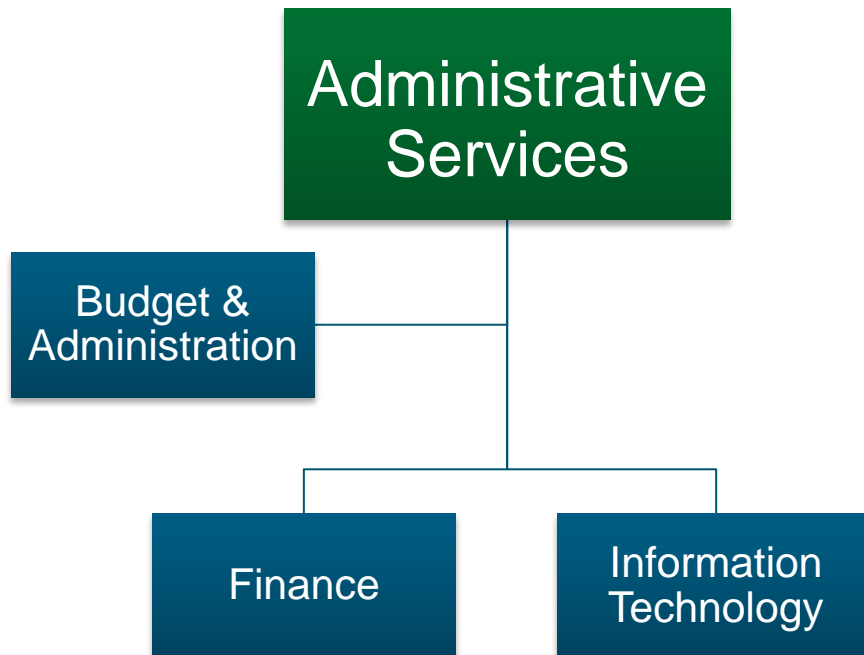
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Administrative Services

Organizational Chart



Description

The Administrative Services Department (ASD) serves as the central administrative body of the City, supporting all departments as well as serving the public. The department provides expertise, support, service, and management of three divisions: Budget & Administration, Finance, and Information Technology.

Divisions

- **Budget & Administration** – Provides department leadership and agency-wide budget development and analysis, financial forecasting, and management functions.
- **Finance** – Oversees the City's financial functions, including general ledger, accounts receivable, accounts payable, cashiering, business licenses, treasury management, purchasing, audits, and financial reporting.
- **Information Technology** – Oversees the City's information technology and telecommunications infrastructure, including network, hardware, and software management; help desk support; and cybersecurity.

Administrative Services

Accomplishments (FY2020)

Administration/Budget

- Conducted a Financial Trend Analysis, forecasting several possible scenarios of the pandemic's impact on City services and budget for both FY20 and FY21;
- Reopened the FY20 budget and rebalanced a \$10.1 million projected deficit, in collaboration with City departments;
- Developed the FY21 budget amid uncertainty of the pandemic impacts and balanced a \$12.1 million deficit in collaboration with City departments;
- Streamlined the business license database to include email for communication regarding Business License renewal processing during the pandemic, which resulted in a greater usage of online portal for renewals; and
- Reduced response time for business license inquiries to no later than the next business day.

Finance

- Streamlined fiscal processes as part of continued clean-up of the financial system from prior implementation including automating revenue input, direct check scanning and uploads for reoccurring charges;
- Implemented program and cost tracking related to the pandemic (FFCRA, additional leave banks, tracking COVID costs, etc.) in Munis financials and Payroll;
- Updated/improved several standard operating procedures, including providing staff video tutorials to assist with learning;
- Issued the FY20 Annual Comprehensive Financial Report (ACFR) with an unmodified (clean) opinion;
- Received the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association (GFOA) for FY20 ACFR; and
- Submitted the Last and Final Recognized Obligation Payment Schedule to the Department of Finance.

Information Technology

- Upgraded operating system to Windows 10-64 bit;
- Upgraded and enhanced library cameras, in partnership with Public Works;
- Expanded Public Downtown Wi-Fi in the area surrounding the library;
- Installed a City Hall fiber patch interconnect as part of the City's Fiber Master Plan;
- Implemented and supported remote users to safely ensure staff's access to City applications during the shelter-in-place; and
- Earned the 2020 Excellence in IT Practices Award from the Municipal Information Systems Association of California (MISAC).

Administrative Services

Goals & Objectives for FY2022 & FY2023

The Department will continue to streamline its processes and improve the level of support across all City departments, building the knowledge base of staff performing decentralized financial functions (budget development and management, use of the Munis system, purchasing, invoicing, etc.) to ensure they have the knowledge and tools they need for these tasks.

The Department will continue to provide both internal and external customers with the highest level of prompt and courteous service; continue quarterly, and as-needed, meetings with other City department staff and emphasize proactive collaboration for any foreseeable challenges; and update and streamline several key policies and standard operating procedures in conjunction with the Refresh initiative. Efforts will be collaborative and include input from City departments. ASD will ensure resources are available for City departments on the *Inside Walnut Creek* intranet site, and provide ongoing support via individual and group training. Several projects that will likely begin in the next budget cycle are listed below.

Administration/Budget

- Implement financial reporting software for both the budget and ACFR;
- Continue to work towards meeting the GFOA budget requirements to achieve the Distinguished Budget Presentation Award; and
- Update and re-implement the City's Purchasing Policy.

Finance

- Continue to improve efficiencies within Munis and the City's procedures for processing critical documents (streamlining processes, etc.);
- Ensure audits are completed on time and without findings and/or material misstatements;
- Planning for, and implementing, updated GASB Pronouncements (84, 87, etc.);
- Implement ACH payments for vendors;
- Implement the CAL-Card program utilizing Munis;
- Automate the FLSA overtime process for the Police Department; and
- Implement investor software to eliminate redundancies and use of manual processes.

Information Technology

- Enhance cybersecurity;
- Continue to support the reopening of City Hall and other City facilities;
- Continue implementation, upgrade, and support for backend City and Police systems;
- Focus on non-emergency physical installs and repairs as health order restrictions lift;
- Upgrade GIS and develop future support model;
- Update and implement Disaster Recovery Plan and testing procedures; and
- Extend the capabilities of the Master Fiber Plan to City facilities and eliminate or decrease the lease lines from Wave, reducing cost to the City.

Administrative Services

Authorized Positions Summary

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Regular FTEs	22.50	22.50	-	23.50	1.00
Limited Duration FTEs	-	-	-	-	-
Total	22.50	22.50	-	23.50	1.00

Administrative Services

Department Financial Summary

	FY2019 Actual*	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue					
General Fund Revenue	\$ 2,724,059	\$ 2,730,907	\$ 2,089,650	\$ 2,143,650	\$ 2,199,108
Other Fund Revenue					
IT Replacement Fund	961,676	1,119,689	1,952,025	1,844,955	1,879,955
Total Revenue - All Funds	\$ 3,685,735	\$ 3,850,596	\$ 4,041,675	\$ 3,988,605	\$ 4,079,063
Expenditures					
General Fund Expenditures					
Personnel	\$ 3,575,438	\$ 3,660,231	\$ 3,554,903	\$ 3,858,741	\$ 4,165,929
Operating & Maintenance	326,426	323,602	940,939	998,827	978,826
Total General Fund Expenditures	\$ 3,901,864	\$ 3,983,833	\$ 4,495,842	\$ 4,857,568	\$ 5,144,755
Other Fund Expenditures					
IT Replacement Fund	634,607	872,838	2,416,590	2,419,693	2,506,968
Total Expenditures - All Funds	\$ 4,536,471	\$ 4,856,671	\$ 6,912,432	\$ 7,277,261	\$ 7,651,723

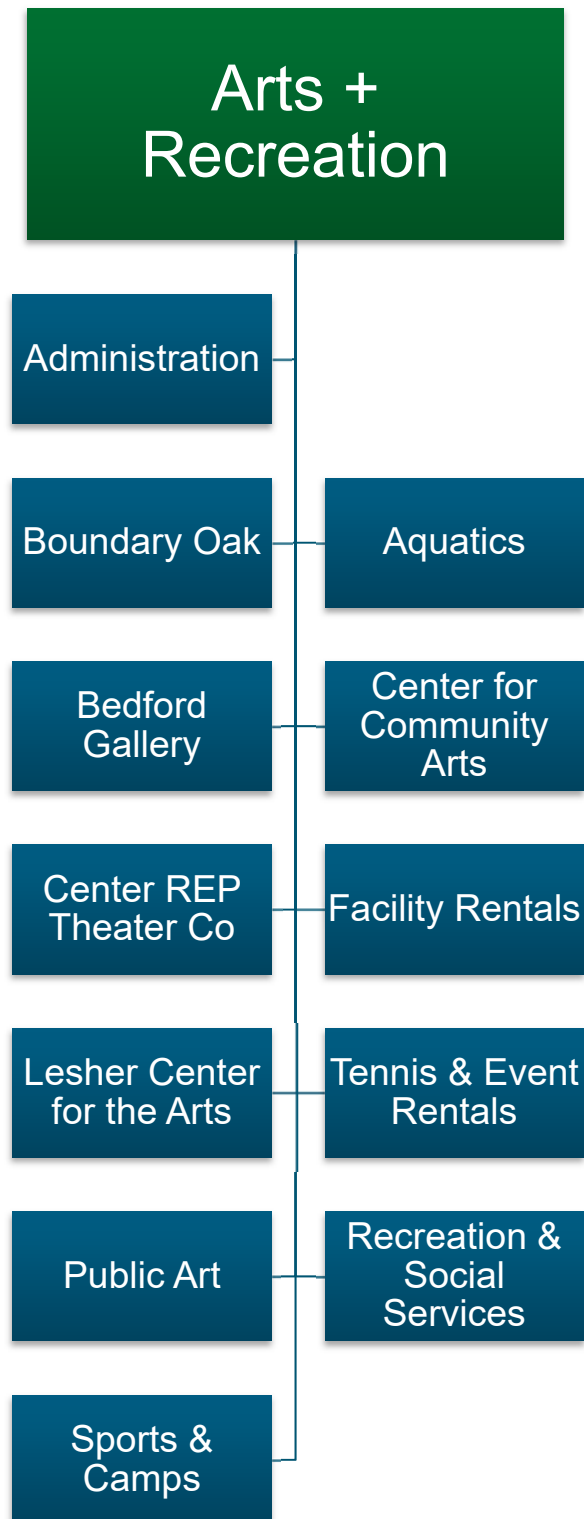
*Adjusted for accounting changes.

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Arts & Recreation

Organizational Chart



Arts & Recreation

Description

The Arts & Recreation Department is comprised of Aquatics, the Bedford Gallery, the Boundary Oak Golf Course, Center for Community Arts, the Leshner Center for the Arts and Center REPeritory Company, the Public Art Program, and Walnut Creek Recreation. Together our programs contribute to making Walnut Creek a regional destination; promote arts appreciation, wellness, and community engagement; and contribute to the City's overall quality of life and economic vitality.

In 2018, the Department began a strategic planning process that involved synthesizing input from staff, users, City leadership, and other community stakeholders, as well as demographic and national trends in arts and recreation. The process resulted in the Department adopting a refreshed mission and vision statement, and values to guide our work:



Divisions

- **Arts & Recreation Administration** – Department leadership, budget oversight, and community relations
- **Aquatics** – Clarke and Larkey swim centers, swim lessons and classes, recreational and fitness swimming, swim team, swim meets, and private event rentals
- **Bedford Gallery & Public Art** – Professional exhibits, traveling exhibition program, public art program, public art walking tours

Arts & Recreation

- **Boundary Oak Golf Course** – 18-hole championship golf course, pro shop, and Taphouse; driving range and practice area; golf tournaments, lessons, and camps; special event rentals
- **Center for Community Arts** – Youth and adult arts classes, preschool enrichment classes, camps, workshops, school outreach programs
- **Leshner Center for the Arts & Center REPeritory Company** – Theater events, community productions, outdoor plaza events, Young REPeritory professional training program, and other artistic gatherings, including programs to increase youth and non-traditional audience access to performing arts productions
- **Walnut Creek Recreation** – Recreation classes for youth and adults, specialized recreation programs, school-day enrichment programs, summer day and sports camps, afterschool sports programs; Walnut Creek Tennis Center and special event permitting in City parks; facility rentals at Heather Farm Community Center, Civic Park Community Center, Shadelands Art Center, and the Oak View Room at the Walnut Creek Library; and sports field, gymnasium, picnic, and sand volleyball court rentals

Accomplishments

In the last nine months, in response to health order restrictions and safety concerns, the Department has restructured almost every single one of its programs, and has successfully introduced multiple new offerings to meet emerging community needs. The Department has helped provide critical services to support families, seniors, and community members during the prolonged shelter-in-place orders. Below is a summary of major accomplishments.

FY20

- Awarded \$108,500 in funding from TRANSPAC (Transportation Partnership and Cooperation) to support the Senior Transportation Program which offers rides to eligible seniors within city limits;
- Created an online reservation system and socially distanced approach to allow community members to exercise in the City's pools in a safe environment;
- Launched virtual classes and workshops on a variety of topics, providing safe opportunities for community members to enhance their mental health, wellness, and connection to others;
- Awarded \$12,820 from the California Arts Council to provide school-age youth with arts education programming that reinforces the Common Core and Next Generation Science Standards; and
- Bedford Gallery partnered with five downtown Walnut Creek restaurants for the opening of Off Menu, one of our most popular openings with over 250 guests.

FY21

- Used a human-centered design approach to create a centralized customer service team using staff from across the Department to ensure community members can reach a live staff member during a designated schedule;
- Awarded \$41,320 in Community Development Block Grant Funds to operate the Senior Care Team program, which offers a hotline to respond to inquiries from seniors and provides proactive wellness checks to seniors;

Arts & Recreation

- Launched Duncan Arcade, Walnut Creek’s first outdoor mural program, and supported the City’s Rebound program through public art installations;
- Developed the School Day Enrichment Program, which provides children assistance with their distance learning and recreational activities in small, stable groups, and launched a successful new virtual preschool program;
- Introduced the Neighbor Express program, connecting volunteers with the most vulnerable in our community to provide food, medications, and other essential services;
- Created the Bedford Gallery’s first-ever online viewing room for exhibitions, expanding the gallery’s reach across the globe; and
- Supported the ongoing success of the Boundary Oak Golf Course, which served as a much needed and safe recreational activity for the community.

Goals & Objectives for FY2022 & FY2023

The Department’s goals for FY22 and FY23 are to continue to provide exceptional service and excellent programs to the community, despite challenges related to the pandemic. The Department will continue to provide positive opportunities for community members to enhance their mental health, stay active, foster their creativity, and connect with others.

The Department will continue its work on the following four goals that emerged from its strategic planning process. These multi-year goals are:

1. Increase participation and bring programs directly to the community.
2. Elevate the profile of Arts + Rec in Walnut Creek and beyond by telling the collective story.
3. Ensure sustainable funding for programs and services while meeting cost recovery goals.
4. Consistently provide exceptional customer experiences.

