

# CITY OF CLAYTON

## ADOPTED BUDGET

FISCAL YEAR ENDING  
JUNE 30, 2019



Clayton, California  
[www.ci.clayton.ca.us](http://www.ci.clayton.ca.us)

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# ADOPTED BUDGET

## 2018 - 2019

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### THE CITY COUNCIL

KEITH HAYDON, MAYOR  
DAVID T. SHUEY, VICE MAYOR  
JULIE K. PIERCE, COUNCILMEMBER  
JIM DIAZ, COUNCILMEMBER  
TUIJA CATALANO, COUNCILMEMBER

\* \* \*

RECOMMENDED BY:

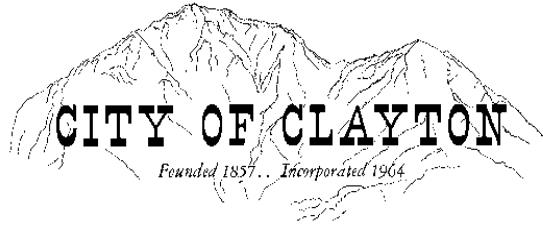
GARY A. NAPPER, CITY MANAGER

\* \* \* \* \*

PREPARED AND PRESENTED BY:

KEVIN MIZUNO, FINANCE MANAGER, CPA

CITY OF CLAYTON, CALIFORNIA  
94517  
[www.ci.clayton.ca.us](http://www.ci.clayton.ca.us)



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**BACKGROUND  
INFORMATION  
2018-19**

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# OUR MISSION

To be of exemplary service to the Clayton community with an emphasis on:

- Health and safety
- Responsive customer service
- Highly trained team of employees
- A cooperative work environment

# OUR VALUES

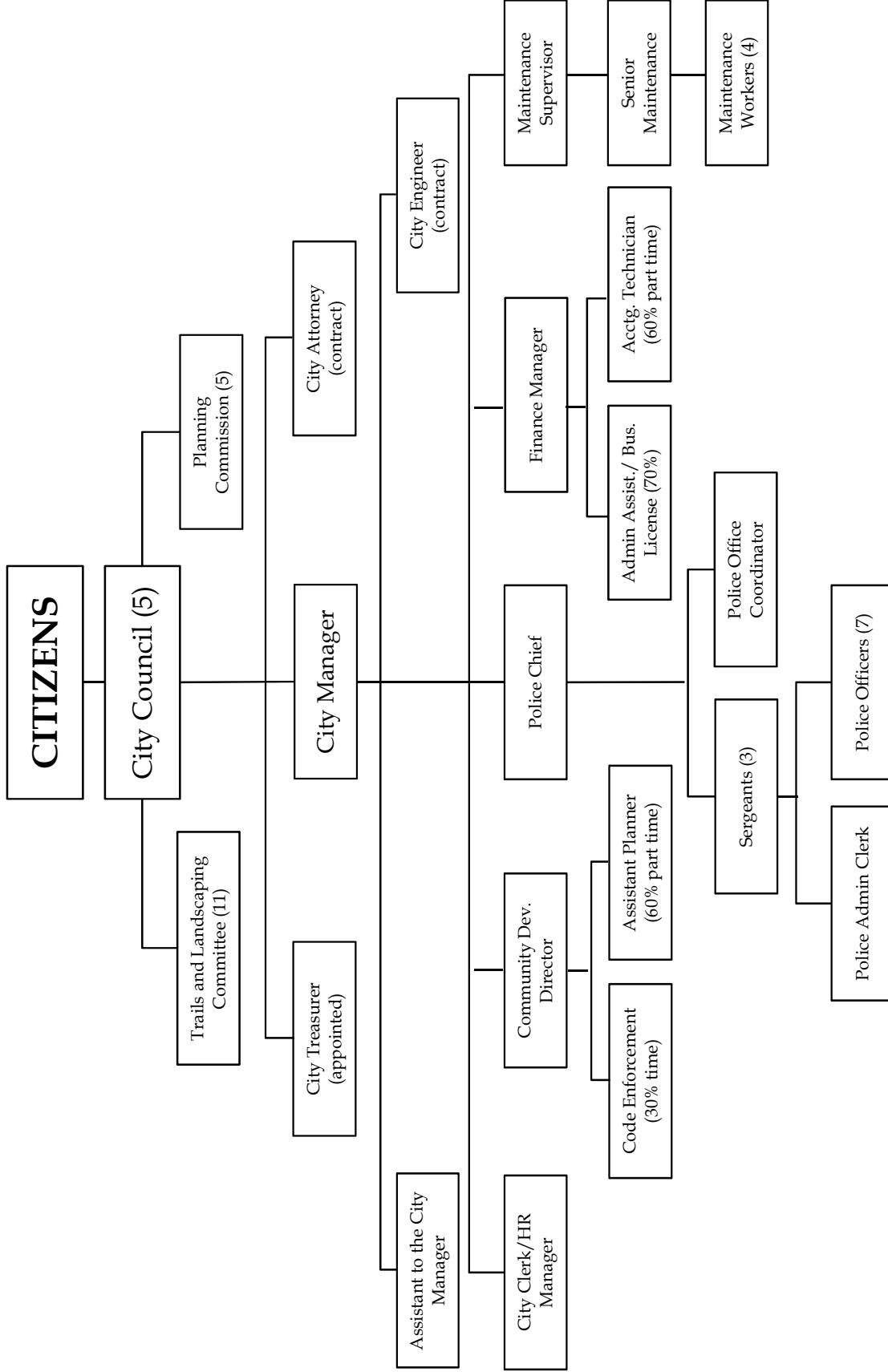
- Courtesy
- Creativity
- Diversity
- Employee participation
- Ethical behavior
- Fiscal responsibility
- Inclusiveness
- Informed risk taking
- Open communication
- Professionalism
- Trustworthiness

# OUR VISION

The City of Clayton organization will be recognized as a premier small city. Customer service will be our hallmark; organizational processes will be a model of efficiency and effectiveness; innovation will be common place; and excellence of work product will be the norm. The employees will enjoy their work environment, and each will be a valued and respected member in his or her field of work. All residents and the City Council will be proud of their City government.



# CITY OF CLAYTON ORGANIZATIONAL CHART



# DIRECTORY OF OFFICIALS AND ADVISORY BODIES

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## CITY COUNCIL

Keith Haydon, Mayor  
David T. Shuey, Vice Mayor  
Tuija Catalano, Councilmember  
Jim Diaz, Councilmember  
Julie Pierce, Councilmember

## COMMISSIONS

Planning Commission

## COMMITTEES

Trails and Landscaping Committee

## APPOINTED OFFICIALS AND DEPARTMENT HEADS

Gary A. Napper	City Manager
Malathy Subramanian	City Attorney (contract)
Laura Hoffmeister	Assistant to the City Manager
Elise Warren	Chief of Police
Janet Brown	City Clerk / HR Manager
Kevin Mizuno	Finance Manager
Mindy Gentry	Community Development Director
Scott Alman	City Engineer (contract)
Hank Stratford	City Treasurer
Jim Warburton	Maintenance Supervisor



## Demographics and Economic Characteristics

Date of Incorporation	March 18, 1964
Form of Government (General Law)	Council-Manager
Number of authorized City positions	26

### Population:

Population	11,431
Median age	46.1
Median household income	\$150,436
Registered voters	7,773
Area in square miles	4.3

### Miles of Streets:

Lane miles	44.9
Pavement Condition Index (PCI)	85/100 ["Very Good" rating]

### Fire Protection: (Contra Costa County Fire Protection District)

Number of stations (Station No. 11)	1
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### Police Protection:

Number of stations	1
Number of patrol vehicles	11
Number of sworn personnel	11

### Public Education:

Elementary School	1
Mt Diablo Elementary	
Middle School	1
Diablo View Middle School	

### Library: (Contra Costa County Library System)

Number of branch libraries (City-owned facility)	1
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### Parks & Community Facilities:

Park sites	7
Park acreage	19.07
Open space acreage	515.51
Open space trail miles	20
Creekside trail miles	7
Endeavor Hall	1
Hoyer Hall (in the library)	1
City Hall Conference Room	1

**RESOLUTION NO. 25 - 2018**

**A RESOLUTION ADOPTING THE ANNUAL BUDGET FOR THE CITY OF CLAYTON FOR THE 2018-2019 FISCAL YEAR COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019, AND ADOPTING THE 2018-2019 APPROPRIATIONS LIMIT AND EMPLOYEE COMPENSATION SCHEDULE**