Authorized Positions Summary

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Regular FTEs	52.00	52.00	-	52.00	-
Limited Duration FTEs	0.50	-	(0.50)	-	-
Total	52.50	52.00	(0.50)	52.00	-

Arts & Recreation

Department Financial Summary

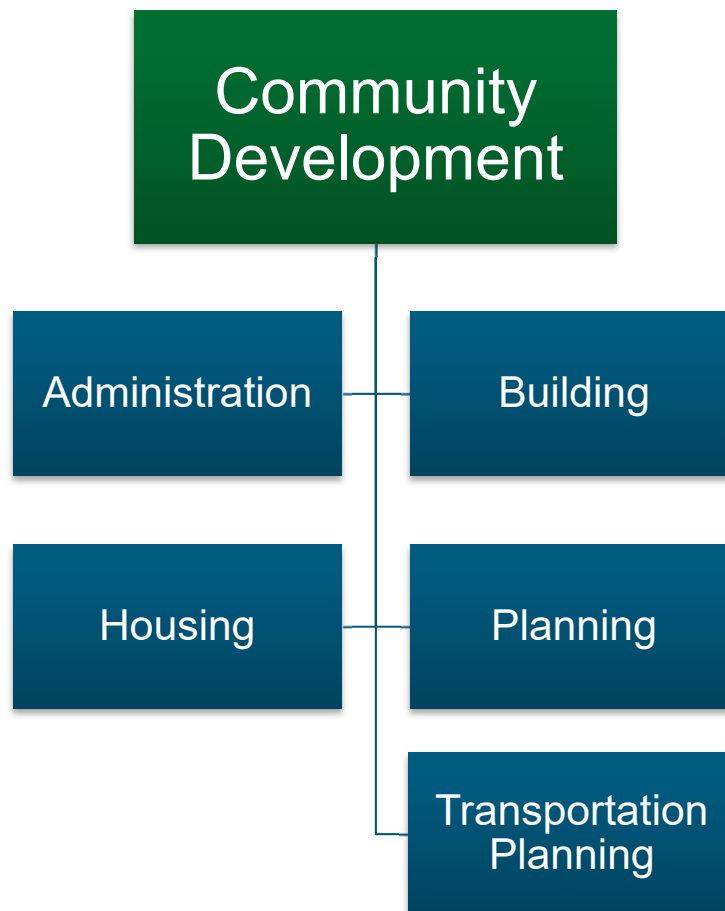
Revenue	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
General Fund Revenue	\$ 11,072,920	\$ 7,095,284	\$ 5,043,524	\$ 6,111,069	\$ 8,911,621
Other Fund Revenue					
In-Lieu Public Art	106,371	569,147	55,000	52,500	52,750
Grants	133,484	100,568	-b	-	-
Downtown Parking & Enhancement	-	-	-	-	-
Golf Course Debt Service	329,955	329,955	329,956	329,956	329,956
Golf Course - City Operations	609,690	1,871,687	608,884	721,393	806,261
Golf Course - Contract Operations	5,553,804	4,520,194	3,954,504	4,837,400	5,169,744
Leshar Endowment	-	75,000	75,000	75,000	75,000
Total Revenue - All Funds	\$ 17,806,224	\$ 14,561,835	\$ 10,066,868	\$ 12,127,318	\$ 15,345,332
Expenditures					
General Fund Expenditures					
Personnel	\$ 9,165,559	\$ 9,204,850	\$ 7,576,478	\$ 8,239,250	\$ 9,263,414
Operating & Maintenance	7,936,544	6,761,082	5,771,644	6,280,605	7,185,646
Total General Fund Expenditures	\$ 17,102,103	\$ 15,965,932	\$ 13,348,122	\$ 14,519,855	\$ 16,449,060
Other Fund Expenditures					
In-Lieu Public Art	\$ -	\$ -	\$ 40,701	\$ 42,727	\$ 44,087
Grants	159,779	143,658	-	-	-
Downtown Parking & Enhancement	30,967	9,915	72,000	-	72,000
Golf Course Debt Service	66,423	60,293	329,955	329,956	329,956
Golf Course - City Operations	1,866,985	558,433	607,276	614,817	1,118,521
Golf Course - Contract Operations	5,358,805	4,447,891	3,954,503	4,837,400	5,169,744
Leshar Endowment	-	81,601	-	75,000	75,000
Total Expenditures - All Funds	\$ 24,585,062	\$ 21,267,723	\$ 18,352,557	\$ 20,419,755	\$ 23,258,368

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Community Development

Organizational Chart



Description

The Community Development Department (CDD) exists to enhance the community's safety, welfare, economic opportunities, and quality of life. Services include building and permitting, planning, housing, code enforcement, environmental sustainability, and transportation planning.

Divisions

- **Community Development Administration** – Leadership and division support, sustainability policy and implementation, economic development support, development billing, budget administration, confidential administration
- **Building** – Permit counter administration, building permit application processing, plan checking, building inspection services, building code enforcement, code adoption administration, public records requests

Community Development

- **Housing** – New construction/acquisition program, home loan programs, community grant administration, asset and compliance management, outreach and education, resource and referral services, housing policy implementation, regional housing partnerships
- **Planning** – Development application review and entitlement, economic development support, planning policy development, planning and zoning information, zoning and nuisance code enforcement, outside agency coordination, monitoring of adjacent development activity, demographic analysis and reporting, staff Design Review and Planning commissions
- **Transportation Planning** – Long range transportation planning and policy development, transportation grant administration, “Measure J” administration, partnerships with regional transportation agencies, staff Transportation Commission

Accomplishments

FY2020

- A City-subsidized affordable housing project, St. Paul’s Commons, completed construction of 45 affordable units and leased up in late 2019. The Planning Division received and managed 119 planning projects between July 1, 2019 and June 30, 2020. Major projects that were completed during FY 2020 include the Marriott Residence Inn (160+ keys), the 1716 Lofts (48 condos), the Ultimate Fieldhouse, St. Paul’s Commons (45 low-income affordable apartments), and Rossmoor Shopping Center remodel.
- The Building Division reviewed 4,053 new permit applications, issued 4,132 building permits, and conducted 29,171 inspections.
- The Building Division implemented online permitting, which allows minor residential projects and solar and EV chargers to be submitted and issued online.
- The Building Division developed an electronic submittal system after City Hall was closed due to the COVID-19 Pandemic. Projects not qualifying for online permitting were received as PDF files, allowing Plan Check Engineers the ability to comment on plans with Bluebeam software and to approve plans with digital stamps.
- The Housing Division allocated over \$600,000 in CDBG-Coronavirus (CV) funds to provide support to low-income households impacted by COVID. Funded programs include emergency rental assistance, tenant/landlord services, legal services for eviction prevention, and homeless services.
- The California Department of Housing and Community Development awarded the City a SB 2 Planning Grant (\$310,000) to accelerate housing production by developing Permit Ready Accessory Dwelling Unit (PRADU) plans and a process to expedite the entitlement and permitting of affordable housing projects.
- The City became an additional member of the California Community Housing Agency, which allowed for the issuance of bonds to purchase a 204-unit apartment complex which will be converted to middle-income affordable rental housing.
- The Housing Division administered over \$800,000 in community grant funds through the Community Development Block Grant, Community Services Grant, Homeless Services Grant, and School Crisis Counselor Grant Programs.

Community Development

FY2021

- The Rethinking Mobility Transportation Strategic Plan was adopted by City Council in October 2020. This five-year plan includes thirteen actionable transportation and parking management strategies to reduce single-occupant automobile trips, manage parking demand, and enhance access for those walking, biking, and using public transit.
- The Community Benefits Program was adopted by the City Council in February 2021. This program creates a mechanism whereby new development within the West Downtown and North Downtown Specific Plan areas can be leveraged to provide community benefits, such as infrastructure improvements, and public open space, within the plan areas and throughout Walnut Creek. Such benefits are a critical part of achieving the visions for both West and North Downtown, as they cannot be provided through public funding alone.
- A new ordinance regulating Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) is currently drafted and is expected to be adopted by June 2021. This new ordinance will ensure compliance with recent changes to state law.
- American Planning Association “Award of Merit” in the category of “Planning Agency”. Award in the areas of innovation, quality, outreach, and implementation related to the North and West Downtown Specific Plans, Rethinking Mobility, Climate Action Plan Implementation, Affordable Housing Outreach, and the Blueprint for Success v2.
- The Planning Division, working collaboratively with the City Attorney’s Office, the Engineering and Traffic Engineering divisions, and Resources for Community Development, an affordable housing developer, approved the City’s first housing development application under SB35 – a State law that facilitates the production of affordable housing through a streamlined ministerial review process. The project at 699 Ygnacio Valley Road will provide a mix of 95 units of affordable housing above ground-floor commercial spaces.
- Working with Public Works and the City Manager’s Office, eight new electric vehicle (EV) charging stations serving 15 parking spots completed construction in early 2021 at the Center for Community Arts. Work on the installation of five additional EV charging stations serving nine parking spots at the Broadway Garage began in March 2021 and is expected to be completed by June 2021. These two projects leverage \$41,000 in rebates from PG&E and MCE, as well as additional infrastructure costs covered by PG&E.
- The Building Division digitized approximately 80,000 microfiches of historic Building permit records issued between 1940 to 1990, and uploaded all digitized records to OnBase. This will expedite the Public Records Request process.
- The California Department of Housing and Community Development awarded the City a Local Early Action Planning (LEAP) grant (\$300,000) to accelerate housing production by developing Objective Design Standards and to conduct a parking study and implement right-sized parking standards for multifamily developments.
- The California Department of Housing and Community Development approved the City’s application for the new Permanent Local Housing Allocation (PLHA) grant. As an entitlement City, Walnut Creek will receive an ongoing annual grant amount of about \$138,449 for the next five years. These grant funds are being used to fund two homeless services: the Winter Shelter Evening Program and a portion of the CORE homeless outreach team.

Community Development

- The City committed \$6 million in housing funds for the acquisition and development of a 95-unit mixed-use project at 699 Ygnacio Valley Road. Additionally, the City applied for and was awarded a \$2 million matching grant from the State’s Local Housing Trust Fund (LHTF) grant program to support the project.

Goals & Objectives for FY2022 & FY2023

- Completion of Objective Design Standards
- Adoption of Sustainability Action Plan and implementation of priority strategies
- Density Bonus Ordinance Update Adoption
- Update to the Housing Element for 2023-2030
- Sign Ordinance Update, if funded
- 699 YVR – 95-unit Affordable Mixed-Use Project under construction
- Permit Ready Accessory Dwelling Unit (PRADU) Project Completed
- Esperanza Place – 42 affordable homeownership units
- “Rightsizing” Parking Study - Conduct parking study and bring policy recommendations for reducing (“right-sizing”) parking requirements for multi-family housing to City Council for consideration and adoption. The project will take approximately 12 months. General Plan Update - Begin background analysis on a future General Plan Update. Due to the magnitude and importance of a General Plan Update, discussions will be held with City Council to prioritize the timing of this project.

Authorized Positions Summary

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Regular FTEs	36.00	36.00	-	37.00	1.00
Limited Duration FTEs	4.00	4.00	-	4.00	-
Total	40.00	40.00	-	41.00	1.00

Community Development

Department Financial Summary

Revenue	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
General Fund Revenue	\$ 8,410,056	\$ 6,413,317	\$ 7,007,454	\$ 6,452,024	\$ 6,834,024
Other Fund Revenue					
General Plan Update	395,529	343,621	238,500	315,750	319,250
Employee Housing Assistance	-	-	-	-	-
CASp Certification & Training	-	86,541	3,000	25,045	25,055
CDBG	246,458	531,220	1,050,600	425,000	360,000
Measure J	181,048	202,557	205,000	170,750	174,250
Grants	216,143	95,746	138,000	715,161	203,000
Commerical Linkage Housing	211,941	1,010,634	335,000	305,750	309,250
Affordable Housing	20,744	26,819	19,000	12,400	13,600
Inclusionary Housing	1,042,154	4,570,930	2,170,000	1,293,000	3,961,800
Housing Successor Agency	448,599	246,944	120,500	204,750	210,250
Downtown Parking & Enhancement	-	-	-	-	-
RDA Successor Agency	34,753	93,401	22,082	2,000	2,500
Total Revenue - All Funds	\$ 11,207,425	\$ 13,621,730	\$ 11,309,136	\$ 9,921,630	\$ 12,412,979

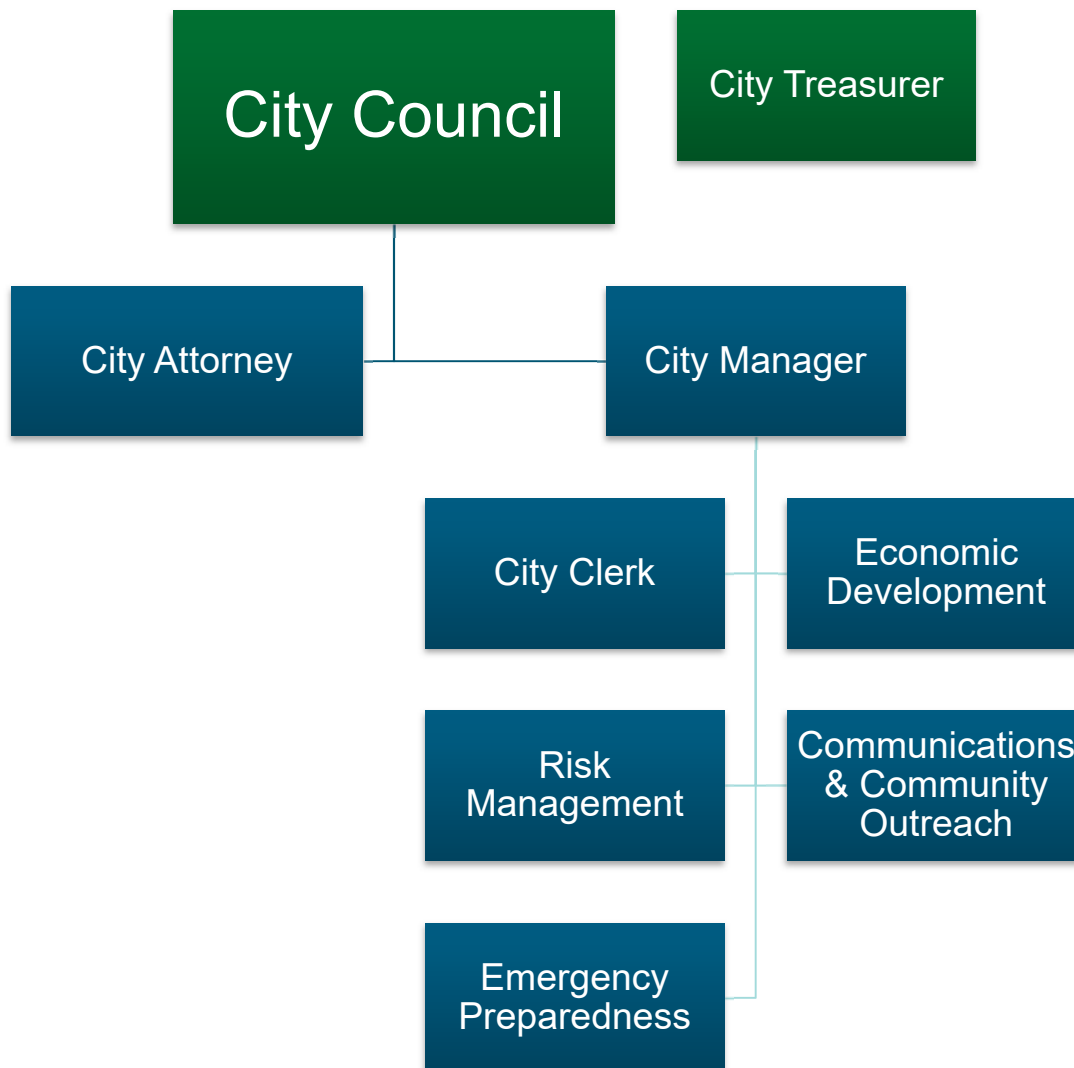
Community Development

Expenditures	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
General Fund Expenditures					
Personnel	\$ 5,298,149	\$ 5,607,603	\$ 5,656,461	\$ 5,925,470	\$ 6,298,410
Operating & Maintenance	1,882,978	1,496,979	2,061,932	2,542,466	2,494,712
Total General Fund Expenditures	\$ 7,181,127	\$ 7,104,582	\$ 7,718,393	\$ 8,467,936	\$ 8,793,122
Other Fund Expenditures					
General Plan Update	68,558	169,376	224,542	243,396	96,731
Employee Housing Assistance	-	-	130,000	130,000	130,000
CASp Certification & Training	-	-	-	20,000	20,000
CDBG	294,056	483,622	1,009,280	424,763	359,944
Measure J	-	36,420	516,118	284,912	233,577
Grants	154,600	154,746	138,000	215,193	138,000
Commerical Linkage Housing	351,793	-	3,150,000	500,000	500,000
Affordable Housing	493,869	616,650	117,049	109,205	112,219
Inclusionary Housing	2,422,690	228,161	5,186,442	1,508,154	3,553,413
Housing Successor Agency	42,413	31,326	358,717	291,237	543,916
Downtown Parking & Enhancement	484,140	374,250	288,104	358,319	451,160
RDA Successor Agency	24,738	37,903	20,238	22,757	23,395
Total Expenditures - All Funds	\$ 11,517,984	\$ 9,237,036	\$ 18,856,883	\$ 12,575,872	\$ 14,955,477



General Government

Organizational Chart



Description

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.

General Government

Divisions

- **City Attorney** – Provides legal services to City Council, Commissions, and City Departments
- **City Clerk** – Major functions include elections; records and archives; commission recruitment; City Council meetings and agendas; compliance officer for federal, state, and local statutes
- **Economic Development** – Responsible for implementation of the Rebound Program, partnering with the Business Improvement Districts, building business retention and attraction strategies and serving as a liaison for commercial development.
- **Risk Management** – Oversees general liability and insurance, damages and claims, employee safety and ergonomic assessments.
- **Communications & Community Outreach** – Produces multimedia communications, including WCTV; produces *In a Nutshell*, the quarterly city newsletter; engages in social and traditional media outreach; provides departmental communication support
- **Emergency Preparedness** – Emergency management and response, Emergency Operations Center (EOC) and Community Emergency Response Teams (CERT)

Accomplishments

FY2020

- Addition of closed captioning to public meetings;
- Leveraged City social media platforms for more frequent news updates given rapidly changing conditions;
- Introduced Refresh, a new organizational development initiative, and introduced human centered design as a cross-departmental problem-solving and efficiency tool;
- Transitioned City Council, Commission, and Committee public meetings to a virtual platform, and managed all technical aspects of public meetings; and
- Renewed the Downtown Business Improvement Districts, and provided ongoing support of the Shadelands PBID and the Citywide TBID.

FY2021

- Administration of the Rebound Program, a citywide effort to support businesses facing reduced operations resulting from the County and State Stay-at-Home orders, led by the Economic Development Division;
- Continued adaptation of virtual public meetings, including renovation of streaming technology in the 3rd Floor Conference Room;
- Completion of a series of Listening Sessions to provide local community members and staff the opportunity to speak regarding the intersection of policing and mental health care;
- Exploration by the City Manager's Office, alongside County Behavior Health and nearby cities, of the possibility of expanding mental health services within Contra Costa County; and
- Administration of a complex election, including support of eight City Council candidates.