**THE CITY COUNCIL**  
City of Clayton, California

**WHEREAS**, on June 5, 2018 the City Manager and the Finance Manager did prepare, submit and present to the Clayton City Council the proposed budgets for operation of the City of Clayton in Fiscal Year 2018-19 commencing July 1, 2018; and

**WHEREAS**, on June 19, 2018, a Public Hearing was set and duly held on the proposed budgets whereat opportunities were provided accordingly for members of the public to offer comments and provide input on the fiscal plans presented; and

**WHEREAS**, after due consideration and review, the Clayton City Council finds it is in the best interest of the general health, welfare and safety of this City, its citizens and businesspersons, to formally adopt a financial plan governing the receipt and expenditure of public monies in Fiscal Year 2018-2019; and

**WHEREAS**, Section 7910 of the California Government Code and Article XIII B of the California Constitution, established by Proposition 4, requires the adoption of an annual Appropriations Limit for each fiscal year; and

**WHEREAS**, this Appropriations Limit fixes the amount of general tax revenue that can be appropriated in a given fiscal year; and

**WHEREAS**, the Fiscal Year 2018-2019 Appropriations Limit is based upon the prior year's City Council adopted Appropriation Limit adjusted for the change in County population and the change in State per capita income; and

**WHEREAS**, City staff has calculated the fiscal year 2018-2019 Appropriations Limit to be \$10,965,766 while the City's annual tax proceeds total \$4,778,841, an amount less than one-half (43.6%) of the City's allowable tax expenditure cap.

**NOW, THEREFORE, BE IT RESOLVED** the City Council of Clayton, California does hereby adopt the budget revenue by fund for the City of Clayton for the Fiscal Year commencing July 1, 2018 and ending June 30, 2019 as follows:

<b>FUND</b>	<b>2018-19 REVENUES</b>
General Fund – Fund No. 101	\$ 4,689,190
HUTA Gas Taxes – Fund No. 201	293,004
RMRA Gas Taxes – Fund No. 202	189,383
Landscape Maintenance District – Fund No. 210	1,136,746
The Grove Park Maintenance District – Fund 211	140,490
Oakhurst Geological Hazard Abatement District – Fund No. 212	41,265
Presley GHAD Settlement – Fund 213	1,500
Street Light Assessment District – Fund No. 214	126,991
Storm Water Assessment – Fund No. 216	147,027
High Street Bridge Assessment District – Fund No. 217	1,834
Oak Street Bridge Assessment District – Fund No. 218	6,330
Measure “J” Fund – Fund No. 220	318,676
Lydia Lane Sewer Assessment District – Fund No. 222	17,550
Oak Street Sewer Assessment District – Fund No. 223	12,080
Restricted Grants – Fund No. 230	121,500
Diablo Estates at Clayton BAD – Fund No. 231	86,780
Development Impact Fees – Fund No. 304	8,000
Clayton Financing Authority – Fund 405	10,000
Middle School CFD – Fund No. 420	395,796
Middle School Refunding – Fund 422	404,821
Self Insurance Fund – Fund No. 501	600
Capital Equipment Replacement Fund – Fund No. 502	91,740
Pension Rate Stabilization Fund – Fund No. 503	3,500
Endeavor Hall – Fund No. 702	30,000
Successor Agency (Former RDA) – Fund No. 615	734,351
Successor Housing Agency – Fund No. 616	106,400

TOTAL REVENUE: **\$ 9,115,554** ; and

**BE IT FURTHER RESOLVED** the budget appropriations by fund for the City of Clayton for the Fiscal Year beginning July 1, 2018 and ending June 30, 2019 are adopted as follows:

<b>FUND</b>	<b>2018-19 APPROPRIATIONS</b>
General Fund – Fund No. 101	\$ 4,587,220
HUTA Gas Taxes – Fund No. 201	613,905
RMRA Gas Taxes – Fund No. 202	254,238
Landscape Maintenance District – Fund No. 210	1,575,525
The Grove Park Maintenance District – Fund 211	132,164
Oakhurst Geological Hazard Abatement District – Fund No. 212	76,470
Street Light Assessment District – Fund No. 214	151,592
Storm Water Assessment – Fund No. 216	192,907

High Street Bridge Assessment District – Fund No. 217	1,454
Oak Street Bridge Assessment District – Fund No. 218	4,517
Measure “J” Fund – Fund No. 220	937,294
Lydia Lane Sewer Assessment District – Fund No. 222	16,750
Oak Street Sewer Assessment District – Fund No. 223	12,000
Restricted Grants – Fund No. 230	230,262
Diablo Estates at Clayton BAD – Fund No. 231	71,859
Development Impact Fees – Fund No. 304	64,995
Middle School CFD – Fund No. 420	441,825
Middle School Refunding – Fund 422	442,455
Self Insurance Fund – Fund No. 501	7,248
Capital Equipment Replacement Fund – Fund No. 502	100,000
Endeavor Hall – Fund No. 702	34,990
Successor Agency (Former RDA) – Fund No. 615	692,490
Successor Housing Agency – Fund No. 616	58,355

TOTAL APPROPRIATIONS: \$ 10,700,515 ; and

**BE IT FURTHER RESOLVED** the 5-Year Capital Improvement Program (CIP) Budget of the City of Clayton for the fiscal years commencing July 1, 2018 and ending June 30, 2023 is hereby adopted with the following CIP Projects scheduled for undertaking in FY 2018-19:

<u>PROJECT</u>	<u>2018-19 APPROPRIATIONS</u>
Pine Hollow Road Upgrades (CIP 10379)	\$ 50,000
El Molino Drive Sanitary Sewer Improvements (CIP 10422)	\$ 520,000
Keller Ridge Drive Collector Street Rehabilitation (CIP 10425)	930,206
2018 Neighborhood Street Rehabilitation (CIP 10436)	944,007
Clayton Community Park Lower Field Rehabilitation (CIP 10440)	100,000
North Valley Playground Rehabilitation (CIP 10442)	167,300
City Hall ADA Accessibility Project (CIP 10443)	35,000
	<u>\$ 2,746,513</u> ; and

**BE IT FURTHER RESOLVED** the appropriations listed above constitute the budget for the Fiscal Year 2018-2019 and the City Manager is herein authorized to transfer appropriations within the control accounts as deemed necessary, provided no change is made in the total amount designated for any one fund; and

**BE IT FURTHER RESOLVED** the City Council of Clayton does hereby find and determine it has complied with all of the provisions of Article XIII B of the California Constitution in determining the annual Appropriations Limit for Fiscal Year 2018-2019; and

**BE IT FURTHER RESOLVED** pursuant to Government Code Section 7910 and Article XIII B of the California Constitution the approved Appropriations Limit for fiscal year 2018-2019 is hereby established at \$10,965,766 as shown in “Exhibit A”; and

**BE IT FURTHER RESOLVED** the City Council hereby adopts the current employee salary schedule, labeled as "Exhibit B", and incorporated herein as if fully set forth in said Resolution.

**PASSED, APPROVED AND ADOPTED** by the City Council of Clayton, California during a public hearing at a regular public meeting thereof held on the 19<sup>th</sup> day of June 2018 by the following vote:

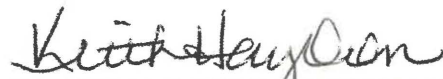
**AYES:** Mayor Haydon, Councilmembers Catalano, Diaz and Pierce.