General Government

Goals & Objectives for FY2022 & FY2023

- Continue to support businesses and our community during the COVID-19 pandemic and subsequent recovery, including:
 - A continuation of Rebound program efforts;
 - Revision and implementation of the economic development strategic plan;
 - Exploration of possibilities to re-invigorate the downtown post-pandemic; and
 - Launch of an Economic Development branding effort and communication strategy;
- Move towards a non-Police response to mental health crises as part of a cooperative effort between Contra Costa County and all 19 cities in the County;
- Redesign and implement a new City website;
- Modernize Arts & Recreation classrooms to allow for virtual classes and program streaming; and
- Implement a citywide public records request management system.

Authorized Positions Summary

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Regular FTEs	19.00	20.00	1.00	20.00	-
Limited Duration FTEs	-	-	-	-	-
Total	19.00	20.00	1.00	20.00	-

General Government

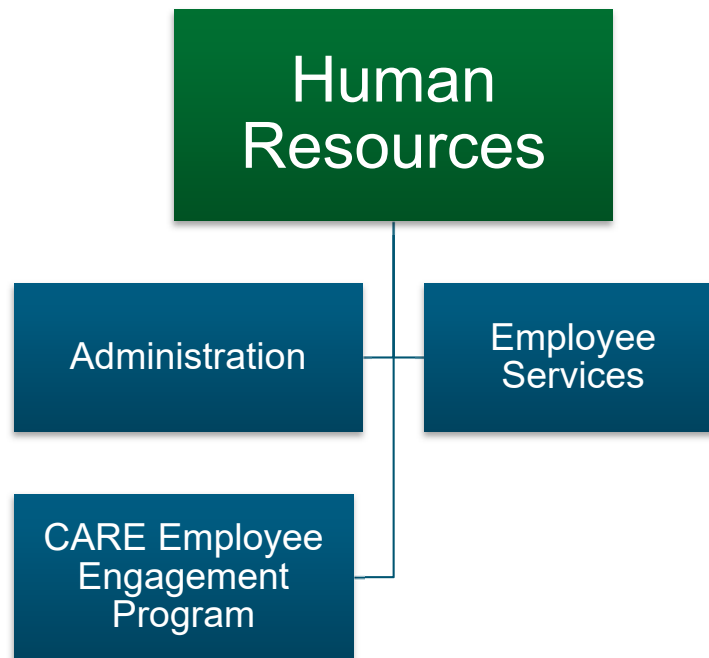
Department Financial Summary

Revenue	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
General Fund Revenue	\$ 214,228	\$ 380,386	\$ 124,050	\$ 124,050	\$ 124,050
Other Fund Revenue					
PEG Access Fees	407,124	390,667	371,868	342,168	347,568
Comcast Technology Grants	7,084	9,531	7,500	3,375	4,125
Downtown Parking & Enhancement	1,667,196	1,198,309	1,438,399	1,527,164	1,629,491
Shadelands PBID	366,142	361,278	390,000	390,000	390,000
Total Revenue - All Funds	\$ 2,661,774	\$ 2,340,171	\$ 2,331,817	\$ 2,386,757	\$ 2,495,234
Expenditures					
General Fund Expenditures					
Personnel	\$ 2,545,952	\$ 2,788,761	\$ 2,957,330	\$ 3,545,093	\$ 3,699,450
Operating & Maintenance	3,763,309	3,732,136	4,341,600	4,970,303	4,648,694
Total General Fund Expenditures	\$ 6,309,261	\$ 6,520,897	\$ 7,298,930	\$ 8,515,396	\$ 8,348,144
			\$ -		
Other Fund Expenditures					
PEG Access Fees	431,579	550,529	226,353	286,624	266,624
Comcast Technology Grants	24,503	16,494	32,575	32,575	32,575
Downtown Parking & Enhancement	1,191,938	1,179,075	1,264,609	1,311,724	1,347,309
Shadelands PBID	362,430	357,748	386,100	386,100	386,100
Total Expenditures - All Funds	\$ 8,319,711	\$ 8,624,743	\$ 9,208,567	\$ 10,532,419	\$ 10,380,752



Human Resources

Organizational Chart



Description

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. The Human Resources 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.

Divisions

- **Administration** – Provides overall administration of the City's Human Resources functions; including salaries and benefits for Human Resources employees; benefits administration; and leave administration.
- **Employee Services** – Includes recruitment and selection; employee relations; labor relations; and classification and compensation.
- **CARE** – The City's comprehensive employee engagement program, which includes career development, health and wellness, and community engagement.

Human Resources

Accomplishments

FY2020

- Earned the Cal-ICMA Talent Action Award in three award categories for implementing best practices in attracting and recruiting talent, developing and retaining talent, and improving workplace culture;
- Responded to the organizational and personnel impacts and challenges of the COVID-19 pandemic;
- Completed labor negotiations with one employee bargaining unit, resulting in the approval of a four-year labor agreement; and
- Continued to implement technology solutions for employee onboarding, benefits, training, and development.

FY2021

- Continued to respond to the organizational and personnel impacts and challenges due to the COVID-19 pandemic, including how to serve our employees and the community while HR is working remotely;
- Implemented the Families First Coronavirus Response Act and the California Supplemental Paid Sick Leave benefit programs, an Early Retirement Incentive Program, and a Severance Program;
- Met and conferred with employee groups regarding the impact of the shelter-in-place restrictions and the fiscal uncertainty due to COVID-19;
- Transitioned to virtual Human Resources processes due to social distancing in recruitment, open enrollment, and compliance training;
- Coordinated two executive recruitments, including the hiring of a Community Development Director;
- Completed open enrollment for CY2021, including selection of two new benefit plan providers; and
- Enhanced our focus on employee wellness during the COVID-19 pandemic (including Wellness Wednesdays, Take CARE: Anxiety Workshop, special programs, etc.) and keeping employees connected during a period of social and organizational distancing.

Goals & Objectives for FY2022 & FY2023

- Ongoing program administration in recruitment and selection, employee relations, labor relations, compensation, and benefits, including compliance with new and existing state and federal laws and regulations;
- Continuing to fully implement technology solutions, including the Tyler Munis system, NeoGov LEARN training platform, and NeoGov Onboard, in order to provide more efficient paper-less processes, tracking, and enhanced reporting capabilities;
- Continuing implementation of the City-wide “Coaching for Excellence” employee performance and coaching program, including the new E-Learning Tool;
- Continuing implementation of the CARE employee engagement strategy, including the bi-annual survey, employee recognition, employee training and career development, and Wellness programming;

Human Resources

- Reviewing the City's employee attraction and retention program, including the City's branding and marketing efforts; and
- Continuing to focus on the health and well-being of employees and our organizational culture.

Authorized Positions Summary

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Regular FTEs	7.00	7.00	-	7.00	-
Limited Duration FTEs	-	-	-	-	-
Total	7.00	7.00	-	7.00	-

Human Resources

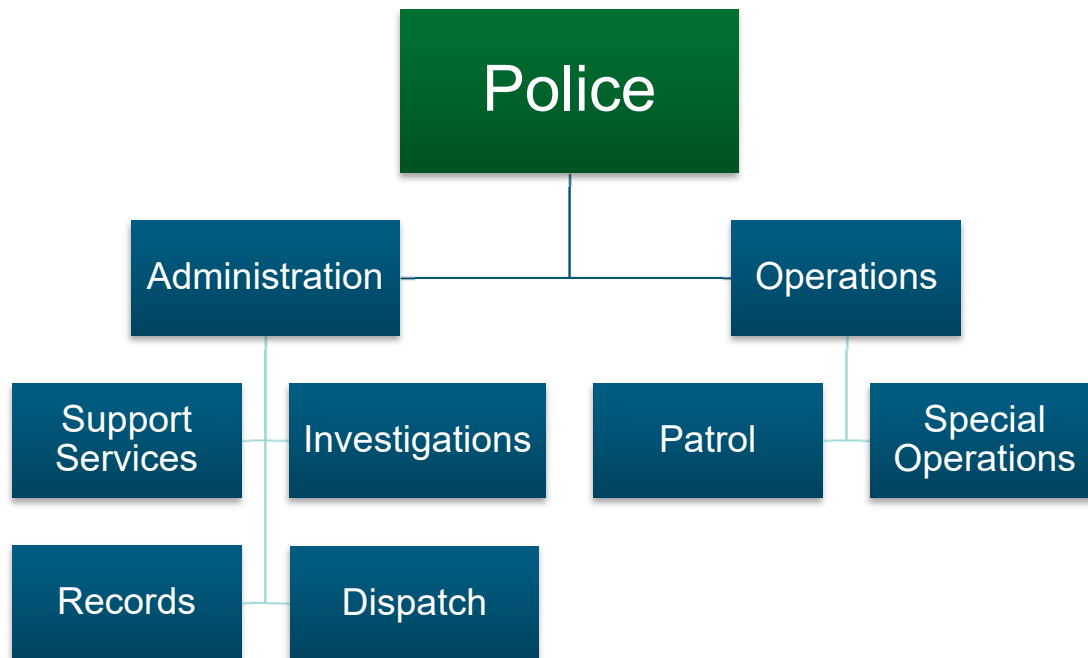
Department Financial Summary

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue					
General Fund Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other Fund Revenue	-	-	-	-	-
Total Revenue - All Funds	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
General Fund Expenditures					
Personnel	\$ 1,095,611	\$ 1,165,211	\$ 1,132,627	\$ 1,168,308	\$ 1,218,672
Operating & Maintenance	325,670	287,107	391,735	496,775	497,282
Total General Fund Expenditures	\$ 1,421,281	\$ 1,452,318	\$ 1,524,362	\$ 1,665,083	\$ 1,715,954
Other Fund Expenditures	-	-	-	-	-
Total Expenditures - All Funds	\$ 1,421,281	\$ 1,452,318	\$ 1,524,362	\$ 1,665,083	\$ 1,715,954



Police

Organizational Chart



Description

The Walnut Creek Police Department works with the public to provide immediate assistance in times of emergency. The Police Department is both proactive and reactive, and provides law enforcement, investigation, crime prevention, and other public services.

Divisions

- **Patrol** – Respond to emergency and non-emergency calls for service, crime prevention, address quality of life issues
- **Police Services Officers (PSO)** - Provide assistance to patrol, handle non-emergency calls for service, provide traffic control, handle most “cold” calls for service
- **Dispatch** – Answer emergency 911 calls and non-emergency calls, dispatch officers to calls for service, gather critical information from callers to best ensure the safety of the public and officers
- **Traffic** – Address the 3 “E’s” of the traffic mission: education, enforcement, engineering
- **Records** – Process police reports and citations, compile crime statistics, respond to public records requests
- **Support Services** – Handle parking, property and evidence records, animal control
- **Investigations** – Investigate complex cases, School Resource Officer Program, Safe Streets Task Force, High-Tech crimes investigations, files cases with the DA’s Office

Police Department

- **Special Operations** – Assist Patrol and Detectives with complex investigations, proactive patrol and crime prevention, address identified problem areas (“hot spots”) and crime trends, serve search and/or arrest warrants, identify and work on problem-oriented policing projects

Accomplishments (FY2020)

- Converted our Homeless Outreach Program (HOP) to a permanent program;
- Completed Lakewood evacuation drill;
- Acquired six portable cameras for property crime investigation to be used in conjunction with bait vehicles;
- Implemented a pilot Corporal Program, a developmental supervisory position assigned to the Patrol Division and Investigations Bureau;
- Created and implemented a Temporary Emergency Patrol Schedule with the goal of keeping our employees safe and minimizing exposure to the Coronavirus;
- Installed additional Automated License Plate Readers (ALPR) at key intersections and City ingress/egress points:
 - N. Main Street and Penniman Way
 - Alpine Road and Olympic Boulevard
 - S. Broadway and Newell Avenue
 - S. Main Street and Creekside Drive
- Completed our public outreach and presented our drone proposal to City Council; and
- Worked collaboratively with City departments and business owners in support of the Rebound initiative as COVID-19-related public health restrictions were eased.

Goals & Objectives for FY2022 & FY2023

- **Implement Police Training and Leadership Development Designed to Optimize Service to the Community**

Fully implement a training/mentorship program focused on continuous personal and team growth. Recognizing the most valuable department asset is our people, the WCPD is fully committed to investing in each employee by creating developmental and training opportunities through a formalized Leadership Development Program. The program will prepare employees to take on leadership roles within the organization and serve as a succession planning tool. By encouraging the personal and professional growth of employees, the program will also support Department recruitment and retention efforts, and will enhance community engagement and service improvement by each employee.

- **Reestablish Staffing to a Level that Best Serves the Community**

Identify, recruit, hire, and train dedicated professional employees and sworn officers to address current staffing levels, and integrate Volunteers and Reserve Officers back into service. Clearly identify staffing needs to best serve the community as we emerge from the pandemic.

Police Department

Reorganize Department operations and staffing levels as necessary, based on evaluation of current and future needs, to include:

- Fully staff the Dispatch Center;
- Redeploy patrol officers to community programs such as the Homeless Outreach Program and Traffic Team;
- Aggressively seek high-quality Police Officer candidates and innovative recruitment efforts to attract a diverse workforce; and
- Reestablish the PSO Team

- **Enhance City’s Response to Mental Illness and Other Behavioral/Non-Criminal Societal Needs**

Fully implement the Central County Crisis Intervention Team (CIT) and the 24/7 non-police Behavioral Health Community Crisis Response Initiative, and determine methods for these teams to coordinate response criteria to cooperatively serve citizens in crisis.

- Select WCPD CIT Team members;
- Train Team members and Dispatchers; and
- Continue to seek and provide continuous training on mental illness to employees.

- **Enhance Existing Community Engagement Opportunities and Seek New Ways to Continuously Improve the Service We Provide**

As we emerge from the pandemic, staff will actively seek and intentionally create opportunities to engage the community that we serve and solicit input for ways to improve service. To include:

- Reestablish Citizens Academy;
- Continue Chief’s Community Advisory Board; and
- Participate in and coordinate community events, such as Coffee with the Cops, school presentations/events, and engagement with community service groups and business organizations.

Authorized Positions Summary

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Regular FTEs	121.00	121.00	-	121.00	-
Limited Duration FTEs	-	-	-	-	-
Total	121.00	121.00	-	121.00	-

Police

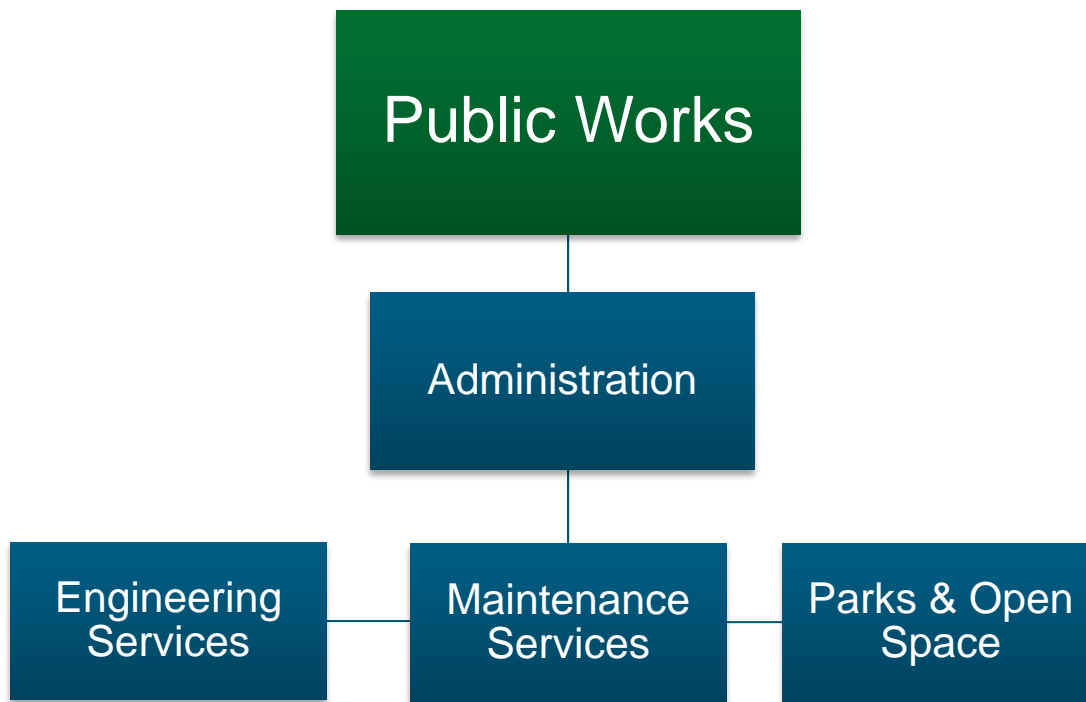
Department Financial Summary

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue					
General Fund Revenue	\$ 1,386,786	\$ 1,736,035	\$ 1,469,146	\$ 1,596,323	\$ 1,620,023
Other Fund Revenue					
SLESF	199,225	209,671	181,500	177,925	178,575
Asset Seizure - State/Federal	-	507,168	-	1,505	1,006
Grants	180,792	110,899	-	-	-
Downtown Parking & Enhancement	3,087,512	2,670,424	2,922,668	2,833,642	2,922,628
Police Equipment Replacement	48,063	48,327	49,884	45,759	46,509
Total Revenue - All Funds	\$ 4,902,378	\$ 5,282,524	\$ 4,623,198	\$ 4,655,154	\$ 4,768,741
Expenditures					
General Fund Expenditures					
Personnel	\$ 21,489,881	\$ 23,216,278	\$ 23,499,230	\$ 24,641,073	\$ 26,049,156
Operating & Maintenance	5,577,883	3,496,753	3,743,089	4,552,678	4,568,753
Total General Fund Expenditures	\$ 27,067,764	\$ 26,713,031	\$ 27,242,319	\$ 29,193,751	\$ 30,617,909
Other Fund Expenditures					
SLESF	115,850	128,819	146,915	184,136	197,299
Asset Seizure - State/Federal	-	14,803	45,717	97,215	97,215
Grants	180,792	110,899	-	-	-
Downtown Parking & Enhancement	3,053,935	3,169,765	3,063,362	3,103,467	3,218,845
Police Equipment Replacement	152,094	86,887	86,887	42,000	42,000
Total Expenditures - All Funds	\$ 30,570,435	\$ 30,224,204	\$ 30,585,200	\$ 32,620,569	\$ 34,173,268



Public Works

Organizational Chart



Description

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/Capital 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 ensures the City is maintained to a high standard.

Divisions

- **Administration** – Takes calls for service from public and City staff, manages maintenance and technology for the Ygnacio Valley and Walnut Creek library branches, manages commercial and non-profit leases, manages public project contracts, RecycleSmart (solid waste) liaison, assists with Payroll and Information Technology items
- **Capital Investment Engineering** – Manages the Capital Budget and Capital Investment Program. Implements the construction program for new City facilities and major maintenance projects of City-owned infrastructure, including design, surveying, scheduling, inspection, constructions management, community outreach, coordination of joint projects, and applications for outside agency funding

Public Works Department

- **Clean Water** – Responsible for implementing clean water requirements, including negotiating and complying with the City’s NPDES permit
- **Development Engineering** – Reviews development permits, responds to citizen’s engineering inquiries, construction project inspections, special event and right of way encroachment permits
- **Traffic Engineering** – Manages the City’s traffic signals, responds to citizen traffic related requests, traffic safety programs, valet and neighborhood parking programs, traffic signal and roadway lighting design for City-owned and private development projects
- **Traffic Maintenance Services** – Maintains parking meters, traffic-related signs, City-owned streetlights, signalized intersections
- **Street Maintenance Services** – Maintains streets, curbs, gutters, storm drain system, homeless response and mitigation
- **Building Maintenance Services** – Maintains City-owned buildings, assists with capital facilities projects, provides customer service for facility users, custodial services, facilitates service contract management
- **Equipment Maintenance Services** – Maintains fleet vehicles, vehicle acquisition and disposition, manages the vehicle and equipment replacement fund, fuel distribution, manages hazardous waste disposition, environmental regulatory compliance
- **Parks** – Inspection and management of playground equipment, turf and landscape maintenance, weed abatement, irrigation improvements, Integrated Pest Management, graffiti removal, manages trees through Urban Forestry Program, median maintenance, homelessness response
- **Open Space** – Maintain and operate open space, annual weed abatement, trail maintenance, educational programs, special event rentals, partner with the Walnut Creek Open Space Foundation on environmental projects
- **Downtown Parking & Enhancement** – Maintains and improves landscaping throughout downtown; street sweeping and storm drain maintenance; street and sidewalk maintenance; maintenance of parking garages, parking meters, and streetlights

Accomplishments

- Supported the Rebound program to ensure traffic safety and structural safety of pop-ups;
- Completed Blueprint for Success V2 Phase 1;
- Created 2022-2031 Capital Improvement Program (CIP);
- Completed Leshner Plaza project and Cyprus Mini-Plaza project;
- Conducted fire prevention program, including rotational grazing, discing, and hand weed abatement;
- Renovated the Shadelands Preschool;
- Overlaid N. Broadway (north of Ygnacio Valley Road) and Parkside Drive;

Public Works Department

- Completed multiple Diversion Incentive Fund (DIF) improvements and projects throughout the City, including roof replacement at several City-owned facilities, and shade structures and playgrounds at various parks;
- Published Trail Committee Recommendations for Managing Trails for Safe, Sustainable, and Environmentally Friendly Use;
- Completed elevator rehabilitation projects at the Broadway and Locust garages;
- Installed EV charging stations at Shadelands Community Center;
- Implemented new COVID-19 cleaning protocols and infrastructure changes, including air filtration systems and sneeze guards throughout all public-facing facilities; and
- Replaced HVAC and chiller at the Leshner Center.

Goals & Objectives for FY2022 & FY2023

- **Communication**

Effectively communicate with internal and external partners and stakeholders.

- **Infrastructure**

Develop and maintain our infrastructure utilizing the best and most cost-effective engineering and maintenance practices. Begin to implement Phase 1 Your Parks Your Future.

- **Economic Development**

Support Rebound and Walnut Creek Next programs. Continue to streamline Development Engineering process and refine and implement new procedures as part of Blueprint V2. Work with regulatory agencies and the community on environmental sustainability projects that protect our natural resources and reduce our carbon footprint to support the City's Climate Action Plan efforts.

Authorized Positions Summary

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Regular FTEs	104.00	104.00	-	104.00	-
Limited Duration FTEs	1.00	-	(1.00)	-	-
Total	105.00	104.00	(1.00)	104.00	-

Public Works

Department Financial Summary

Revenue	FY2019 Actual*	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
General Fund Revenue	\$ 4,811,514	\$ 5,912,397	\$ 5,233,466	\$ 5,570,369	\$ 5,577,299
Other Fund Revenue					
Open Space	787,741	809,326	783,454	806,354	842,554
Gas Tax	1,465,652	1,639,587	1,574,717	1,664,471	1,694,152
NPDES	1,564,535	1,372,710	1,417,809	1,345,210	1,350,210
In-Lieu Underground	23,907	33,784	30,000	13,500	16,500
Storm Drain	8,561	12,098	11,000	4,950	6,050
In-Lieu Creek Restoration	4,555	6,437	5,000	2,250	2,750
In-Lieu Park	313,132	2,816,014	606,000	520,750	536,250
Grants	17,830	17,739	-	-	-
Tree Replacement	104,867	130,320	27,000	23,150	23,850
Downtown Parking & Enhancement	3,910,368	2,910,543	3,062,746	2,867,426	3,498,596
Capital Investment Program	-	-	-	-	-
Vehicle Replacement Fund	1,130,989	1,058,778	565,217	1,113,740	1,176,450
Total Revenue - All Funds	\$ 14,143,651	\$ 16,719,733	\$ 13,316,409	\$ 13,932,170	\$ 14,724,661

*Adjusted for accounting changes.

Public Works Department

Expenditures	FY2019 Actual*	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
General Fund Expenditures					
Personnel	\$ 11,437,109	\$ 11,430,257	\$ 11,733,536	\$ 11,772,118	\$ 12,439,997
Operating & Maintenance	5,201,256	5,235,343	4,562,109	5,854,409	5,778,285
Total General Fund Expenditures	\$ 16,638,365	\$ 16,665,600	\$ 16,295,645	\$ 17,626,527	\$ 18,218,282
Other Fund Expenditures					
Open Space	1,300,436	1,244,822	1,290,745	1,314,633	1,350,583
NPDES	1,774,964	1,455,961	1,721,413	1,761,999	1,806,644
In-Lieu Park	71,282	75,634	88,764	93,396	96,731
Grants	17,830	17,739	-	-	-
Traffic Impact Mitigation	-	-	70,000	70,000	70,000
Tree Replacement	-	28,310	112,358	116,084	119,890
Downtown Parking & Enhancement	1,870,370	1,696,297	2,003,320	2,010,989	2,040,464
Capital Investment Program	10,252,403	10,391,102	16,158,281	10,918,598	10,957,533
Vehicle Replacement Fund	16,896	31,742	1,863,214	945,340	945,340
Total Expenditures - All Funds	\$ 31,942,546	\$ 31,607,207	\$ 39,603,740	\$ 34,857,566	\$ 35,605,467

*Adjusted for accounting changes.

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Capital Budget



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FY2022 & FY2023 Capital Budget

	Capital Budget Cost Estimate	General Fund	Roadway Funding		Downtown Parking Fund	Developer Fees		Grants	Other Revenue	Current Capital Budget
			Gas Tax	Measure J		Traffic Impact Fee	In-Lieu Parkland			
Estimated Funds Available for FY2022		\$ 3,300,000	\$ 1,778,145	\$ (230,575)	\$ -	\$ 6,400,000	\$ 3,127,936	\$ -	\$ 1,133,000	\$ 1,077,000
<i>Forecast Revenues</i>			\$ 5,356,301	\$ 2,171,055	\$ 700,000	\$ 2,559,827	\$ 880,000	\$ 1,597,000		
Asset Management Projects										
Roadway Maintenance										
Arterial Overlay 2022	2,400,000		2,000,000	400,000						
Arterial Overlay 2023	2,500,000	100,000	2,000,000	400,000						
Slurry Seal 2022	850,000	50,000	500,000	300,000						
Slurry Seal 2023	850,000	50,000	500,000	300,000						
Sidewalk Repairs -Citywide	300,000	100,000	200,000							
Bridge Maintenance and Repairs	500,000		500,000							
Storm Drain Maintenance										
Storm Drain Inspections	150,000	150,000								
Storm Drain Repairs	450,000	150,000	300,000							
ADA Transition Plan Implementation	100,000	100,000								
Trip and Fall Mitigation	150,000	150,000								
Parking Lots Maintenance	50,000	50,000								
Building/Facility Maintenance										
Building Interior Maintenance	380,000	380,000								
Building Roofing	60,000	60,000								
Building Exterior and Site Maintenance	520,000	520,000								
Building MEP	990,000	990,000								
Signal and Streetlight Maintenance	250,000	250,000								
Parks, Open Space, and Trails										
Park Infrastructure Repairs	400,000						400,000			
Open Space Infrastructure Repairs	150,000						150,000			
Median Upgrades	200,000	200,000								
Court Resurfacing at Heather Farm	750,000						750,000			
Parking and Downtown										
Parking Deck Rehabilitation at N. Locust Garage	150,000				150,000					
S. Locust Garage Elevator Rehabilitation	400,000				400,000					
Tree Replacement and Sidewalk Repairs	150,000				150,000					
Asset Management Subtotals	\$ 12,700,000	\$ 3,300,000	\$ 6,000,000	\$ 1,400,000	\$ 700,000	\$ -	\$ 1,300,000	\$ -	\$ -	

FY2022 & FY2023 Capital Budget

	Capital Budget Cost Estimate	General Fund	Roadway Funding		Downtown Parking Fund	Developer Fees		Grants	Other Revenue	Current Capital Budget
			Gas Tax	Measure J		Traffic Impact Fee	In-Lieu Parkland			
Discretionary Capital Projects										
Transportation Projects										
Pedestrian Improvements: non-signalized crosswalks	200,000					200,000				
Bike Facilities per Master Plan	100,000					100,000				
Walnut Boulevard Sidewalk at Walnut Heights Elementary	150,000					150,000				
Shadelands Multimodal Improvements - Bike Lanes and Sidewalk Gap Closures	250,000					250,000				
California/YVR Intersection Intersection Improvements	700,000					700,000				
North Broadway Improvements - Preliminary Design	5,200,000					3,800,000		1,400,000		
City Wide Traffic Calming	125,000					125,000				
School Area Active Transportation and Traffic Calming	125,000					125,000				
Citywide Bicycle Amenities	50,000					50,000				
Transportation Projects Subtotal	\$ 6,900,000	\$ -	\$ -	\$ -	\$ -	\$ 5,500,000	\$ -	\$ 1,400,000	\$ -	
Parks and Open Space Projects										
YPYF Phase 1 Design	2,000,000								923,000	1,077,000
Riparian Study Heather Farm Park	50,000						50,000			
Arbolado Park Improvements - Planning & Outreach	50,000						50,000			
Parks and Open Space Projects Subtotal	\$ 2,100,000	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 100,000	\$ 0	\$ 923,000	\$ 1,077,000
Facility Projects										
Civic Arts Studio Kiln #2	90,000							20,000	70,000	
Civic Community Center ADA Door Replacement	177,000							177,000		
Streaming at Civic, Shadelands, and Heather Farm Community Centers										
UPS replacement Cith Hall Server Room	140,000								140,000	
Facility Projects Subtotal	\$ 407,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 197,000	\$ 210,000	\$ -
Asset Management Subtotal	\$ 12,700,000	\$ 3,300,000	\$ 6,000,000	\$ 1,400,000	\$ 700,000	\$ -	\$ 1,300,000	\$ -	\$ -	\$ -
Discretionary Project Subtotal	\$ 9,407,000	\$ -	\$ -	\$ -	\$ -	\$ 5,500,000	\$ 100,000	\$ 1,597,000	\$ 1,133,000	\$ 1,077,000
Capital Budget Totals	\$ 22,107,000	\$ 3,300,000	\$ 6,000,000	\$ 1,400,000	\$ 700,000	\$ 5,500,000	\$ 1,400,000	\$ 1,597,000	\$ 1,133,000	\$ 1,077,000

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Other Funds

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Boundary Oak Golf Course Enterprise Fund

Description

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 Tap House grill 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.

Due to the county health orders related to the COVID pandemic, in FY 21 the golf course had to modify operations to meet safety guidelines and to ensure a safe environment for patrons. While there were some changes to the golf experience, the most significant changes were to the special event rentals and grill. Due to health orders, indoor banquet and special event rentals were not permitted, and the Tap House grill modified its typical sit-down dining experience into "to-go" options for most of the fiscal year. These modifications led to a decrease in both revenue and related expenses during FY 21.

The adopted FY22 and FY23 budget for Boundary Oak Golf Course assumes no such health order restrictions will be in place, and that there will be a gradual return of the special event and grill patronage over the two fiscal years. The budget includes contract operations, City oversight, funding for non-routine maintenance projects, and loan payments. The FY22 and FY23 budget projects an increase in revenue over the prior year, and reflects the ongoing proactive management of expenses to ensure the course remains an asset to the city and community.

Boundary Oak Golf Course Enterprise Fund

FY22 & FY23 Financial Summary

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue					
Total Revenue	\$ 9,705,541	\$ 7,825,361	\$ 7,512,213	\$ 7,267,697	\$ 8,098,950
Expenditures					
Personnel	\$ 3,198,192	\$ 3,503,196	\$ 3,284,584	\$ 3,359,345	\$ 3,513,197
Operations & Maintenance	3,205,204	2,730,701	3,205,273	3,250,281	3,439,730
Capital Projects & Transfers Out	2,360,721	603,405	639,553	607,873	609,851
Total Expenditures	\$ 8,764,117	\$ 6,837,302	\$ 7,129,410	\$ 7,217,499	\$ 7,562,778
Surplus / (Deficit)	\$ 941,424	\$ 988,059	\$ 382,803	\$ 50,198	\$ 536,172



Parking Enterprise Fund

Description

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 1,500 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.

The Parking Fund budget assumes the following in FY22 and FY23:

- All spaces currently occupied for outdoor dining (Rebound program pop ups) are unavailable for revenue generation over the two-year budget cycle;
- Charging at the purple poles resumes on or before July 1, 2021;
- Parking Enforcement returns to 85% capacity by FY22 and 95% by FY23; and
- Monthly garage parkers will return at a slower rate than transient garage parkers as trends indicate a shift away from monthly parking in the post-COVID world.

Revenues in the Parking Fund assume greater growth in purple poles and downtown garages, which will offset lower revenues related to the continuation of outdoor dining (Rebound program pop-ups).

The FY22 and FY23 Parking Fund budget includes 22.55 FTE that support both Parking Operations and Downtown Enhancements, as well as:

- Adjustments for known contractual increases for parking sensors and garage management;
- Restoring funding for Downtown events like the Summer Sounds; and
- Capital contribution of \$350,000 per year.

The fare box subsidy for the County Connection Routes 4 and 5 was eliminated from the Parking Fund budget in FY21. The FY22 budget assumes ridership will return at approximately 40% of pre-pandemic levels, increasing to 60% in FY23.

In FY22, due to continued economic recovery, the Parking Fund would end the year with about a \$50,000 surplus. In FY23, the estimated surplus is about \$540,000. Contributions to reserves would be made as funds remain at the end of each fiscal year, per current policy.