**NOES:** None.


**ABSTAIN:** None.

**ABSENT:** Vice Mayor Shuey.

**THE CITY COUNCIL OF CLAYTON, CA**

  
\_\_\_\_\_  
Keith Haydon, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Janet Brown, City Clerk

## City of Clayton Appropriations Limit FY 2018-19

<b>FY 2017-18 Appropriations Limit:</b>	<b>\$ 10,485,299</b>
A. Change in California Per Capita Cost of Living (Converted to a Ratio)	1.03670
B. Greater of the Change in Population (Converted to a Ratio) (Converted to a Ratio)	
City of Clayton (0.78%)	1.00780
County of Contra Costa (0.88%)	1.00880
	1.00880
Compound Adjustment Factor (A multiplied by B)	1.04582
<b>FY 2018-19 Appropriations Limit:</b>	<b>10,965,766</b>
<b>Estimated Appropriations Subject to Limit:</b>	<b>4,778,841</b>
	43.6%
<b>Available Annual Tax Gap:</b>	<b><u>\$ 6,186,925</u></b>



<b>City of Clayton - Employee Compensation Schedule</b>											
<b>Fiscal Year 2018-19</b>											
<b>Full-Time Equivalent Monthly Compensation</b>											
<b>Elected / Appointed Officials</b>		<b>All</b>									
Council Member		\$	470								
Planning Commissioner		\$	120								
		<b>Step Level</b>									
<b>Administration</b>		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>					
City Manager		\$	14,124	\$	14,830	\$	15,571	\$	16,350	\$	17,168
Assistant to the City Manager		\$	6,492	\$	6,817	\$	7,158	\$	7,516	\$	7,892
City Clerk / HR Manager		\$	5,751	\$	6,038	\$	6,340	\$	6,657	\$	6,990
<b>Finance</b>		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>					
Finance Manager		\$	8,729	\$	9,165	\$	9,623	\$	10,104	\$	10,609
Accounting Technician		\$	4,506	\$	4,731	\$	4,968	\$	5,216	\$	5,477
Office Assistant / Code Enforcement Officer		\$	3,752	\$	3,939	\$	4,136	\$	4,343	\$	4,560
<b>Public Works</b>		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>					
Maintenance Supervisor		\$	5,481	\$	5,755	\$	6,043	\$	6,345	\$	6,662
Maintenance Senior		\$	4,521	\$	4,748	\$	4,985	\$	5,234	\$	5,496
Maintenance Worker I		\$	3,744	\$	3,931	\$	4,127	\$	4,334	\$	4,550
Maintenance Worker II		\$	4,127	\$	4,333	\$	4,550	\$	4,778	\$	5,017
<b>Community Development</b>		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>					
Community Development Director		\$	8,729	\$	9,165	\$	9,623	\$	10,104	\$	10,609
Assistant Planner		\$	5,751	\$	6,038	\$	6,340	\$	6,657	\$	6,990
<b>Police</b>		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>					
Chief of Police		\$	9,388	\$	9,857	\$	10,350	\$	10,867	\$	11,410
Police Sergeant		\$	6,435	\$	6,757	\$	7,095	\$	7,449	\$	7,822
Police Officer		\$	5,476	\$	5,750	\$	6,038	\$	6,340	\$	6,657
Police Office Coordinator		\$	4,239	\$	4,451	\$	4,674	\$	4,907	\$	5,153
Police Admin Clerk		\$	3,752	\$	3,939	\$	4,136	\$	4,343	\$	4,560

- Schedule incorporates base salary ranges as per the terms of the three (3) year Miscellaneous Group labor negotiation agreement adopted by the City Council on July 5, 2016 and effective through June 30, 2019 and incorporates amendments to salary ranges of four (4) Miscellaneous Group management positions approved by the City Council on January 16, 2018.
- Schedule incorporates base salary ranges as per the terms of the tentative three (3) year Police Officers Association (POA) labor negotiation agreement effective through June 30, 2021 and scheduled to be presented to the City Council for approval at the regularly scheduled June 19, 2018 City Council meeting.
- Schedule incorporates base salary ranges as per the terms of the City Manager contract effective October 29, 2001 last amended by the City Council on December 5, 2017.
- Uniform allowance for all sworn public safety officers: \$450 bi-annually.
- Bi-lingual pay based on eligibility: \$75/month.
- Car Allowance: Chief of Police \$370/month; Community Development Director: \$345/month; Assistant to City Manager: \$345/month; City Manager \$500/month.

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# **BUDGET MESSAGE**

**2018-19**

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## **BUDGET SUMMARY**

Presented herein for public review and consideration is the City's proposed budgets for FY 2018-19. It is an annually balanced budget as required by law, and the General Fund displays a balanced budget of projected revenues exceeding expenditures resulting in a planned operating surplus of **\$101,970** (2.22%).

The chart below captures a five (5) year history of our City's overall expenditure budgets:

<b>CITY OF CLAYTON BUDGETS</b>					
<b>BUDGET AREA</b>	<b>FY 2018-19</b>	<b>FY 2017-18</b>	<b>FY 2016-17</b>	<b>FY 2015-16</b>	<b>FY 2014-15</b>
GENERAL FUND	\$ 4,587,220	\$ 4,455,050	\$ 4,261,720	\$ 4,095,928	\$ 3,852,275
OTHER FUNDS*	5,420,805	4,817,118	5,689,924	4,377,355	4,077,244
CAPITAL IMPROVEMENT PROGRAM	2,746,513	2,471,256	2,919,565	1,696,863	772,525
SUCCESSOR AGENCY	692,490	711,957	1,125,996	676,521	725,805
<b>TOTAL</b>	<b>\$ 13,447,028</b>	<b>\$ 12,455,381</b>	<b>\$ 13,997,205</b>	<b>\$ 10,846,667</b>	<b>\$ 9,427,849</b>

\*Includes the City's twelve (12) special revenue, three (3) internal service, one (1) enterprise, and eight (8) fiduciary funds (excluding the Successor Agency fiduciary fund reported separately in the table).

The combined financial program proposed for the General Fund, the City's Other Funds, the Capital Improvement Program (CIP), and the Successor Agency is \$13,447,028, an overall increase of \$991,647 (7.96%) over last year's adopted total budget. This increase results from a significant increase in appropriations in the Measure J and CIP fund budgets, as well as the creation of a new special revenue fund to account for SB1 Road Maintenance and Rehabilitation Account (RMRA) gas taxes in accordance with the state law. The noteworthy increase in proposed expenditures of the Measure J and CIP fund budgets is attributable to capital project expenditures in the CIP fund and corresponding reimbursing inter-fund transfers from the Measure J fund for 2018 Neighborhood Streets Repave Project (CIP 10436) as well as the Keller Ridge Drive Collector Street Rehabilitation Project (CIP 10425). The newly created RMRA Gas Tax Fund (No. 202) includes proposed FY 2018-19 appropriations of \$254,238 to transfer funds to the CIP necessary to finance the 2018 Neighborhood Street Project (CIP 10436) and the Pine Hollow Road Upgrade Project (CIP 10379).

Consistent with the prior year adopted General Fund budget, the proposed fiscal plan for next year (FY 2018-19) anticipates continued restoration and growth in the local share of real property tax revenues arising from a steadily strengthening economy. The City of Clayton's base economy of desirable family-friendly residential real estate continued to gain ground this past year (FY 2017-18) demonstrated by the overall increase of 4.05% in real property assessed valuations as published by the County Assessor's Office on June 29, 2017.

**City of Clayton  
Budget Message  
General Fund Revenues**

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**GENERAL FUND REVENUES**

**FY 2017-18 Revenue Projections**

Although the current fiscal year has not closed at the time of budget preparation for the upcoming year, sufficient information is available to project what year-end FY 2017-18 revenues will look like. At this time, General Fund revenue is expected to total approximately **\$4,607,450** by the close of FY 2017-18. This projection reflects a favorable variance of **\$141,570** (3.17%) over revenues per the FY 2017-18 General Fund adopted budget. This positive news is ultimately attributable to better than projected results from two main sources: secured ad valorem property taxes and sales & use taxes.

Growth in secured property tax revenue is visible in three General Fund revenue line items: (1) local ad valorem secured property taxes; (2) the City's share of the Redevelopment Property Tax Trust Fund (RPTTF) residual balance; and (3) property tax in-lieu of vehicle license fees (VLF) from the State of California. This favorable result is explained by actual assessed property values growing by 4.05%, which exceeded the City's intentionally cautious projection of 2.0%. The FY 2017-18 assessment roll was not published by the Contra Costa County Assessor's Office until June 29, 2017, following the adoption of the City's FY 2017-18 budget.

The positive budgetary variance in sales & use taxes is explained more by a conservative FY 2017-18 budgeted revenue projection for this line item rather than growth in taxable sales alone. During the preparation of the FY 2017-18 budget there was a high degree of uncertainty (and skepticism) with the timing of State allocations of locally generated sales & use tax. Since the statutory elimination of the Triple-Flip on January 1, 2016, quarterly true-ups of sales & use taxes from the State have become sporadic and difficult to predict. As such, the City adopted a cautious approach when projecting FY 2016-17 and consequently FY 2017-18, sales & use tax revenues. With the calendar year 2017 1<sup>st</sup> and 2<sup>nd</sup> quarter true-ups coming in much higher than estimated, FY 2016-17 sales & use taxes ultimately closed nearly 7% higher than projected during the preparation of the FY 2017-18 Proposed Budget. Sadly, the California Department of Tax and Fee Administration (CDTFA) has exuded little confidence quarterly true-ups will become more consistent prospectively. On May 16, 2018 the CDTFA made a public announcement of its transition to a new revenue collection and allocation system as well as a significant revision to the nature and timing of future quarterly true-up allocations to local agencies.

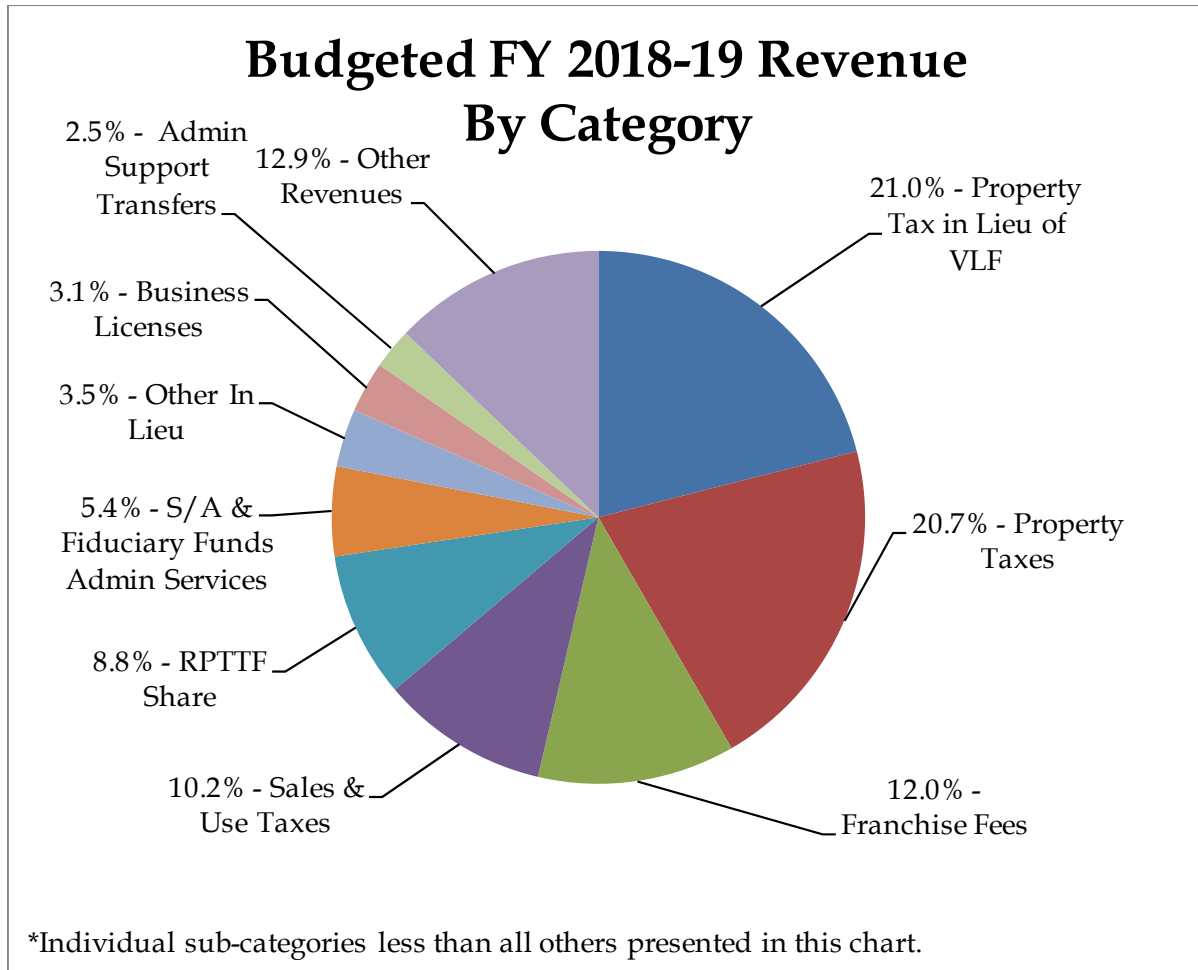
**FY 2018-19 Revenue Projections**

The FY 2018-19 proposed budget projects total General Fund revenues of **\$4,689,190**. This is an increase of **5.0%** over the prior year adopted budget. This growth projection is supported by actual FY 2017-18 operational revenue results to-date and is encouraging news for the local economy revealing that real property values and sales

**City of Clayton  
Budget Message  
General Fund Revenues**

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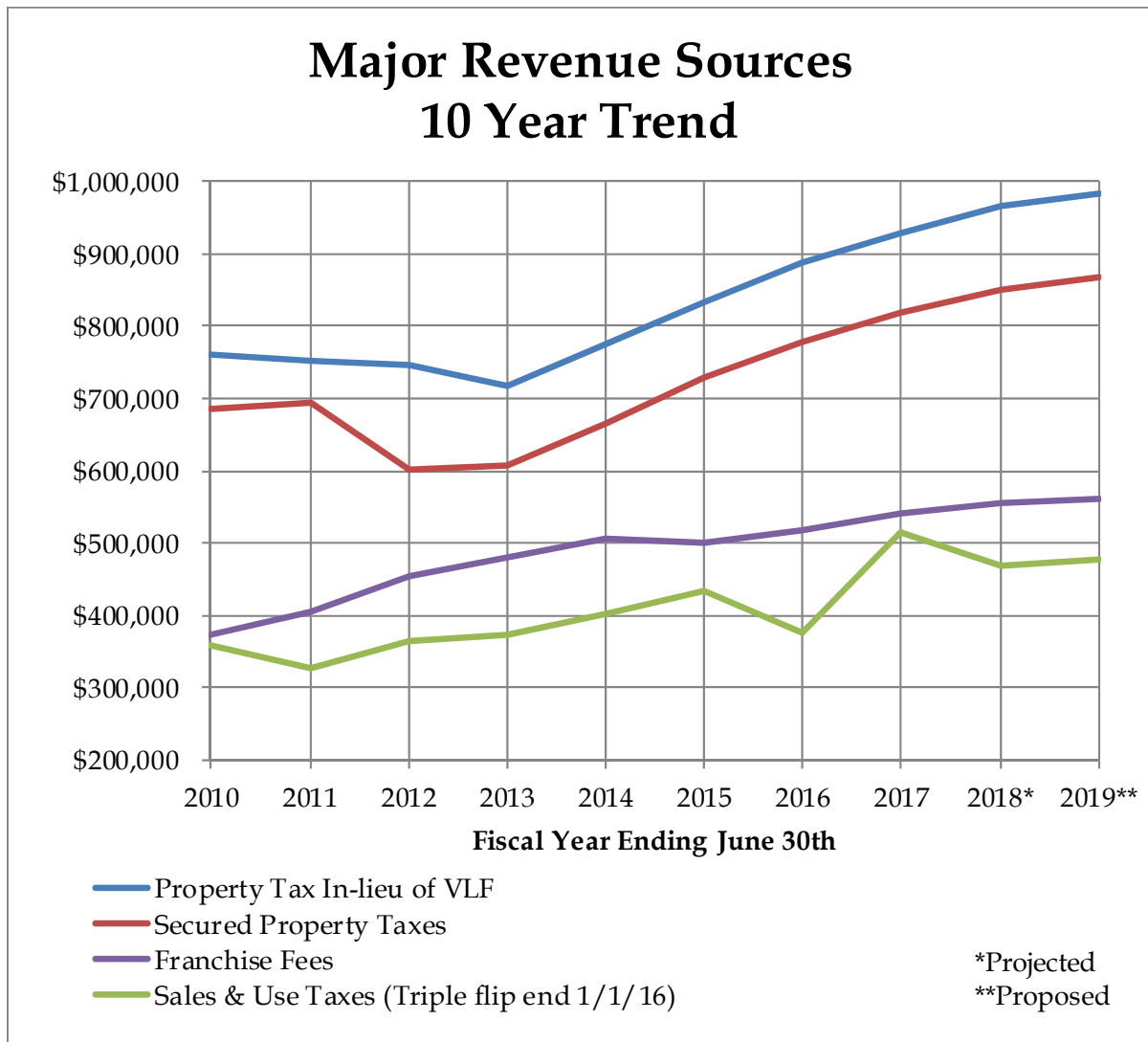
commerce continue to steadily rise. The chart below depicts the proportional share of each major revenue category of the General Fund for FY 2018-19:



As illustrated in the pie chart above, a noteworthy portion (approximately 63.9%, of General Fund revenues) are concentrated in four different sources. The “slice of the pie” of these four major revenue sources grew slightly by 1.6% over the prior year with their growth rates collectively exceeding that of other less significant revenues where growth rates are either statutorily capped by the annual consumer price index or have flat lined. In order of significance these four key revenue sources include: (1) property tax in-lieu of vehicle license fees (VLF), (2) local secured ad valorem property taxes, (3) sales & use taxes, and (4) franchise fees.