Parking Enterprise Fund

FY22 & FY23 Financial Summary

Revenue	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Total Revenue	\$ 9,705,541	\$ 7,825,361	\$ 7,512,213	\$ 7,267,697	\$ 8,098,950
Expenditures					
Personnel	\$ 3,198,192	\$ 3,503,196	\$ 3,284,584	\$ 3,359,345	\$ 3,513,197
Operations & Maintenance	3,205,204	2,730,701	3,205,273	3,250,281	3,439,730
Capital Projects & Transfers Out	2,360,721	603,405	639,553	607,873	609,851
Total Expenditures	\$ 8,764,117	\$ 6,837,302	\$ 7,129,410	\$ 7,217,499	\$ 7,562,778
Surplus / (Deficit)	\$ 941,424	\$ 988,059	\$ 382,803	\$ 50,198	\$ 536,172



Internal Service Funds

Internal Service Funds (ISFs) account for activities that provide goods or services to other City funds, departments, or agencies on a cost reimbursement basis. Deficits indicate a use of available fund balance. Estimated fund balances for all funds can be found in the Appendix & Supplemental Information section.

Employee Improvement Program Fund

The Employee Improvement Program Fund contains funds for the Management Improvement Program (MIP), Professional Improvement Program (PIP), and Career Development Program (CDP). While details vary based on MOU's, the funds can generally be used for attending training, conferences, and other professional development events, as well as for the purchase of technology such as laptops, tablets, and phones.

	FY2019 Actuals	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$293,817	\$6,058	\$114,675	\$111,575	\$113,575
Expenditure	-	69,095	226,350	109,325	110,825
Contribution to / (Use of) Fund Balance	\$293,817	\$(63,037)	\$(111,675)	\$2,250	\$2,750

Equipment Replacement Fund – Information Technology (IT)

The 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.

	FY2019 Actuals	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$961,676	\$1,119,689	\$1,952,025	\$1,844,955	\$1,879,955
Expenditure	716,688	977,150	2,416,590	2,419,693	2,506,968
Contribution to / (Use of) Fund Balance	\$244,988	\$142,539	\$(464,565)	\$(574,738)	\$(627,013)

Internal Service Funds

Police Equipment Replacement Fund

The Police Equipment Replacement Fund accumulates funds for the replacement of radio equipment on a regular basis.

	FY2019 Actuals	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$48,063	\$48,327	\$49,884	\$45,759	\$46,509
Expenditure	152,094	106,963	86,887	42,000	42,000
Contribution to / (Use of) Fund Balance	\$(104,031)	\$(58,636)	\$(37,003)	\$3,759	\$4,509

Vehicle Replacement Fund

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

	FY2019 Actuals	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$1,130,989	\$1,058,778	\$565,217	\$1,113,740	\$1,176,450
Expenditure	264,002	855,042	1,863,214	945,340	945,340
Contribution to / (Use of) Fund Balance	\$866,987	\$203,736	\$(1,297,997)	\$168,400	\$231,110

Workers' Compensation ISF

Accumulates biweekly charges to departments, from which Workers' Compensation claims and expenses are paid.

	FY2019 Actuals	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$259,977	\$4,615,474	\$1,228,213	\$1,284,333	\$1,315,478
Expenditure	-	3,531,334	1,226,213	1,283,433	1,314,378
Contribution to / (Use of) Fund Balance	\$259,977	\$1,084,140	\$2,000	\$900	\$1,100

Other ISFs

The following funds do not have budgeted activity in FY22 or FY23:

- 630/50/60 – EQUIPMENT REPLACEMENT
- 670 – FACILITIES REPLACEMENT



Special Revenue Funds

Special Revenue Funds account for monies received that must be used for a specific project or purpose. Deficits indicate a use of available fund balance. Estimated fund balances for all funds can be found in the Appendix & Supplemental Information section.

American Rescue Plan Act (ARPA) Fund

The City's allocation of one-time Federal stimulus dollars, provided under the American Rescue Plan Act.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$ -	\$ -	\$ -	\$4,163,827	\$ -
Expenditure	-	-	-	1,692,969	1,143,130
Contribution to / (Use of) Fund Balance	\$ -	\$ -	\$ -	\$2,470,858	\$(1,143,130)

Asset Seizure Fund

These funds account for the proceeds from assets forfeited as a result of investigations of criminal offenses; they are received, and restricted, by the City. The use of these funds is restricted pursuant to California Health and Safety Code section 11495.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$ -	\$507,168	\$ -	\$1,505	\$1,006
Expenditure	-	14,803	45,717	97,215	97,215
Contribution to / (Use of) Fund Balance	\$ -	\$492,365	\$(45,717)	\$(95,710)	\$(96,209)

Special Revenue Funds

CASp Certification and Training Fund

This fund accumulates fees collected from Business License. Per AB 1379 these funds "shall be used for increased certified access specialist (CASp) training and certification within that local jurisdiction and to facilitate compliance with construction-related accessibility requirements."

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$-	\$86,541	\$3,000	\$25,045	\$25,055
Expenditure	-	-	-	20,000	20,000
Contribution to / (Use of) Fund Balance	\$-	\$86,541	\$3,000	\$5,045	\$5,055

Community Development Block Grant (CDBG) Fund

This fund accounts for federal grant receipts and related expenditures restricted for the primary purpose of developing viable communities.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$246,458	\$531,220	\$1,050,600	\$425,000	\$360,000
Expenditure	294,056	483,622	1,050,600	424,763	359,980
Contribution to / (Use of) Fund Balance	\$(47,598)	\$47,598	\$-	\$237	\$20

Comcast Technology Grants Fund

The Comcast Technology Grants Fund is used for costs related to changes in Public, Education, & Government access channels.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$7,084	\$9,531	\$7,500	\$3,375	\$4,125
Expenditure	24,503	16,494	32,575	32,575	32,575
Contribution to / (Use of) Fund Balance	\$(17,419)	\$(6,963)	\$(25,075)	\$(29,200)	\$(28,450)

Special Revenue Funds

Employee Housing Assistance Fund

This fund supports the City's Employee Housing Assistance program.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$-	\$-	\$-	\$-	\$-
Expenditure	-	-	-	130,000	130,000
Contribution to / (Use of) Fund Balance	\$-	\$-	\$-	\$(130,000)	\$(130,000)

Gas Tax Fund

This fund accumulates monies from the California Highway Users Tax Account, with revenues coming from per gallon gasoline and diesel fuel taxes. These funds are used for road construction, replacement, maintenance, and repair projects.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$1,465,652	\$1,639,587	\$1,663,475	\$1,664,471	\$1,694,152
Expenditure	944,023	1,507,855	1,775,000	2,169,260	1,985,902
Contribution to / (Use of) Fund Balance	\$521,629	\$131,732	\$(111,525)	\$(504,789)	\$(291,750)

General Plan Update Fund

The General Plan Update Fund accumulates fees from development projects to be used for the updating of the City's General Plan.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$395,529	\$343,621	\$238,500	\$315,750	\$319,250
Expenditure	68,558	136,376	224,542	243,396	96,814
Contribution to / (Use of) Fund Balance	\$326,971	\$207,245	\$13,958	\$72,354	\$222,436

Special Revenue Funds

Grants Fund

This fund is for various state, federal, and other outside grant-funded activities.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$576,044	\$358,764	\$138,000	\$715,161	\$203,000
Expenditure	514,501	427,042	194,698	215,193	138,000
Contribution to / (Use of) Fund Balance	\$61,543	\$(68,278)	\$(56,698)	\$499,968	\$65,000

Housing Fund

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

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$1,848,340	\$6,188,383	\$2,524,000	\$1,611,150	\$4,284,650
Expenditure	3,271,278	844,811	8,453,491	2,117,359	4,165,709
Contribution to / (Use of) Fund Balance	\$(1,422,938)	\$5,343,572	\$(5,929,491)	\$(506,209)	\$118,941

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.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$448,599	\$246,944	\$120,500	\$204,750	\$210,250
Expenditure	42,413	31,326	358,717	291,267	543,932
Contribution to / (Use of) Fund Balance	\$406,186	\$215,618	\$(238,217)	\$(86,517)	\$(333,682)

Special Revenue Funds

In-Lieu Park Fund

This fund accumulates in-lieu fees to be used for park amenities and improvements.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$313,132	\$2,816,014	\$606,000	\$520,750	\$536,250
Expenditure	1,511,282	75,633	538,764	1,393,396	96,814
Contribution to / (Use of) Fund Balance	\$(1,198,150)	\$2,740,381	\$67,236	\$(872,646)	\$439,436

In-Lieu Public Art Fund

This fund accumulates in-lieu fees to be used for the installation of public art.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$116,371	\$579,147	\$65,000	\$62,500	\$62,750
Expenditure	35,250	35,250	40,701	42,727	44,115
Contribution to / (Use of) Fund Balance	\$81,121	\$543,897	\$24,299	\$19,773	\$18,635

Local Street & MTCE – Measure J Fund

This fund accumulates the City's share of Measure J, a voter-approved half-cent sales tax measure throughout Contra Costa County. These funds are used for transportation planning and transportation capital projects.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$185,473	\$1,462,625	\$1,163,445	\$1,123,695	\$1,128,195
Expenditure	2,809,362	344,920	1,366,118	984,912	933,658
Contribution to / (Use of) Fund Balance	\$(2,623,889)	\$1,117,705	\$(202,673)	\$138,783	\$194,537

Special Revenue Funds

National Pollutants Discharge Elimination System (NPDES) Fund

The NPDES fund supports the City's Clean Water Program, as required by the Clean Water Act, and is funded by property tax assessments.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$1,564,535	\$1,518,416	\$1,372,710	\$1,345,210	\$1,350,210
Expenditure	1,778,166	1,455,961	1,721,413	1,761,999	1,807,148
Contribution to / (Use of) Fund Balance	\$(213,631)	\$62,455	\$(348,703)	\$(416,789)	\$(456,938)

Open Space Fund

This fund was established to account for activities related to the preservation and maintenance of the City's Open Space lands, and is funded by property tax assessments, open space rental and program fees, and the General Fund.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$1,370,829	\$1,180,403	\$1,290,745	\$1,314,633	\$1,350,956
Expenditure	1,306,410	1,244,822	1,290,745	1,314,633	1,350,956
Contribution to / (Use of) Fund Balance	\$64,419	\$(64,419)	\$-	\$-	\$-

Public, Educational, & Governmental (PEG) Access Fund

This fund accumulates funds from telecommunication operators for capital costs associated with acquiring PEG access equipment, or capital costs associated with renovating and constructing PEG-related facilities.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$407,124	\$390,667	\$371,868	\$342,168	\$347,568
Expenditure	434,038	550,529	226,353	286,624	266,624
Contribution to / (Use of) Fund Balance	\$(26,914)	\$(159,862)	\$145,515	\$55,544	\$80,944

Special Revenue Funds

Shadelands Property and Business Improvement District Fund

This fund was established to account for activities related to the Shadelands Property and Business Improvement District.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$366,221	\$361,278	\$390,000	\$390,000	\$390,000
Expenditure	362,430	357,748	386,100	386,100	386,100
Contribution to / (Use of) Fund Balance	\$3,791	\$3,530	\$3,900	\$3,900	\$3,900

Supplemental Law Enforcement Services Fund (SLESF)

This fund receives Citizens' Option for Public Safety (COPS) grant monies, which can be used for "frontline law enforcement services."

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$199,225	\$209,671	\$181,500	\$177,925	\$178,575
Expenditure	115,850	128,819	173,004	184,136	197,436
Contribution to / (Use of) Fund Balance	\$83,375	\$80,852	\$8,496	\$(6,211)	\$(18,861)

Traffic Congestion Relief Fund

This fund accumulates funds from the California Road Maintenance and Rehabilitation Account (RMRA), which can be used for road construction, replacement, maintenance, and repair projects.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$1,305,028	\$1,148,700	\$1,205,145	\$1,298,918	\$1,338,760
Expenditure	1,175,000	1,307,145	625,000	1,719,828	1,325,010
Contribution to / (Use of) Fund Balance	\$130,028	\$(158,445)	\$580,145	\$(420,910)	\$13,750

Special Revenue Funds

Traffic Impact Mitigation Fund

The fund receives revenue from fees to be used for traffic and transportation related projects.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$524,009	\$1,753,787	\$380,000	\$433,254	\$2,306,573
Expenditure	1,700,000	-	1,570,000	4,620,000	1,020,000
Contribution to / (Use of) Fund Balance	\$(1,175,991)	\$1,753,787	\$(1,190,000)	\$(4,186,746)	\$1,286,573

Tree Replacement Fund

This fund accumulates revenues from fees to be used for replacement of trees throughout the City.

	FY2019 Actual	FY2020 Actual	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Revenue	\$104,867	\$130,320	\$27,000	\$23,150	\$23,850
Expenditure	119,000	28,310	112,358	116,084	119,914
Contribution to / (Use of) Fund Balance	\$(14,133)	\$102,010	\$(85,358)	\$(92,934)	\$(96,064)

Other Special Revenue Funds

The following special revenue funds do not have any budgeted activity in FY22 or FY23:

- 120 – Revolving Loan Fund
- 154 – In-Lieu Underground
- 156 – Storm Drain
- 157 – In-Lieu Creek Restoration
- 162 – In-Lieu Parking
- 163 – Alternative Energy
- 183 – Shadelands Park Maintenance

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.

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.

American Rescue Plan Act (ARPA) Fund

The City's allocation of one-time Federal stimulus dollars, provided under the American Rescue Plan Act.

Assessment Districts Group I Fund

This fund accounts for the redemption of special assessment bonds issued for the purposes of acquisition and improvement in various Local Improvement Districts.

Asset Seizure Fund

These funds account for the proceeds from assets forfeited as a result of investigations of criminal offenses; they are received, and restricted, by the City. The use of these funds is restricted pursuant to California Health and Safety Code section 11495.

Boundary Oak Onsite Contract Operations Enterprise Fund

This fund accounts for golf course and clubhouse operations run by a third-party operator for the Boundary Oak Golf Course.

Capital Investment Program Fund

This fund accounts for resources used for making capital improvements and funding large maintenance projects.

CASp Certification and Training Fund

This fund accumulates fees collected from Business License. Per AB 1379 these funds "shall be used for increased certified access specialist (CASp) training and certification within that local jurisdiction and to facilitate compliance with construction-related accessibility requirements."

Fund Descriptions

Comcast Technology Grants Fund

The Comcast Technology Grant Fund is used for costs related to changes in Public, Education & Government access channels.

Community Development Block Grants (CDBG) Fund

This fund accounts for federal grant receipts and related expenditures restricted for the primary purpose of developing viable communities.

Downtown Parking and Enhancement Enterprise Fund

This fund accounts for receipts from parking meter revenues to be used for funding parking structure improvements and for enhancement of the downtown area.

Employee Housing Assistance Fund

This fund supports the City's Employee Housing Assistance program

Employee Improvement Program Fund

The Employee Improvement Program Fund contains funds for the Management Improvement Program (MIP), Professional Improvement Program (PIP), and Career Development Program (CDP). While details vary based on MOU's, the funds can generally be used for attending training, conferences, and other professional development events, as well as for the purchase of technology such as laptops, tablets, and phones.

Equipment Replacement Fund – Finance

This fund has accumulated available funds for the replacement of finance equipment based upon their expected replacement cost and useful life.

Equipment Replacement Fund – General Fund

This fund accumulates funds for the replacement of worn and obsolete equipment other than vehicles based upon their expected useful life and replacement cost.

Equipment Replacement Fund – Information Technology (IT)

The 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.

Fund Descriptions

Equipment Replacement Fund – LCA

This fund accumulates funds for the replacement of theater equipment. Funds are budgeted in the Arts & Recreation Department operating budget as they become available and are transferred to this fund.

Facilities Replacement Fund

This fund accumulates funds as they become available for the costs associated with the maintenance of all City facilities.

Gas Tax Fund

This fund accumulates monies from the California Highway Users Tax Account, with revenues coming from per gallon gasoline and diesel fuel taxes. These funds are used for road construction, replacement, maintenance, and repair projects.

General Plan Update Fund

The General Plan Update Fund accumulates fees from development projects to be used for the updating of the City's General Plan.

Golf Course – City Administration Enterprise Fund

This 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.

Grants Fund

This fund is for various state, federal, and other outside grant-funded activities.

Housing Fund

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

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.

In-Lieu Park Fund

This fund accumulates in-lieu fees to be used for park amenities and improvements.

In-Lieu Public Art Fund

This fund accumulates in-lieu fees to be used for the installation of public art.

Fund Descriptions

Local Street & MTCE – Measure J Fund

This fund accumulates the City's share of Measure J, a voter-approved half-cent sales tax measure throughout Contra Costa County. These funds are used for transportation planning and transportation capital projects.

National Pollutants Discharge Elimination System (NPDES) Fund

The NPDES fund supports the City's Clean Water Program, as required by the Clean Water Act, and is funded by property tax assessments.

Open Space Fund

This fund was established to account for activities related to the preservation and maintenance of the City's Open Space areas, and is funded by property tax assessments, open space rental and program fees, and the General Fund.

Pension Trust Fund

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

Police Equipment (Radio) Fund

The Police Equipment Fund accumulates funds for the replacement of radio equipment on a regular basis. Funds are budgeted in operating budgets annually based upon expected useful life.

Public, Educational, & Governmental (PEG) Access Fund

This PEG Access Fund accumulates funds from telecommunication operators for capital costs associated with acquiring PEG access equipment, or capital costs associated with renovating and constructing PEG-related facilities.

Redevelopment Agency (RDA) Obligation Retirement Fund

This fund accounts for the accumulation of resources to be used for payments at appropriate amounts and times in the future

RDA Successor Agency Debt Service Fund

This fund accounts for accumulation of resources to be used for payment of debt service on former Redevelopment Agency Merged Project Area Tax Allocation Bonds.