**City of Clayton  
Budget Message  
General Fund Revenues**

The following chart illustrates the ten year trend of these four major revenue sources for the City:



The previous trend analysis chart illustrates the gradual recovery of the local economy following the “Great Recession” in 2008. Revenue sources with delayed downturns arising from the recession (i.e. property tax in-lieu of VLF and general property taxes) have made a comeback and now exceed pre-recession levels.

**City of Clayton  
Budget Message  
General Fund Revenues**

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The following section provides background and analysis of the City's most significant revenue sources.

Property Tax in Lieu of Vehicle License Fees

Now the largest revenue source making up 21.0% of General Fund budgeted revenues for FY 2018-19 is property tax in lieu of vehicle license fees (VLF). The VLF is an annual value tax on the ownership of registered vehicles. It is collected by the California Department of Motor Vehicles and then distributed to cities and counties. In 2004, the California State Legislature permanently reduced the tax rate from 2.0% to 0.65% of a vehicle's current market value. The reduction in VLF revenue to cities and counties was offset by an increased transfer of "Property tax in lieu of VLF." The City is projecting revenue of \$985,000 in FY 2018-19, which is an increase of approximately 2.0% over projected actuals for FY 2017-18. This modest growth rate reflects the cautious projection of a steadily growing economy and propensity to own newer vehicles.

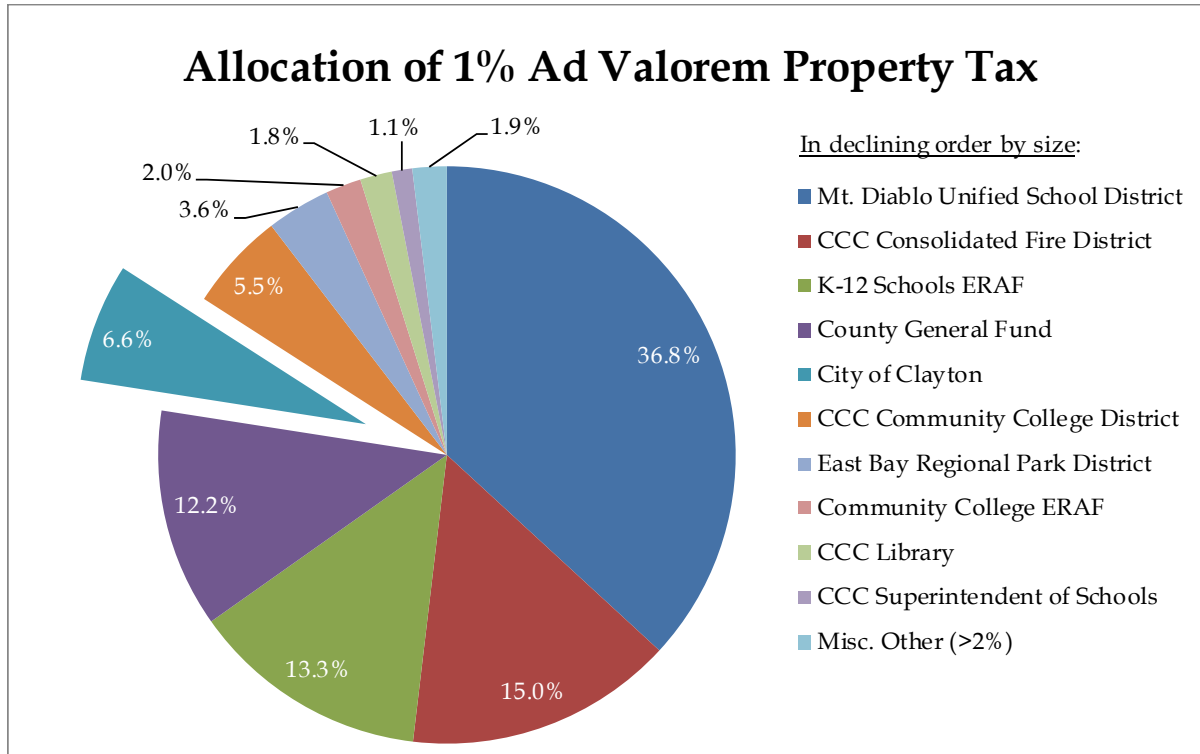
Local Secured Ad Valorem Property Taxes

The second largest revenue source making up 20.7% of General Fund budgeted revenues for FY 2018-19 is the City's share of the local ad valorem property taxes. Secured property taxes are an ad valorem tax imposed on real property such as land and permanently attached improvements. Proposition 13 (1978) limits the real property tax rate to 1% of a property's assessed value for ad valorem tax purposes, and also controls annual growth. The amount of the tax is based on an annually determined assessed valuation calculated by the County Assessor's Office and is paid by property owners to the county tax collector. The County Auditor-Controller then allocates this to local taxing agencies pursuant to a statutory allocation formula applicable to the tax rate area (TRA) the underlying parcel is located within. The City of Clayton has ten (10) TRAs, with the largest TRA by current assessed value returning only 6.63% of the full one percent tax back to the General Fund. Comparatively, the City remains a "low property tax city" stemming from the original implementation of Proposition 13 in 1978. For FY 2018-19, the City's share of secured local property tax revenues is projected to be \$867,000, which is an increase of approximately 2.0% over projected actuals for FY 2017-18.



**City of Clayton  
Budget Message  
General Fund Revenues**

The following illustration summarizes the statutory allocation of the 1% general ad valorem secured property tax to each taxing entity:



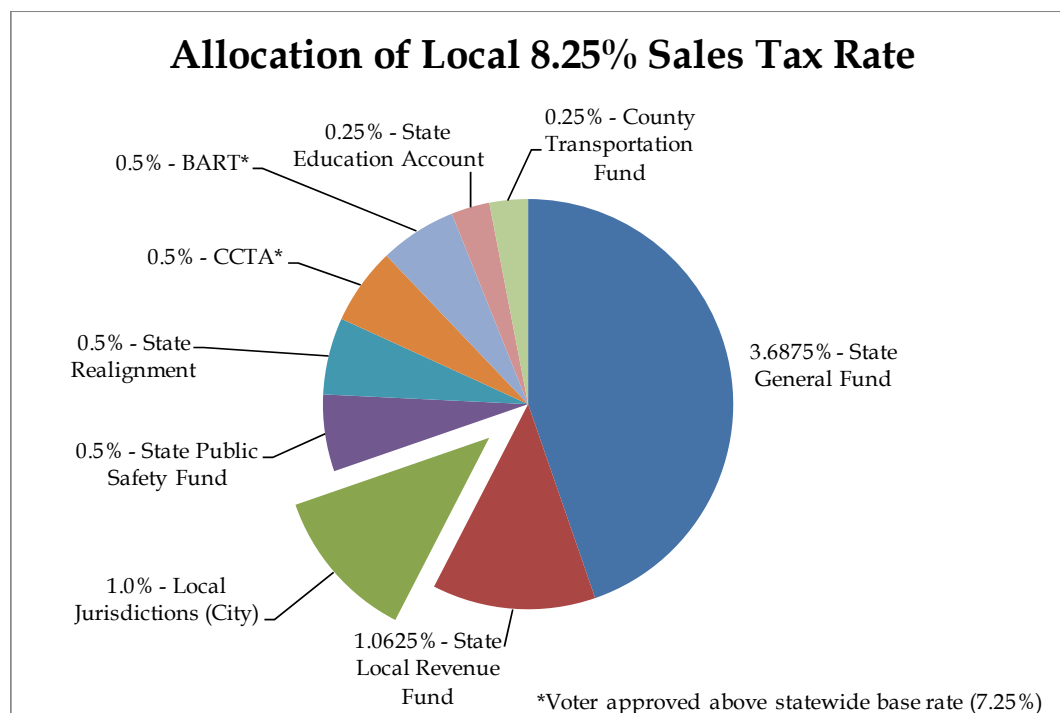
**Franchise Fees**

The third largest revenue source making up 12.0% of General Fund budgeted revenues for FY 2018-19 is franchise fees. Franchise fees are rent paid by utilities or other businesses for the privilege of using the City’s right of way (i.e. streets, sidewalks, etc.) to locate utility lines, operate vehicles, and/or conduct private business for profit. The City collects a 1.0% franchise fee from Pacific Gas & Electric and a 5.0% franchise fee from cable operators (i.e. Comcast and AT&T/Pacific Bell). In addition, the City collects a 10.0% franchise fee from Republic Services for its collection, transportation, disposal and diversion of solid waste and recyclable materials. In the City’s long-term forecasting, there is a risk that the emergence of wireless operations may eventually negatively affect this revenue source to local governments. In the more immediate future, however, it is expected that franchise fee revenues will remain relatively consistent growing by approximately 1.0% in FY 2018-19 to a total of \$560,900.

**City of Clayton  
Budget Message  
General Fund Revenues**

Sales & Use Taxes (Including “Triple Flip”)

The fourth largest revenue source making up 10.2% of General Fund budgeted revenues for FY 2018-19 is sales & use taxes. This is a tax imposed on the total retail price of any tangible personal property unless specifically exempt by the California Department of Tax and Fee Administration (Formerly the California Board of Equalization) as well as the use or storage of such property when sales tax is not paid. Although the unadjusted general state-wide sales tax rate applied to transactions is 7.25%, the basic local rate (aka “Bradley-Burns” rate) returned to local agencies (i.e. City of Clayton) is only 1.0%. This local portion is unrestricted and must be received into the General Fund. In the City of Clayton, the applicable sales tax rate is currently 8.25% due to a combination of other additional local and regional voter-approved measures. The City is projecting sales & use tax revenue of \$477,000 in FY 2018-19, which is an increase of approximately 1.9% over projected actuals for FY 2017-18. This cautious growth rate weighs optimistic factors against some pervasive risks. Optimism for growth is evidenced by historical revenue trends, the positive regional economy outlook as well as growth in the annual April 2018 consumer price index of 3.22%. These optimistic factors are ultimately held at bay through consideration of an expanding online retail market reducing the number of taxable transactions and inherent geographic limitations of the City creating a ceiling of growth potential for this revenue category. Below is a chart depicting the current allocation of the 8.25% sales tax rate applied to all taxable transactions in the City of Clayton:



**City of Clayton  
Budget Message  
General Fund Revenues**

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Redevelopment Property Tax Trust Fund Revenue

The fifth largest revenue source making up 8.8% of General Fund budgeted revenues for FY 2018-19 is the City's share of the Redevelopment Property Tax Trust Fund (RPTTF) residual balance. Pursuant to Assembly Bill 1 26x, with the Clayton Redevelopment Agency (RDA) dissolution as of February 2012 (FY 2011-12), the Clayton "Successor Agency" became the heir to the RDA. The Successor Agency receives funds through the RPTTF sufficient to pay/retire debt service and enforceable obligations of the former RDA as requested through the semi-annual "Recognized Obligation Payment Schedule" (ROPS) process, which is subject to approval by the California Department of Finance (DOF). Prior to the City of Clayton receiving its share of RPTTF taxes levied by the County, monies are first used to pay County administrative fees, required tax sharing payments (i.e. pass through payments), and approved enforceable obligations on the Successor Agency's ROPS. Thereafter, the residual balance of the County RPTTF is distributed by the County to the school entities, city, county, and special districts based on their proportionate share of property tax revenues. The City of Clayton's share of this residual balance is approximately 6.96%. The amount of RPTTF residual balance allocated to the City is negatively correlated with the amount of state-approved obligations included in each ROPS. For FY 2018-19, after incorporating the state-approved ROPS and pass-through payments, it is expected the City will receive approximately \$414,000 in RPTTF revenues, representing an 8.38% increase over projected actuals for FY 2017-18. This revenue stream ceases at such time the debt obligations of the Successor Agency are fully retired, at which time the revenue reverts to normal distribution of the 1.0% local property tax source to underlying taxing entities (including the City).

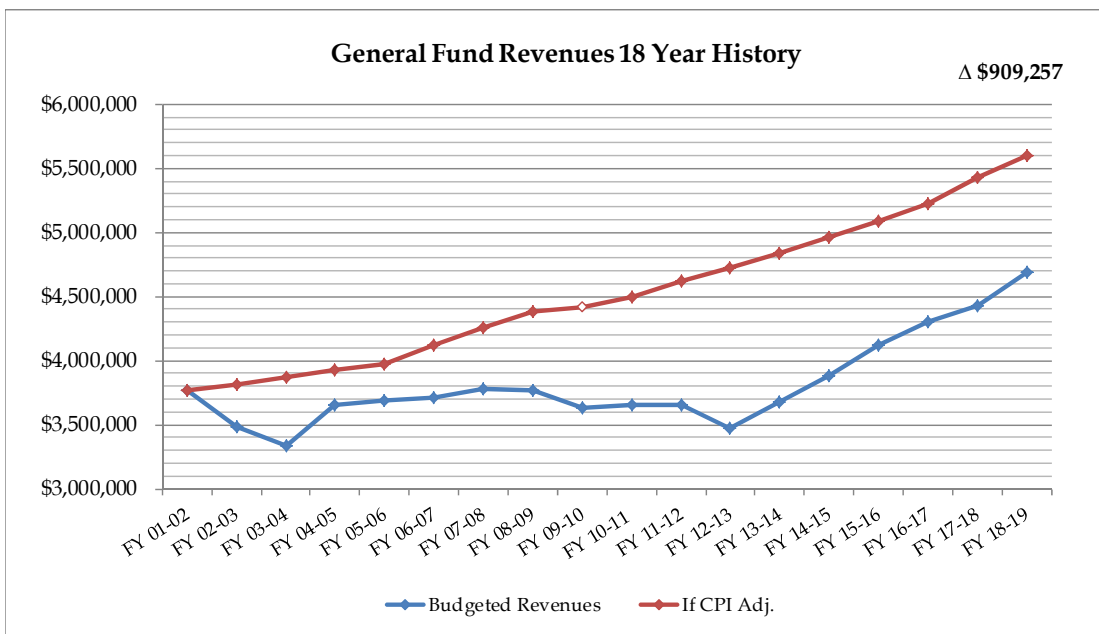
Fiduciary Funds Administrative Service Charges

The sixth largest revenue source making up 5.4% of General Fund budgeted revenues for FY 2018-19 is derived from administrative support charges from the Successor Agency and other fiduciary funds of the City. Since the creation of the Successor Agency in 2012, the City has received \$250,000 on an annual basis for administrative support services in accordance with *California Health & Safety Code* Section 34171(b). However, the Governor's May 2015 trailer bill (AB 113) placed additional restrictions on the administrative allowance an administering agency may receive, potentially resulting in a cap substantially less than the previous \$250,000 floor amount. The most detrimental impact this trailer bill was to apply an administrative allowance cap of 50% to RPTTF monies actually "received" in the prior year, rather than to the total amount of "approved" enforceable obligations. The City experienced its first loss from this new state decree in FY 2016-17 when the City received only \$231,915 for Successor Agency administrative support revenues. Pursuant to an April 12, 2018 Determination Letter issued by the DOF approving the Successor Agency's 2018-19 ROPS, the

**City of Clayton  
Budget Message  
General Fund Revenues**

City will be receiving an administrative allowance of \$234,720 for FY 2018-19. After FY 2018-19, these Successor Agency administrative revenues are projected to fluctuate annually between \$196,000 and \$250,000 until the dissolution of the Successor Agency in FY 2025-26 following the maturity of the 2014 refunding Tax Allocation Bonds. Including administrative cost recovery from the other fiduciary funds of the City, the total Fiduciary Funds Administrative Charges line item is expected to be \$254,827. This reflects a 5.5% decrease from projected actuals for FY 2018-19 resulting from the statutory cap imposed by the DOF as outlined previously. Despite the County Board of Supervisors taking over the role of Oversight Board effective July 1, 2018 pursuant to state legislation, it is still expected the City will continue to receive this annual administrative recovery revenue until dissolution of the Successor Agency. At this point no information has been made publicly available suggesting the elimination of this revenue, which would be catastrophic to the City's annual General Fund operating budget. However, given the City's exposure and the risk level, management will continue to monitor legislative action at the State and County and report significant developments to the City Council.

Overall, the principal sources of General Fund operating revenue are growing steadily, suggesting the local economy is healthy. However, when looking at a eighteen (18) year history of General Fund budgeted revenues, actual revenue growth has clearly not kept pace with inflation. The following line chart illustrates the growing difference between actual General Fund budgeted revenues versus FY 2001-02 base year revenues adjusted for annual changes in the consumer price index for the San Francisco-Oakland-Hayward region, with the difference in FY 2018-19 being \$909,257:



**City of Clayton  
Budget Message  
General Fund Expenditures**

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**GENERAL FUND EXPENDITURES**

The proposed FY 2018-19 budget incorporates total appropriations of **\$4,587,220**, which reflects an overall increase of **2.97%** in General Fund operations compared to the prior year adopted budget.