Fund Descriptions

Shadelands Property and Business Improvement District Fund

This fund was established to account for activities related to the Shadelands Property and Business Improvement District.

Supplemental Law Enforcement Services Fund (SLESF)

This fund receives Citizens' Option for Public Safety (COPS) grant monies, which can be used for "frontline law enforcement services."

Traffic Congestion Relief Fund

This fund accumulates funds from the California Road Maintenance and Rehabilitation Account (RMRA), which can be used for road construction, replacement, maintenance, and repair projects.

Traffic Impact Mitigation Fund

The fund receives revenue from fees to be used for traffic and transportation related projects.

Tree Replacement Fund

This fund accumulates revenues from fees to be used for replacement of trees throughout the City.

Trust and Agency Fund

This fund accounts for assets held by the City as an agent for various organizations and activities.

Vehicle Replacement Fund

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

Workers Compensation Fund

This fund accumulates biweekly charges to departments, from which Workers' Compensation claims and expenses are paid.

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Funds & Department Relationship Matrix

Fund Name	Administrative Services	Arts & Recreation	Community Development	General Government	Human Resources	Police	Public Works	Capital Improvement Program
General Fund								
010 - General Fund	X	X	X	X	X	X	X	X
Special Revenue Funds								
108 - General Plan Update			X					
115 - Open Space							X	
120 - Revolving Loan			X					
121 - Employee Housing Assistance			X					
140 - SLESF						X		
141 - PEG Access Fees				X				
142 - Comcast Technology Grants				X				
145/6 - Asset Seizure-State & FEDERAL						X		
148 - CASp Certification & Training			X					
150 - Gas Tax							X	X
152 - NPDES							X	
154 - In-Lieu Underground								X
156 - Storm Drain								X
157 - In-Lieu Creek Restoration								X
158 - In-Lieu Park							X	X
159 - In-Lieu Public Art		X						
160 - CDBG			X					
162 - In-Lieu Parking								X
163 - Alternative Energy								X
164 - Local Street & MTCE-Measure J			X					X
165 - Traffic Congestion Relief								X
166 - Grants	X	X	X	X	X	X	X	
168 - Traffic Impact Mitigation							X	X
170 - Tree Replacement							X	
173/74/75 - Housing Funds			X					
177 - Housing Successor Agency			X					
183 - Shadelands Park Maintenance								X
184 - SH Property & Bus Impv Dist				X				

Funds & Department Relationship Matrix

Fund Name	Administrative Services	Arts & Recreation	Community Development	General Government	Human Resources	Police	Public Works	Capital Improvement Program
Enterprise Funds								
180 - Downtown Parking & Enhancement		X	X	X		X	X	X
310 - Golf Course Debt Service		X						
510/25 - Golf Course - City & Contract Ops		X						
Capital Project Funds								
210/12 - Capital Investment Program							X	X
225 - Golf Course Construction		X						X
255 - LID31 N Locust Parking								X
260 - LID41 N Broadway Extension								X
Internal Service Funds								
600 - Employee Improvement Program	X	X	X	X	X	X	X	
605 - Workers Compensation ISF	X	X	X	X	X	X	X	
610 - Vehicle Replacement Fund							X	
620 - Police Equip Replacement Fund						X		
630/50/60 - Equipment Replacement	X	X					X	
640 - Equipment Replacement - IT	X		X					
670 - Facilities Replacement							X	
Other Funds								
720 - Assessment Districts 38,41,42								X
740 - Leshner Foundation Fund		X						
750 - Trust & Agency	X							
765 - RDA Obligation Retirement Fund			X					
970 - Redevelopment Debt Service			X					

All Funds Budget Summary



		FY2022			
FUND	Estimated Beginning Balance FY2022	Adopted Revenues / Transfers In	Adopted Expenditures / Transfers Out	Estimated Ending Balance FY2022	
10 GENERAL FUND	\$65,279,844	\$86,993,398	\$86,993,398	\$65,279,844	
SPECIAL REVENUE FUNDS					
108 GENERAL PLAN UPDATE	\$2,177,192	\$315,750	\$243,396	\$2,249,546	
115 OPEN SPACE	-	1,314,633	1,314,633	-	
120 REVOLVING LOAN	282,632	1,350	-	283,982	
121 EMPLOYEE HOUSING ASSISTANCE	535,846	-	130,000	405,846	
131 AMERICAN RESCUE PLAN -ARPA	163,827	4,163,827	1,692,969	2,634,684	
140 SLESF	401,981	177,925	184,136	395,770	
141 PEG ACCESS FEES	2,733,510	342,168	286,624	2,789,054	
142 COMCAST TECHNOLOGY GRANTS	387,749	3,375	32,575	358,549	
145/46 ASSET SEIZURE - STATE & FEDERAL	451,230	1,505	97,215	355,520	
148 CASp CERTIFICATION & TRAINING	116,756	25,045	20,000	121,801	
150 GAS TAX	889,497	1,664,471	2,169,260	384,708	
152 NPDES	2,282,019	1,345,210	1,761,999	1,865,230	
154 IN-LIEU UNDERGROUND	942,011	13,500	-	955,511	
156 STORM DRAIN	543,557	4,950	-	548,507	
157 IN-LIEU CREEK RESTORATION	238,334	2,250	-	240,584	
158 IN-LIEU PARK	4,087,897	520,750	1,393,396	3,215,251	
159 IN-LIEU PUBLIC ART	1,364,157	62,500	42,727	1,383,930	
160 CDBG	-	425,000	424,763	237	
162 IN-LIEU PARKING	1,464,014	30,750	-	1,494,764	
163 ALTERNATIVE ENERGY	118,065	-	-	118,065	
164 LOCAL STREET & MTCE-MEASURE J	1,106,401	1,123,695	984,912	1,245,184	
165 TRAFFIC CONGESTION RELIEF	1,667,560	1,298,918	1,719,828	1,246,650	
166 GRANTS	-	715,161	215,193	499,968	
168 TRAFFIC IMPACT MITIGATION	6,522,408	433,254	4,620,000	2,335,662	
170 TREE REPLACEMENT	354,158	23,150	116,084	261,224	
172 CORE AREA	20,895	-	-	20,895	
173/74/75 HOUSING FUNDS	5,443,663	1,611,150	2,117,359	4,937,454	
177 HOUSING SUCCESSOR AGENCY	1,914,167	204,750	291,267	1,827,650	
183 SHADELANDS PARK MAINTENANCE	2,211,954	-	-	2,211,954	
184 SH PROPERTY AND BUS IMPRV DIST	27,088	390,000	386,100	30,988	
SPECIAL REVENUE FUNDS	\$38,448,568	\$16,215,037	\$20,244,436	\$34,419,168	

All Funds Budget Summary

		FY2022			
FUND		Estimated Beginning Balance FY2022	Adopted Revenues / Transfers In	Adopted Expenditures / Transfers Out	Estimated Ending Balance FY2022
ENTERPRISE FUNDS					
180	DOWNTOWN PARKING & ENHANCEMEN	\$3,974,561	\$7,267,697	\$7,217,498	\$4,024,760
310	GOLF COURSE DEBT SERVICE	-	329,956	329,956	-
510/25	GOLF COURSE - CITY & CONTRACT OPS	770,366	5,558,793	5,452,217	876,942
ENTERPRISE FUNDS		\$4,744,928	\$13,156,446	\$12,999,671	\$4,901,703
INTERNAL SERVICE FUNDS					
600	EMPLOYEE IMPROVEMENT PROGRAM	\$230,780	\$111,575	\$109,325	\$233,030
605	WORKERS COMPENSATION ISF	1,346,117	1,284,333	1,283,433	1,347,017
610	VEHICLE REPLACEMENT FUND	1,170,577	1,113,740	945,340	1,338,977
620	POLICE EQUIP REPLACEMENT FUND	195,623	45,759	42,000	199,382
640	EQUIPMENT REPLACEMENT - IT	6,238,569	1,844,955	2,419,693	5,663,831
630/50/60	EQUIPMENT REPLACEMENT	432,933	5,509	-	438,442
670	FACILITIES REPLACEMENT	330,019	2,700	-	332,719
680	MAJOR ROADWAY RECONSTRUCTION	3,178	-	-	3,178
INTERNAL SERVICE FUNDS		\$9,947,795	\$4,408,571	\$4,799,791	\$9,556,575
CAPITAL INVESTMENT PROGRAM					
210/12	CAPITAL INVESTMENT PROGRAM	\$17,647,605	\$11,818,088	\$10,918,598	\$18,547,095
225	GOLF COURSE CONSTRUCTION	2,604,045	-	-	2,604,045
255	LID31 N LOCUST PARKING	87,017	-	-	87,017
260	LID41 N BROADWAY EXTENSION	736,554	-	-	736,554
CAPITAL FUNDS		\$21,075,220	\$11,818,088	\$10,918,598	\$21,974,710
OTHER FUNDS					
720	ASSESSMENT DISTRICTS 38,41,42	\$1,753,917	\$-	\$-	\$1,753,917
740	LESHER FOUNDATION FUND	1,687,068	90,750	75,000	1,702,818
750	TRUST AND AGENCY	625	-	-	625
765	RDA OBLIGATION RETIREMENT FUND	4,812,722	2,000	-	4,814,722
970	REDEVELOPMENT DEBT SERVICE	337,972	10	231,000	106,982
OTHER FUNDS		\$8,592,304	\$92,760	\$306,000	\$8,379,064
TOTAL - ALL FUNDS		\$148,088,659	\$132,684,300	\$136,261,894	\$144,511,064

All Funds Budget Summary

		FY2023			
FUND	Estimated Beginning Balance FY2023	Adopted Revenues / Transfers In	Adopted Expenditures / Transfers Out	Estimated Ending Balance FY2023	
10 GENERAL FUND	\$65,279,844	\$92,958,637	\$91,527,258	\$66,711,223	
SPECIAL REVENUE FUNDS					
108 GENERAL PLAN UPDATE	\$2,249,546	\$319,250	\$96,814	\$2,471,982	
115 OPEN SPACE	-	1,350,956	1,350,956	-	
120 REVOLVING LOAN	283,982	1,650	-	285,632	
121 EMPLOYEE HOUSING ASSISTANCE	405,846	-	130,000	275,846	
131 AMERICAN RESCUE PLAN -ARPA	2,634,684	-	1,143,130	1,491,554	
140 SLESF	395,770	178,575	197,436	376,909	
141 PEG ACCESS FEES	2,789,054	347,568	266,624	2,869,998	
142 COMCAST TECHNOLOGY GRANTS	358,549	4,125	32,575	330,099	
145/46 ASSET SEIZURE - STATE & FEDERAL	355,520	1,006	97,215	259,311	
148 CASp CERTIFICATION & TRAINING	121,801	25,055	20,000	126,856	
150 GAS TAX	384,708	1,694,152	1,985,902	92,958	
152 NPDES	1,865,230	1,350,210	1,807,148	1,408,292	
154 IN-LIEU UNDERGROUND	955,511	16,500	-	972,011	
156 STORM DRAIN	548,507	6,050	-	554,557	
157 IN-LIEU CREEK RESTORATION	240,584	2,750	-	243,334	
158 IN-LIEU PARK	3,215,251	536,250	96,814	3,654,687	
159 IN-LIEU PUBLIC ART	1,383,930	62,750	44,115	1,402,565	
160 CDBG	237	360,000	359,980	257	
162 IN-LIEU PARKING	1,494,764	4,250	-	1,499,014	
163 ALTERNATIVE ENERGY	118,065	-	-	118,065	
164 LOCAL STREET & MTCE-MEASURE J	1,245,184	1,128,195	933,658	1,439,721	
165 TRAFFIC CONGESTION RELIEF	1,246,650	1,338,760	1,325,010	1,260,400	
166 GRANTS	499,968	203,000	138,000	564,968	
168 TRAFFIC IMPACT MITIGATION	2,335,662	2,306,573	1,020,000	3,622,235	
170 TREE REPLACEMENT	261,224	23,850	119,914	165,160	
172 CORE AREA	20,895	-	-	20,895	
173/74/75 HOUSING FUNDS	4,937,454	4,284,650	4,165,709	5,056,395	
177 HOUSING SUCCESSOR AGENCY	1,827,650	210,250	543,932	1,493,968	
183 SHADELANDS PARK MAINTENANCE	2,211,954	-	-	2,211,954	
184 SH PROPERTY AND BUS IMPRV DIST	30,988	390,000	386,100	34,888	
SPECIAL REVENUE FUNDS	\$34,419,168	\$16,146,375	\$16,261,032	\$34,304,511	

All Funds Budget Summary

		FY2023			
FUND		Estimated Beginning Balance FY2023	Adopted Revenues / Transfers In	Adopted Expenditures / Transfers Out	Estimated Ending Balance FY2023
ENTERPRISE FUNDS					
180	DOWNTOWN PARKING & ENHANCEMEN	\$4,024,760	\$8,098,950	\$7,562,777	\$4,560,933
310	GOLF COURSE DEBT SERVICE	-	329,956	329,956	-
510/25	GOLF COURSE - CITY & CONTRACT OPS	876,942	5,976,005	6,288,265	564,682
ENTERPRISE FUNDS		\$4,901,703	\$14,404,911	\$14,180,998	\$5,125,616
INTERNAL SERVICE FUNDS					
600	EMPLOYEE IMPROVEMENT PROGRAM	\$233,030	\$113,575	\$110,825	\$235,780
605	WORKERS COMPENSATION ISF	1,347,017	1,315,478	1,314,378	1,348,117
610	VEHICLE REPLACEMENT FUND	1,338,977	1,176,450	945,340	1,570,087
620	POLICE EQUIP REPLACEMENT FUND	199,382	46,509	42,000	203,891
640	EQUIPMENT REPLACEMENT - IT	5,663,831	1,879,955	2,506,968	5,036,818
630/50/60	EQUIPMENT REPLACEMENT	438,442	6,721	-	445,163
670	FACILITIES REPLACEMENT	332,719	3,300	-	336,019
680	MAJOR ROADWAY RECONSTRUCTION	3,178	-	-	3,178
INTERNAL SERVICE FUNDS		\$9,556,575	\$4,541,988	\$4,919,511	\$9,179,052
CAPITAL INVESTMENT PROGRAM					
210/12	CAPITAL INVESTMENT PROGRAM	\$18,547,095	\$6,432,912	\$10,957,533	\$14,022,474
225	GOLF COURSE CONSTRUCTION	2,604,045	-	-	2,604,045
255	LID31 N LOCUST PARKING	87,017	-	-	87,017
260	LID41 N BROADWAY EXTENSION	736,554	-	-	736,554
CAPITAL FUNDS		\$21,974,710	\$6,432,912	\$10,957,533	\$17,450,089
OTHER FUNDS					
720	ASSESSMENT DISTRICTS 38,41,42	\$1,753,917	\$-	\$-	\$1,753,917
740	LESHER FOUNDATION FUND	1,702,818	94,250	75,000	1,722,068
750	TRUST AND AGENCY	625	-	-	625
765	RDA OBLIGATION RETIREMENT FUND	4,814,722	2,500	-	4,817,222
970	REDEVELOPMENT DEBT SERVICE	106,982	-	-	106,982
OTHER FUNDS		\$8,379,064	\$96,750	\$75,000	\$8,400,814
TOTAL - ALL FUNDS		\$144,511,064	\$134,581,573	\$137,921,332	\$141,171,305



Revenue History By Fund

	FY2019 Actuals*	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
010 - General Fund					
PROPERTY TAXES	\$ 24,694,679	\$ 26,035,790	\$ 26,530,574	\$ 27,436,142	\$ 28,824,567
SALES AND USE TAX	26,565,101	24,738,591	22,290,859	29,005,200	30,646,100
TRANSIENT OCCUPANCY TAX	2,224,694	1,497,342	1,873,839	1,300,000	1,500,000
FRANCHISE FEES	3,560,438	3,635,125	3,664,040	3,710,603	3,727,716
INTEREST & OTHER REVENUE	3,819,842	1,957,706	1,519,189	1,168,000	1,168,000
TOTAL DEPARTMENT REVENUES	28,619,563	24,268,326	20,967,290	21,997,484	25,266,124
ARPA STIMULUS	-	-	-	1,692,969	1,143,130
TRANSFER IN FROM OTHER FUNDS	757,250	718,250	683,000	683,000	683,000
TOTAL GENERAL FUND REVENUE	\$ 90,241,567	\$ 82,851,130	\$ 77,528,791	\$ 86,993,398	\$ 92,958,637
Enterprise Funds					
180 - DOWNTOWN PARKING	\$ 9,705,541	\$ 7,825,361	\$ 7,512,213	\$ 7,267,697	\$ 8,098,950
310 - GOLF COURSE DEBT SERVICE	329,955	329,955	329,956	329,956	329,956
510/25 - GOLF COURSE CITY & CONTRACT OPS	6,163,494	5,281,789	4,563,388	5,558,793	5,976,005
Capital Project Funds					
210/12 - CAPITAL INVESTMENT PROGRAM	\$ 24,300,557	\$ 7,383,625	\$ 8,092,158	\$ 11,818,088	\$ 6,432,912
Internal Service Funds					
600 - EMPLOYEE IMPROVEMENT PROGRAM	\$ 293,817	\$ 6,058	\$ 114,675	\$ 111,575	\$ 113,575
605 - WORKERS COMPENSATION ISF	259,977	4,615,474	1,228,213	1,284,333	1,315,478
610 - VEHICLE REPLACEMENT FUND	1,130,989	1,058,778	565,217	1,113,740	1,176,450
620 - POLICE EQUIP REPLACEMENT FUND	48,063	48,327	49,884	45,759	46,509
630/50/60 - EQUIPMENT REPLACEMENT	20,140	15,081	12,920	5,509	6,721
640 - EQUIPMENT REPLACEMENT - IT	961,676	1,119,689	1,952,025	1,844,955	1,879,955
670 - FACILITIES REPLACEMENT	5,284	7,468	6,000	2,700	3,300