**FY 2017-18 Expenditure Projections**

The starting point for developing next year’s budget is forecasting current year results and analyzing how actual results compare to the budgetary projections. General Fund operational expenditures are expected to total approximately **\$4,370,077** by the close of FY 2017-18. If realized, this projection will result in a favorable budgetary variance with operational expenditures coming in **\$84,973** less than the adopted FY 2017-18 General Fund budget of \$4,455,050.

The bulk of this favorable budgetary variance on the expenditure side is attributable to savings in the Police Department, where expenditures are projected to fall short of authorized appropriations by 4.3%. This variance is primarily a result of some unexpected personnel attrition in the police department, where more seasoned personnel at maximum step levels were replaced with newer personnel hired at lower step levels. Currently the Police Department is at full staff and the FY 2018-19 Proposed Budget continues to plan for a full workforce of thirteen full-time benefited employees, including eleven sworn police officers and two office staff.

**FY 2018-19 Proposed Appropriations**

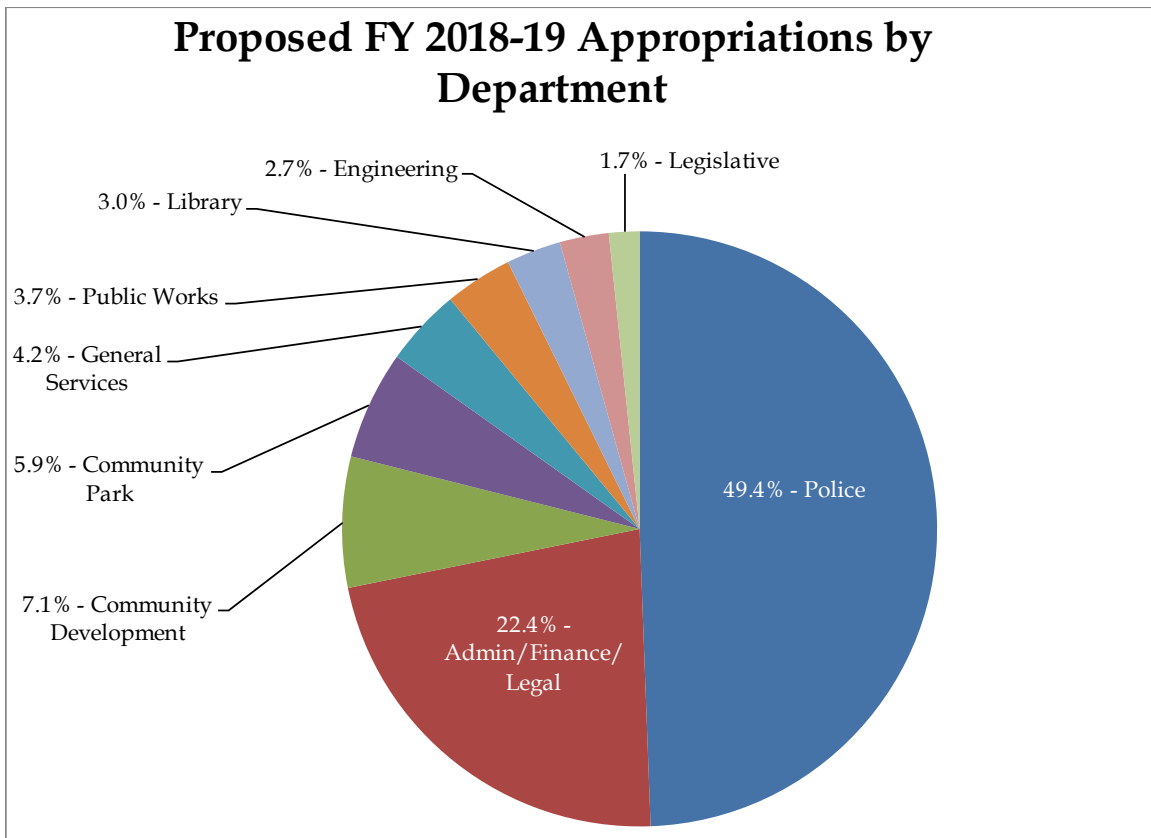
The following table provides a year-to-year comparison of proposed General Fund appropriations at the department level:

<b>GENERAL FUND DEPARTMENTAL ADOPTED BUDGETS</b>			
<b>DEPARTMENT</b>	<b>FY 2018-19</b>	<b>FY 2017-18</b>	<b>% CHANGE</b>
LEGISLATIVE	\$ 75,820	\$ 65,650	15.49%
ADMIN / FINANCE / LEGAL	1,027,820	956,090	7.50%
PUBLIC WORKS	168,510	147,180	14.49%
COMMUNITY DEVELOPMENT	325,840	308,040	5.78%
GENERAL SERVICES	193,360	157,800	22.53%
POLICE	2,266,590	2,373,460	-4.50%
LIBRARY	136,690	135,550	0.84%
ENGINEERING	122,320	94,600	29.30%
COMMUNITY PARK	270,270	216,680	24.73%
<b>TOTAL</b>	<b>\$ 4,587,220</b>	<b>\$ 4,455,050</b>	<b>2.97%</b>

**City of Clayton  
Budget Message  
General Fund Expenditures**

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In the aggregate, total proposed appropriations for FY 2018-19 are 2.97% higher than those of the prior year adopted budget. This increase is nearly entirely attributable to unavoidable fixed cost increases while continuing to provide the same level of public services to the community. The following pie chart illustrates each department's proportionate share of total proposed General Fund appropriations for FY 2018-19:



The order of departmental appropriations by proportional share of the General Fund is consistent with the prior year's adopted budget. The Police Department's slice of the General Fund operational budget pie was notably lower than ordinary at 49.4%, representing a decrease of 3.9% from the prior year's adopted budget. The main cause of this atypical decrease results from a non-recurring decrease in the CalPERS unfunded liability fixed dollar contribution requirement for the Public Safety "Classic" Tier I retirement plan following the full amortization of the corresponding side fund unfunded liability. This resulted in an immediate and non-recurring decrease to the PERS Retirement - Unfunded Liability expense line item of \$138,900 (49.26%). Furthermore, the Police Department's FY 2018-19 Proposed Budget does not yet incorporate any compensation adjustments for the City's ten sworn officers of the Police Officers Association (POA) due to the expiration of the current collective bargaining

**City of Clayton  
Budget Message  
General Fund Expenditures**

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memorandum of understanding on July 1, 2018. However, it should be noted the City Manager is currently in the final stages of reaching agreement with the POA, which is expected to be recommended to the City Council for approval at the June 19, 2018 City Council meeting. The current percentage depicted above is expected to “normalize” closer to a 50% or greater share of the General Fund pie following the approval of a new POA labor agreement. Generally, when looking at the departmental distribution of appropriations, every \$1.00 paid by taxpayers as general tax revenue to the City, slightly over one-half of the tax monies (>50¢ of every \$1) is used to provide local law enforcement services to the community.

As a service-provider organization, it is expected the expense for personnel services comprises the bulk of General Fund appropriations. The proportion of expenditures related to personnel services decreased slightly by 3.11% to a total of approximately 66.1% of the overall proposed General Fund budget, largely due to the current status quo assumption for the Police Officer’s Association labor agreement. Overall the proportion of General Fund appropriations attributable to labor-related costs has been controlled and remained relatively steady at approximately two-thirds of the General Fund budget over the past five-plus years.

Legislative Department (No. 01)

This is the smallest General Fund department making up 1.7% of proposed budgeted expenditures. Services funded by this department include but are not limited to: City Council members to set policy goals and objectives for the community, regular and special meetings of the City Council and recordings thereof, administering elections, and steering City promotional activities. Proposed appropriations of this department reflect an increase of 15.49% as it is anticipated there will be a general municipal election occurring in FY 2018-19, as was not the case in FY 2017-18.

Admin / Finance / Legal Department (No. 02)

This department makes up 22.4% of General Fund Proposed Budget expenditures. By its nature, the Admin/Finance/Legal Department provides essential administrative, oversight, and supportive services for all of the City’s direct-cost programs including but not limited to: police, community development, parks and landscape maintenance services, capital improvements, etc. Several specific functions funded by this department include but are not limited to: executive management and policy execution; legal counsel; human resources; financial, budgetary and compliance reporting; treasury and investment management; payroll and benefits administration; disbursements; revenue collection; records retention management and public records act facilitation; and facility rentals. Proposed appropriations reflect an increase of 7.5% over the prior year adopted budget. The primary explanation for this

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Budget Message  
General Fund Expenditures**

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increase is the Admin/Finance/Legal Department's proportional share of the increase in mandatory CalPERS unfunded liability fixed dollar contribution requirements as well as a cost of living adjustment included in the third and final year of the current miscellaneous employee group memorandum of agreement.