Revenue History By Fund

	FY2019 Actuals*	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Special Revenue Funds					
108 - GENERAL PLAN UPDATE	\$ 395,529	\$ 343,621	\$ 238,500	\$ 315,750	\$ 319,250
115 - OPEN SPACE	1,370,829	1,180,403	1,290,745	1,314,633	1,350,956
120 - REVOLVING LOAN	10,395	149,374	3,000	1,350	1,650
131 - AMERICAN RESCUE PLAN ARPA	-	-	-	4,163,827	-
140 - SLESF	199,225	209,671	181,500	177,925	178,575
141 - PEG ACCESS FEES	407,124	390,667	371,868	342,168	347,568
142 - COMCAST TECHNOLOGY GRANTS	7,084	9,531	7,500	3,375	4,125
145/46 - ASSET SEIZURE - STATE & FEDERAL	-	507,168	-	1,505	1,006
148 - CASp CERTIFICATION & TRAINING	-	86,541	3,000	25,045	25,055
150 - GAS TAX	1,465,652	1,639,587	1,663,475	1,664,471	1,694,152
152 - NPDES	1,564,535	1,518,416	1,372,710	1,345,210	1,350,210
154 - IN-LIEU UNDERGROUND	23,907	33,784	30,000	13,500	16,500
156 - STORM DRAIN	8,561	12,098	11,000	4,950	6,050
157 - IN-LIEU CREEK RESTORATION	4,555	6,437	5,000	2,250	2,750
158 - IN-LIEU PARK	313,132	2,816,014	606,000	520,750	536,250
159 - IN-LIEU PUBLIC ART	116,371	579,147	65,000	62,500	62,750
160 - CDBG	246,458	531,220	1,050,600	425,000	360,000
162 - IN-LIEU PARKING	22,731	32,122	50,000	30,750	4,250
164 - LOCAL STREET & MTCE-MEASURE J	185,473	1,462,625	1,163,445	1,123,695	1,128,195
165 - TRAFFIC CONGESTION RELIEF	1,305,028	1,148,700	1,205,145	1,298,918	1,338,760
166 - GRANTS	576,044	358,764	138,000	715,161	203,000
168 - TRAFFIC IMPACT MITIGATION	524,009	1,753,787	380,000	433,254	2,306,573
170 - TREE REPLACEMENT	104,867	130,320	27,000	23,150	23,850
172 - CORE AREA	20,895	-	-	-	-
173/74/75 - HOUSING FUNDS	1,848,340	6,188,383	2,524,000	1,611,150	4,284,650
177 - HOUSING SUCCESSOR AGENCY	448,599	246,944	120,500	204,750	210,250
184 - SH PROPERTY AND BUS IMPRV DIST	366,221	361,278	390,000	390,000	390,000

Revenue History By Fund

	FY2019 Actuals*	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Other Funds					
740 - LESHER FOUNDATION FUND	\$ -	\$ 110,894	\$ 110,000	\$ 90,750	\$ 94,250
765 - RDA OBLIGATION RETIREMENT FUND	4,152,058	108,239	100,000	2,000	2,500
970 - REDEVELOPMENT DEBT SERVICE	17,341	9,162	2,500	10	-
Grand Total	\$ 149,166,023	\$ 132,467,632	\$ 115,065,928	\$ 132,684,300	\$ 134,581,573

*FY19 Actuals adjusted for accounting changes

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Expenditure History By Fund

	FY2019 Actuals*	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
010 - General Fund					
ADMINISTRATIVE SERVICES	\$ 3,901,864	\$ 3,983,833	\$ 4,495,842	\$ 4,857,568	\$ 5,144,755
ARTS & RECREATIONS	17,102,103	15,965,932	13,348,122	14,519,855	16,449,060
COMMUNITY DEVELOPMENT	7,181,128	7,104,582	7,718,393	8,467,936	8,793,122
GENERAL GOVERNMENT	6,309,261	6,520,897	7,298,930	8,515,397	8,348,145
HUMAN RESOURCES	1,421,280	1,452,318	1,524,363	1,665,084	1,715,955
POLICE DEPARTMENT	27,067,764	26,713,031	27,242,319	29,193,751	30,617,910
PUBLIC WORKS	16,638,364	16,665,600	16,295,645	17,626,528	18,218,282
TRANSFERS OUT	4,876,996	1,991,076	1,925,290	2,147,279	2,240,029
TOTAL GENERAL FUND	\$84,498,760	\$ 80,397,269	\$ 79,848,904	\$ 86,993,398	\$ 91,527,258
Special Revenue Funds					
108 - GENERAL PLAN UPDATE	\$ 68,558	\$ 136,376	\$ 224,542	\$ 243,396	\$ 96,814
115 - OPEN SPACE	1,306,410	1,244,822	1,290,745	1,314,633	1,350,956
121 - EMPLOYEE HOUSING ASSISTANCE	-	-	-	130,000	130,000
131 - AMERICAN RESCUE PLAN ARPA	-	-	-	1,692,969	1,143,130
140 - SLESF	115,850	128,819	173,004	184,136	197,436
141 - PEG ACCESS FEES	434,038	550,529	226,353	286,624	266,624
142 - COMCAST TECHNOLOGY GRANTS	24,503	16,494	32,575	32,575	32,575
145/46 - ASSET SEIZURE - STATE/FEDERAL	-	14,803	45,717	97,215	97,215
148 - CASp CERTIFICATION & TRAINING	-	-	-	20,000	20,000
150 - GAS TAX	944,023	1,507,855	1,775,000	2,169,260	1,985,902
152 - NPDES	1,778,166	1,455,961	1,721,413	1,761,999	1,807,148
158 - IN-LIEU PARK	1,511,282	75,633	538,764	1,393,396	96,814
159 - IN-LIEU PUBLIC ART	35,250	35,250	40,701	42,727	44,115
160 - CDBG	294,056	483,622	1,050,600	424,763	359,980
162 - IN-LIEU PARKING	-	-	-	-	-

Expenditure History By Fund

	FY2019 Actuals*	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
164 - LOCAL STREET & MTCE-MEASURE J	2,809,362	344,920	1,366,118	984,912	933,658
165 - TRAFFIC CONGESTION RELIEF	1,175,000	1,307,145	625,000	1,719,828	1,325,010
166 - GRANTS	514,501	427,042	194,698	215,193	138,000
168 - TRAFFIC IMPACT MITIGATION	1,700,000	-	1,570,000	4,620,000	1,020,000
170 - TREE REPLACEMENT	119,000	28,310	112,358	116,084	119,914
172 - CORE AREA	20,895	-	-	-	-
173/74/75 - HOUSING FUNDS	3,271,278	844,811	8,453,491	2,117,359	4,165,709
177 - HOUSING SUCCESSOR AGENCY	42,413	31,326	358,717	291,267	543,932
184 - SH PROPERTY AND BUS IMPRV DIST	362,430	357,748	386,100	386,100	386,100
Enterprise Funds					
180 - DOWNTOWN PARKING	\$ 8,764,117	\$ 6,837,302	\$ 7,149,954	\$ 7,217,498	\$ 7,562,777
310 - GOLF COURSE DEBT SERVICE	66,443	60,293	329,955	329,956	329,956
510/25 - GOLF COURSE CITY & CONTRACT OPS	7,225,790	5,079,651	4,561,779	5,452,217	6,288,265
Capital Project Funds					
210/12 - CAPITAL INVESTMENT PROGRAM	\$ 17,980,469	\$ 11,600,621	\$ 16,877,281	\$ 10,918,598	\$ 10,957,533
225 - GOLF COURSE CONSTRUCTION	158,440	-	-	-	-
Internal Service Funds					
600 - EMPLOYEE IMPROVEMENT PROGRAM	\$ -	\$ 69,095	\$ 226,350	\$ 109,325	\$ 110,825
605 - WORKERS COMPENSATION ISF	-	3,531,334	1,226,213	1,283,433	1,314,378
610 - VEHICLE REPLACEMENT FUND	264,002	855,042	1,863,214	945,340	945,340
620 - POLICE EQUIP REPLACEMENT FUND	152,094	106,963	86,887	42,000	42,000
630/50/60 - EQUIPMENT REPLACEMENT	52,844	34,521	14,635	-	-
640 - EQUIPMENT REPLACEMENT - IT	716,688	977,150	2,416,590	2,419,693	2,506,968

Expenditure History By Fund

	FY2019 Actuals*	FY2020 Actuals	FY2021 Revised Budget	FY2022 Adopted Budget	FY2023 Adopted Budget
Other Funds					
740 - LESHER FOUNDATION FUND	\$ -	\$ 81,601	\$ -	\$ 75,000	\$ 75,000
765 - RDA OBLIGATION RETIREMENT FUND	24,738	37,903	21,784	-	-
970 - REDEVELOPMENT DEBT SERVICE	48,733	33,843	231,000	231,000	-
Grand Total	\$ 136,480,133	\$ 118,694,054	\$ 135,040,442	\$ 136,261,894	\$ 137,921,332

*FY19 Actuals adjusted for accounting changes

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Authorized Positions

Authorized Positions Summary – All Funds

Regular FTEs	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Administrative Services	22.50	22.50	-	23.50	1.00
Community Development	36.00	36.00	-	37.00	1.00
Public Works	104.00	104.00	-	104.00	-
Police	121.00	121.00	-	121.00	-
Human Resources	7.00	7.00	-	7.00	-
Arts & Recreation	52.00	52.00	-	52.00	-
General Government	19.00	20.00	1.00	20.00	-
Total Regular Positions	361.50	362.50	1.00	364.50	2.00

Limited Duration FTEs	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Administrative Services	-	-	-	-	-
Community Development	4.00	4.00	-	4.00	-
Public Works	1.00	-	(1.00)	-	-
Police	-	-	-	-	-
Human Resources	-	-	-	-	-
Arts & Recreation	0.50	-	(0.50)	-	-
General Government	-	-	-	-	-
Total Limited Duration Positions	5.50	4.00	(1.50)	4.00	-

Total Regular & Limited Duration Positions	367.00	366.50	(0.50)	368.50	2.00
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Authorized Positions

Regular FTEs – All Funds

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Administrative Services					
ACCOUNTANT I	1.00	1.00	-	1.00	-
ACCOUNTANT II	1.00	1.00	-	1.00	-
ACCOUNTING ASSISTANT	1.75	1.75	-	1.75	-
ADMIN SERVICES DIRECTOR	1.00	1.00	-	1.00	-
CHIEF INFORMATION OFFICER	1.00	1.00	-	1.00	-
EXECUTIVE ASSISTANT	1.00	1.00	-	1.00	-
FINANCE MANAGER	1.00	1.00	-	1.00	-
FINANCIAL ANALYST	-	-	-	1.00	1.00
INFORMATION SYSTEMS ANALYST I	3.00	3.00	-	3.00	-
INFORMATION SYSTEMS TECH I	1.00	1.00	-	1.00	-
INFORMATION SYSTEMS TECH II	2.00	2.00	-	2.00	-
PAYROLL TECHNICIAN	2.00	2.00	-	2.00	-
PROJECT MANAGER	1.00	1.00	-	1.00	-
REVENUE COLLECTION COORDINATOR	1.00	1.00	-	1.00	-
SENIOR ACCOUNTANT	3.00	3.00	-	3.00	-
SENIOR INFORMATION SYSTEMS ANALYST	1.75	1.75	-	1.75	-
Total	22.50	22.50	-	23.50	1.00

Authorized Positions

Regular FTEs – All Funds

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Community Development					
ADMINISTRATIVE ANALYST II	2.00	2.00	-	2.00	-
ASSISTANT PLANNER	4.00	4.00	-	4.00	-
ASSOCIATE PLANNER	2.00	2.00	-	2.00	-
BUILDING INSPECTION SUPERVISOR	1.00	1.00	-	1.00	-
BUILDING INSPECTOR	5.00	5.00	-	5.00	-
CHIEF BUILDING OFFICIAL	1.00	1.00	-	1.00	-
CODE ENFORCEMENT OFFICER	2.00	2.00	-	2.00	-
COMMUNITY DEVELOPMENT DIRECTOR	1.00	1.00	-	1.00	-
HOUSING ADMINISTRATOR	1.00	1.00	-	1.00	-
OFFICE SPECIALIST	1.00	1.00	-	1.00	-
OFFICE SPECIALIST CONFIDENTIAL	-	-	-	1.00	1.00
PERMIT CENTER SUPERVISOR	1.00	1.00	-	1.00	-
PERMIT TECHNICIAN I	1.00	1.00	-	1.00	-
PERMIT TECHNICIAN II	1.00	1.00	-	1.00	-
PLAN CHECK ENGINEER	4.00	4.00	-	4.00	-
PLANNING MANAGER	1.00	1.00	-	1.00	-
PRINCIPAL PLANNER	1.00	1.00	-	1.00	-
SENIOR PERMIT TECHNICIAN	2.00	2.00	-	2.00	-
SENIOR PLANNER	5.00	5.00	-	5.00	-
Total	36.00	36.00	-	37.00	1.00

Authorized Positions

Regular FTEs – All Funds

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Public Works					
ACCOUNTANT II	1.00	1.00	-	1.00	-
ADMINISTRATIVE ANALYST II	3.00	3.00	-	3.00	-
ASSISTANT ENGINEER	4.00	4.00	-	4.00	-
ASSOCIATE ENGINEER	7.00	7.00	-	7.00	-
ASST PUBLIC WORKS DIRECTOR	1.00	1.00	-	1.00	-
BUILDING MAINT SUPERVISOR	1.00	1.00	-	1.00	-
BUILDING TRADES WORKER	6.00	6.00	-	6.00	-
ENGINEERING INSPECTOR	4.00	4.00	-	4.00	-
ENGINEERING TECHNICIAN II	2.00	2.00	-	2.00	-
EQUIPMENT MECHANIC II	3.00	3.00	-	3.00	-
EXECUTIVE ASSISTANT	1.00	1.00	-	1.00	-
JUNIOR ENGINEER	1.00	1.00	-	1.00	-
LANDSCAPE MAINTENANCE WORKER	15.00	15.00	-	15.00	-
OFFICE ASSISTANT II	1.00	1.00	-	1.00	-
OFFICE SPECIALIST CONFIDENTIAL	1.00	1.00	-	1.00	-
OPEN SPACE RANGER	3.00	3.00	-	3.00	-
OPEN SPACE SUPERVISOR	1.00	1.00	-	1.00	-
PARK MAINTENANCE SUPERVISOR	2.00	2.00	-	2.00	-
PARK MAINTENANCE WORKER	9.00	9.00	-	9.00	-
PROJECT MANAGER	3.00	3.00	-	3.00	-
PUBLIC WORKS DIRECTOR	1.00	1.00	-	1.00	-
PUBLIC WORKS MANAGER	2.00	2.00	-	2.00	-
SENIOR BUILDING TRADES WORKER	1.00	1.00	-	1.00	-
SENIOR CIVIL ENGINEER	2.00	2.00	-	2.00	-
SENIOR CUSTODIAN	1.00	1.00	-	1.00	-

Authorized Positions

Regular FTEs – All Funds

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Public Works					
SENIOR PARK MAINTENANCE WORKER	4.00	4.00	-	4.00	-
SENIOR STREET MAINTENANCE WORKER	3.00	3.00	-	3.00	-
SENIOR TRAFFIC MAINTENANCE WORKER	1.00	1.00	-	1.00	-
SENIOR TRAFFIC SIGNAL TECHNICIAN	1.00	1.00	-	1.00	-
STREET MAINTENANCE SUPERVISOR	1.00	1.00	-	1.00	-
STREET MAINTENANCE WORKER	7.00	7.00	-	7.00	-
STREET SWEEPER OPERATOR	2.00	2.00	-	2.00	-
TRAFFIC CONTROL SUPERVISOR	1.00	1.00	-	1.00	-
TRAFFIC ENGINEER	1.00	1.00	-	1.00	-
TRAFFIC MAINTENANCE WORKER	4.00	4.00	-	4.00	-
TRAFFIC SIGNAL TECHNICIAN I / II	2.00	2.00	-	2.00	-
VEHICLE & EQUIPMENT MAINTENANCE SUPERVISOR	1.00	1.00	-	1.00	-
Total	104.00	104.00	-	104.00	-

Authorized Positions

Regular FTEs – All Funds

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Police					
ADMINISTRATIVE ANALYST I / II	2.00	2.00	-	2.00	-
CHIEF OF POLICE	1.00	1.00	-	1.00	-
CRIME & INTELLIGENCE ANALYST II	1.00	1.00	-	1.00	-
LEAD POLICE DISPATCHER/ASSISTANT	3.00	3.00	-	3.00	-
LEAD POLICE RECORDS TECHNICIAN	1.00	1.00	-	1.00	-
LEAD POLICE SERVICES OFFICER	1.00	1.00	-	1.00	-
OFFICE SPECIALIST CONFIDENTIAL	1.00	1.00	-	1.00	-
P&E TECHNICIAN/ASSISTANT II	1.00	1.00	-	1.00	-
POLICE CAPTAIN	2.00	2.00	-	2.00	-
POLICE DISPATCHER/ASSISTANT	10.00	10.00	-	10.00	-
POLICE LIEUTENANT	5.00	5.00	-	5.00	-
POLICE MANAGER	1.00	1.00	-	1.00	-
POLICE OFFICER	62.00	62.00	-	62.00	-
POLICE RECORDS TECHNICIAN	6.00	6.00	-	6.00	-
POLICE SERGEANT	10.00	10.00	-	10.00	-
POLICE SERVICES OFFICER	11.00	11.00	-	11.00	-
POLICE SERVICES SUPERVISOR	3.00	3.00	-	3.00	-
Total	121.00	121.00	-	121.00	-

Authorized Positions

Regular FTEs – All Funds

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Human Resources					
ADMINISTRATIVE ANALYST II	3.00	3.00	-	3.00	-
ASSISTANT CITY MANAGER	1.00	1.00	-	1.00	-
HUMAN RESOURCES MANAGER	1.00	1.00	-	1.00	-
OFFICE SPECIALIST CONFIDENTIAL	2.00	2.00	-	2.00	-
Total	7.00	7.00	-	7.00	-

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Arts & Recreation					
ADMINISTRATIVE ANALYST II	2.00	2.00	-	2.00	-
ARTS AND RECREATION DIRECTOR	1.00	1.00	-	1.00	-
EXECUTIVE ASSISTANT	0.50	0.50	-	0.50	-
GENERAL MAINTENANCE WORKER	1.00	1.00	-	1.00	-
OFFICE ASSISTANT II	4.50	4.50	-	4.50	-
OFFICE SPECIALIST	6.50	6.50	-	6.50	-
PROGRAM ASSISTANT I	5.00	5.00	-	5.00	-
PROGRAM ASSISTANT II	5.50	5.50	-	5.50	-
PROGRAM COORDINATOR	7.00	7.00	-	7.00	-
PROGRAM MANAGER	6.00	6.00	-	6.00	-
PROGRAM SUPERVISOR	5.00	5.00	-	5.00	-
SENIOR PROGRAM ASSISTANT	5.00	5.00	-	5.00	-
SENIOR TICKET OFFICE CLERK	1.00	1.00	-	1.00	-
TICKET OFFICE CLERK	2.00	2.00	-	2.00	-
Total	52.00	52.00	-	52.00	-

Authorized Positions

Regular FTEs – All Funds

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
General Government					
ASSISTANT CITY ATTORNEY	1.00	1.00	-	1.00	-
ASSISTANT TO THE CITY CLERK	1.00	1.00	-	1.00	-
ASSISTANT TO THE CITY MANAGER	1.00	1.00	-	1.00	-
CITY CLERK	1.00	1.00	-	1.00	-
CITY COUNCIL	5.00	5.00	-	5.00	-
CITY MANAGER	1.00	1.00	-	1.00	-
CITY TREASURER	1.00	1.00	-	1.00	-
COMMUNICATIONS & COMMUNITY RELATIONS MANAGER	1.00	1.00	-	1.00	-
DEPUTY CITY MANAGER	1.00	1.00	-	1.00	-
ECONOMIC DEVELOPMENT MANAGER	1.00	1.00	-	1.00	-
ECONOMIC DEVELOPMENT PROJECT MANAGER	-	1.00	1.00	1.00	-
EXECUTIVE ASSISTANT TO CITY MANAGER	1.00	1.00	-	1.00	-
MULTIMEDIA ANALYST	1.00	1.00	-	1.00	-
OFFICE SPECIALIST CONFIDENTIAL	2.00	2.00	-	2.00	-
VIDEO PRODUCTION ANALYST	1.00	1.00	-	1.00	-
Total	19.00	20.00	1.00	20.00	-
Total Regular Positions	361.50	362.50	1.00	364.50	2.00

Authorized Positions

Limited Duration FTEs – All Funds

	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Community & Economic Development					
INFORMATION SYSTEMS ANALYST II	1.00	1.00	-	1.00	-
OFFICE ASSISTANT I	1.00	1.00	-	1.00	-
OFFICE ASSISTANT II	1.00	1.00	-	1.00	-
PERMIT TECHNICIAN I	1.00	1.00	-	1.00	-
Total	4.00	4.00	-	4.00	-
	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Public Works					
ENGINEERING INSPECTOR	1.00	-	(1.00)	-	-
Total	1.00	-	(1.00)	-	-
	Authorized FY21	Authorized FY22	FY22 Change	Authorized FY23	FY23 Change
Arts & Recreation					
OFFICE ASSISTANT II	0.50	-	(0.50)	-	-
Total	0.50	-	(0.50)	-	-
Total Limited Duration Positions	5.50	4.00	(1.50)	4.00	-
Total Regular & Limited Duration Positions	367.00	366.50	(0.50)	368.50	2.00

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City Demographic & Economic Statistics

City Profile & Demographic Information¹

Year of Incorporation	1914	Area (Square Miles)	19.9
Form of Government	Council/Manager	Elevation	200 feet
Employees (FTE)	368	Number of housing units (2016)	33,564
Number of Registered Voters	47,655	Median Single-Family Home Price ²	\$1.6 million
% of High School / College Graduates	97.4% / 65.5%	Median Townhouse-Condo Price ³	\$569,000
Average Annual Precipitation	25"	Median Age (2017)	48.4
Average Highs/Lows (in Fahrenheit)		Median Household Income (2018)	\$96,851
Winter	56/40	Population (2019)	70,860
Spring	65/45	Size ranking among California cities	124
Summer	83/58	Unemployment Rate ⁴	5%
Fall	73/51	Assessed Property Valuation ⁵	\$20.8 billion
City Crime Index (US Average: 323.2)	191.4	Residential Valuation (% of total)	77%
		Commercial Valuation (% of total)	18%

Arts & Recreation:

Number of City Parks	22
Acres of City Parks	249
Acres of Open Space	2,726
Number of Playfields	14
Annual Averages:	
Indoor Facilities Rental Hours	5,827
Arts/Rec Class Enrollment	11,422
Gym & Sports Field Scheduled Hours	27,527
Bedford Gallery Visitors	17,700
Leshner Center Tickets Sold	103,939
Paid Golf Rounds	54,872

Top Taxpayers:

- First Walnut Creek Mutual
- Second Walnut Creek Mutual
- Macerich Northwest Associates
- Ygnacio Center Owner, LLC
- Escuela Shopping Center LLC
- SPUS8 California Plaza LLC
- WC Brio Apartments LLC
- SFII Mt Diablo Plaza

¹ Comprehensive Annual Financial Report, FY2020, unless otherwise noted

² Local Market Update, Median Sales Price, March 2021, Contra Costa Association of Realtors

³ Local Market Update, Median Sales Price, March 2021, Contra Costa Association of Realtors

⁴ Local Area Unemployment Statistics, March 2021, BLS Beta Labs, U.S. Bureau of Labor Statistics, <https://beta.bls.gov/dataViewer/view/1c06b34b615a437fb0a935879d6a97fe>

⁵ Total Net Assessed Valuation, 2020-21 Certificate of Assessed Valuations, Office of the Auditor-Controller, Contra Costa County

City Demographic & Economic Statistics

Public Works:

Community Facilities	18
City owned parking lots	22
Miles of storm drains	114
Traffic Signals	100
Miles of Streets	213
City vehicles	181
Parking meters	988
Streetlights	4,805

Community Facilities:

Bedford Art Gallery
Boundary Oak Golf Course
Civic Park and Heather Farm Park Community Centers
Clarke and Larkey Aquatic Centers
Foothill and Tice Valley Gymnasiums
Leshner Center for the Arts
Old Borges Ranch / Howe Homestead
Shadelands Art Center and Museum
Skate Park and Tennis Center
Walnut Creek City Hall and Library (2 branches)
Walnut Creek Senior Center

Community Development:

Planning Applications	126
Code Enforcement cases closed	497
Building Permit Applications	4,190
Building Inspection Stops	11,900

Police:

Police Calls for Service	38,519
Dispatch Calls for Service	101,045
Citations Issued	1,496

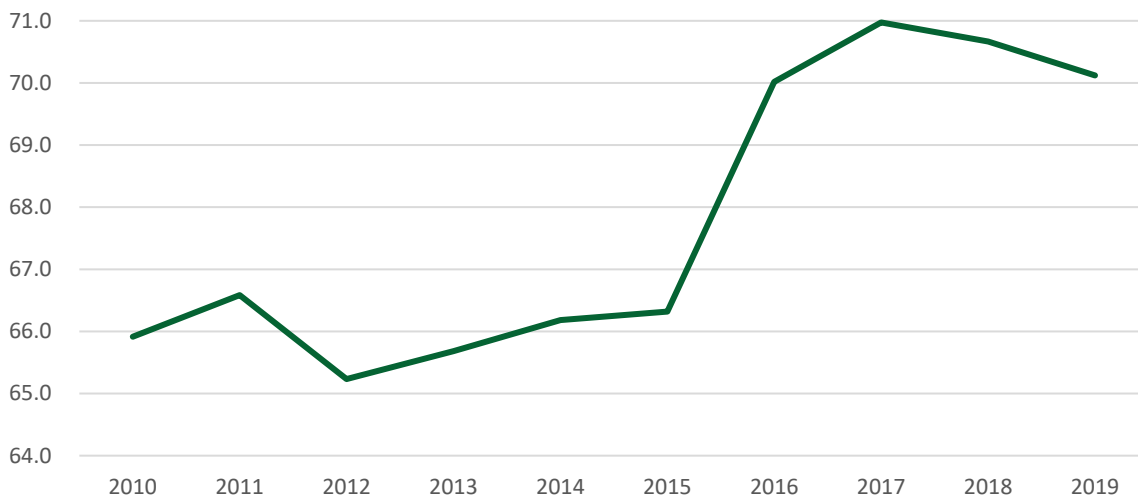
City Demographic & Economic Statistics

Demographic & Economic Statistics (last 10 years)

Fiscal Year Ended June 30	City Population	Total Reported Personal Income (in Thousands)	Per Capita Personal Income	Unemployment Rate	Rank in Size of California Cities
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
2018	70,667	3,638,460	51,487	3.30%	124
2019	70,121	3,868,424	55,167	2.70%	126

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

**City Population
(in Thousands)**



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Budget Resolutions

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CITY OF
WALNUT
CREEK

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**CITY OF WALNUT CREEK
RESOLUTION NO. 21-49**

**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. 2139 establishing fees and charges to assist in defraying the cost of municipal services and activities;

WHEREAS, the City Council subsequently adopted amendments to the fees and charges, with the most recent amendment approved on July 7, 2021 by Resolution No. 20-50;

WHEREAS, the cost of providing municipal services and activities has been reviewed by City staff as part of the Fiscal Year 2022 and Fiscal Year 2023 budget development process;

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;

WHEREAS, the City Council reviewed the proposed fees and charges adjustments for Fiscal Year 2021 at a public meeting on May 18, 2021; and

WHEREAS, pursuant to Government Code Section 66018, a public hearing was held by the City Council on June 15, 2021 regarding the proposed fees;

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

Section 1. The changes to the fees and charges in the Operating Budget for Fiscal Year 2022 and Fiscal Year 2023, as shown on the revised fee schedule attached hereto and incorporated herein by reference, are hereby adopted. The 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, 2021, with exception of any new or changed fee or charge related to the processing of development applications subject to Government Code section 66017; such fees shall take effect on September 1, 2021.

PASSED AND ADOPTED by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 15th day of June, 2021 by the following called vote:

AYES: Councilmembers: Darling, Haskew, Silva, Francois, Mayor Wilk

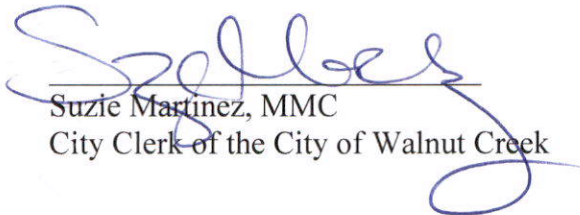
NOES: Councilmembers: None

ABSENT: Councilmembers: None



Kevin Wilk
Mayor of the City of Walnut Creek

Attest:



Suzie Martinez, MMC
City Clerk of the City of Walnut Creek

**CITY OF WALNUT CREEK
RESOLUTION NO. 21-50**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK
ADOPTING A CAPITAL BUDGET OF EXPENDITURES FOR THE CITY OF WALNUT
CREEK FOR THE PERIOD OF JULY 1, 2021 TO JUNE 30, 2023**

WHEREAS, the City is required to adopt the Fiscal Year 2022 and Fiscal Year 2023 Budget in order to authorize expenditures;

WHEREAS, the City Council has held a series of budget study sessions including sessions highlighting the information relating to the Fiscal Year 2022-2031 Capital Improvement Program and a review of the proposed Capital Budget on May 4, 2021;

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

WHEREAS, the City Council held a public meeting on the update of Fiscal Year 2022-2023 Capital Budget on June 15, 2021 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 Fiscal Year 2022-23 Capital Budget, included in the City's Operating Budget of Fiscal Year 2022-23, contains the total capital expenditures for projects to maintain and enhance the City's public infrastructure to be appropriated for Fiscal Years 2022 and 2023, as reviewed by the City Council at its June 15, 2021 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 Years 2022 and 2023 consists of projects that are necessary to maintain and enhance the City's public infrastructure and conforms to 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, the project will be fully analyzed.


Section 3. Program revenues, grant revenues and other funds received in excess of the amounts budgeted may be allocated to programs or department budgets or appropriate funds or reserves by the City Manager.

Section 4. The City Manager shall be authorized to redistribute budgeted appropriations between similar Capital Projects. The maximum fund transfer shall be \$200,000 per project. 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 to 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 \$200,000 of unappropriated capital reserves to approved Capital Projects. The City Manager may transfer remaining budgets on closed projects allocated from Enterprise/Gas Tax/Developer Funds back to the source Fund(s).

Section 5. 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.

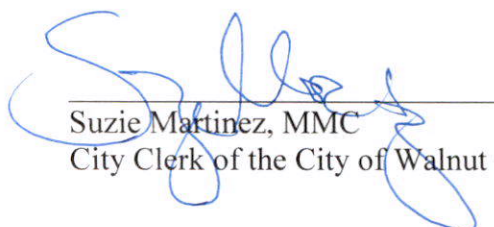
PASSED AND ADOPTED by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 15th day of June, 2021 by the following called vote:

AYES:	Councilmembers:	Darling, Haskew, Silva, Francois, Mayor Wilk
NOES:	Councilmembers:	None
ABSENT:	Councilmembers:	None



Kevin Wilk
Mayor of the City of Walnut Creek

Attest:



Suzie Martinez, MMC
City Clerk of the City of Walnut Creek

**CITY OF WALNUT CREEK
RESOLUTION NO. 21-51**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WALNUT CREEK
ADOPTING AN OPERATING BUDGET OF EXPENDITURES
FOR THE PERIOD OF JULY 1, 2021 TO JUNE 30, 2023**

WHEREAS, the City is required to adopt the Fiscal Year 2022 and Fiscal Year 2023 budget;

WHEREAS, between April and May 2021 several public meetings were held with City Commissions and the City Council Finance Committee to discuss development of the Fiscal Year 2022 and Fiscal Year 2023 budget;

WHEREAS, at a public meeting on May 18, 2021, the City Council provided direction regarding the Fiscal Year 2022 and Fiscal Year 2023 budget;

WHEREAS, on June 15, 2021, the City Council conducted a Public Hearing regarding the Fiscal Year 2022 and Fiscal Year 2023 budget; and

WHEREAS, a copy of the Fiscal Year 2022 and Fiscal Year 2023 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 Year 2022 and Fiscal Year 2023 includes total expenditures (all funds, including transfers) to be appropriated in the sum of \$136,262,000 for Fiscal Year 2022 and \$137,922,000 in Fiscal Year 2023. 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, 2023, the end of the budget period.

PASSED AND ADOPTED by the City Council of the City of Walnut Creek at a regular meeting thereof held on the 15th day of June, 2021 by the following called vote:

AYES: Councilmembers: Darling, Haskew, Silva, Francois, Mayor Wilk


NOES: Councilmembers: None

ABSENT: Councilmembers: None



Kevin Wilk
Mayor of the City of Walnut Creek

Attest:


Suzie Martinez, MMC
City Clerk of the City of Walnut Creek

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Appendix

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Footnotes & References

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