Public Works Department (No. 03)

This department makes up 3.7% of General Fund Proposed Budget expenditures. Services funded by the Public Works Department include but are not limited to the maintenance of city hall and other facilities, grounds, and buildings as well as maintenance of the City's five neighborhood parks (El Molino, Lydia Lane, North Valley, Stranahan, Westwood). Proposed appropriations of this department reflect a noteworthy increase of 14.49% over the prior year attributable to the restoration of Capital Equipment Replacement Fund (CERF) charges to more adequately fund the replacement of maintenance vehicles as well as a cost of living adjustment included in the third and final year of the current miscellaneous employee group memorandum of agreement.

Community Development Department (No. 04)

This department makes up 7.1% of General Fund Proposed Budget expenditures. Services funded by the Community Development Department include but are not limited to: long-range planning and special studies (i.e. transportation, housing, zoning, etc.); ensuring compliance of land development and private party design proposals with local, state and federal regulations; municipal code enforcement; and administration of the city's low to moderate income housing program. Proposed appropriations reflect an increase of 5.78% over the prior year adopted budget. This increase in this department is primarily attributable to approval by the City Council on January 16, 2018 to adjust the salary ranges of four management employment positions, which included the Community Development Director.

General Services Department (No. 05)

This department makes up 4.2% of General Fund Proposed Budget expenditures. By its nature, the General Services Department captures essential support costs shared amongst all of the City's departments and funds. Several specific functions funded by this department include but are not limited to: city-wide risk management and insurance premiums; computer, software, and network technology support; and office supplies and shared printer/copy/scanning costs (excluding those of the police department which is tracked separately). Proposed appropriations for this department are expected to spike by 12.67% over the prior year adopted budget. This increase is primarily attributable to increases in Municipal Pooling Authority (MPA) general liability and excess

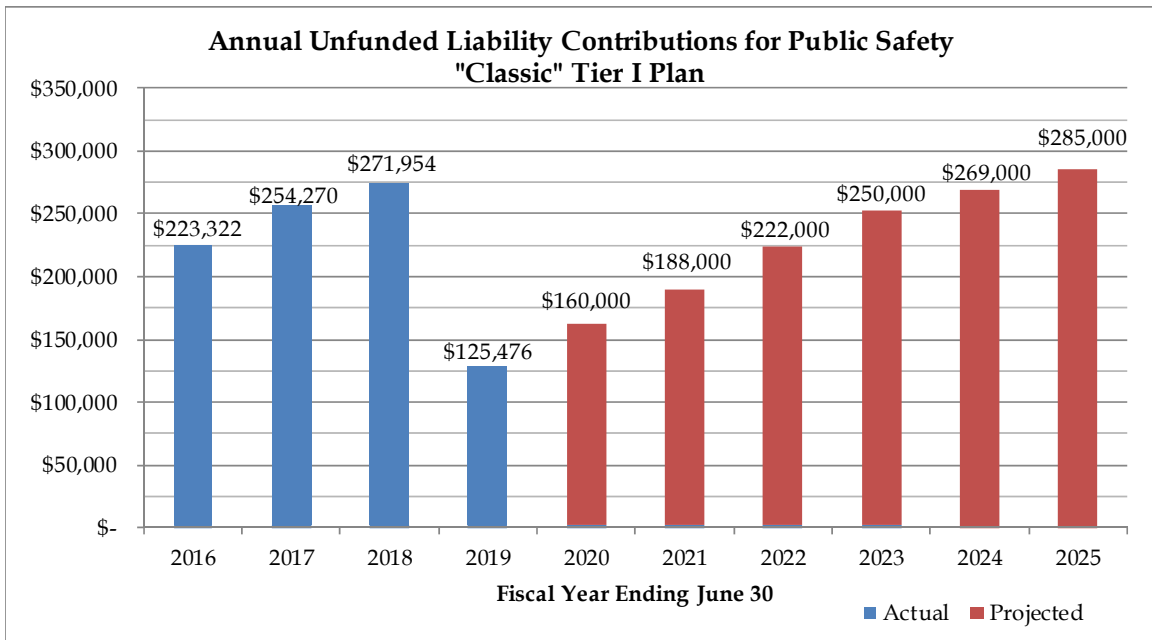


**City of Clayton  
Budget Message  
General Fund Expenditures**

liability insurance premiums due to shared risk experience trends of other MPA member cities.

Police Department (No. 06)

This is the largest General Fund department making up 49.4% of proposed budgeted expenditures. Services funded by the Police Department include but are not limited to: traffic enforcement, vehicle collision and crime investigation, contract animal control and dispatch services, and police records management. Proposed appropriations currently reflect an unusual decrease of 4.50% from the prior year adopted budget. As noted previously, this decrease is primarily attributable to a non-recurring decrease in the CalPERS unfunded liability fixed dollar contribution requirement for the Public Safety "Classic" Tier I retirement plan following the full amortization of the corresponding side fund unfunded liability. The immediate impact of the full amortization of the Tier I side fund is evidenced by the decrease to the FY 2018-19 Police Department budget's PERS Retirement - Unfunded Liability expense line item by \$138,900 (49.26%) to a total line item expenditure of \$143,100. The savings realized in FY 2018-19 should be considered cautionary and non-recurring as the latest CalPERS actuarial reports made publicly available in August 2017 show a gradual "claw-back" of these savings as illustrated in the chart below:



Although CalPERS' claw back of unfunded liability contribution savings realized in FY 2018-19 is gradual and does not return to the pre-side fund payoff until FY 2024-25, there are some more long-term variables to consider. Chiefly, this chart

**City of Clayton  
Budget Message  
General Fund Expenditures**

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excludes the impact of normal cost pension contributions based on a percentage of pensionable wages for which rates are already scheduled to increase gradually on an annual basis through FY 2020-21. Secondly, these CalPERS estimates assume an investment return of 7.375%, 7.25%, and 7.0% for FY 2016-17, FY 2017-18, and FY 2018-19 (and thereafter) respectively. Should the investment return for these three years differ, the actual contribution requirements for FY 2019-20 will differ from the projections shown in the previous chart.

Library Department (No. 07)

This department makes up 3.0% of General Fund Proposed Budget expenditures. Services funded by the Library Department include but are not limited to: City maintenance of the City-owned Clayton Community Library building, grounds and equipment, and funding Sunday and weekday County Library staffing hours beyond the County's base of 35 hours a week. Proposed appropriations are relatively steady and only reflect a modest increase of only 0.84%.

Engineering Department (No. 08)

This department makes up 2.7% of General Fund Proposed Budget expenditures. Services funded by the Engineering Department include but are not limited to: administration of the City's capital improvement program, plan check and review of construction/development plans, administration of the City's encroachment permit program, and management of various benefit assessment districts. On August 14, 2017 the City Council authorized a one year professional services contract with Harris & Associates for contract city engineering services. Proposed appropriations of this department spiked by 29.30% over the prior year adopted budget reflecting the higher retainer price of the new Harris & Associates contract, which is a reputable firm with greater state-wide municipal presence. Of key importance to note is the Proposed Budget currently assumes status quo contract terms through FY 2018-19 despite the expiration of the contract in August 2018.

Clayton Community Park Department (No. 09)

This department makes up 5.9% of General Fund Proposed Budget expenditures. Services funded by the Clayton Community Park Department include but are not limited to: landscaping of the Clayton Community Park grounds, maintenance of recreational sporting fields and related equipment/facilities, repairs and maintenance of water irrigation network, and trash removal. Proposed appropriations reflect an upsurge of 24.73% to reflect the normalization of irrigation costs following prior drought conditions as well as 6% increase in water rates approved by the Contra Costa Water District on January 3, 2018.

**City of Clayton  
Budget Message  
General Fund Reserves**

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**GENERAL FUND RESERVES**

**FY 2017-18 Projected Operational Surplus**

The prior year adopted City Budget anticipated a surplus resulting from operations of \$10,830. Due to favorable revenue and expenditure budgetary variances, it is projected that FY 2017-18 will close with an operational surplus of **\$101,970**. This favorable revenue variance arises from better than estimated outcomes in ordinary operational revenue line items as described in the FY 2017-18 Revenue Projections section previously. The actual FY 2017-18 operational expenditures are expected to come in slightly under budget due to the attrition of several tenured and higher step level personnel in the City's police workforce over the past year.

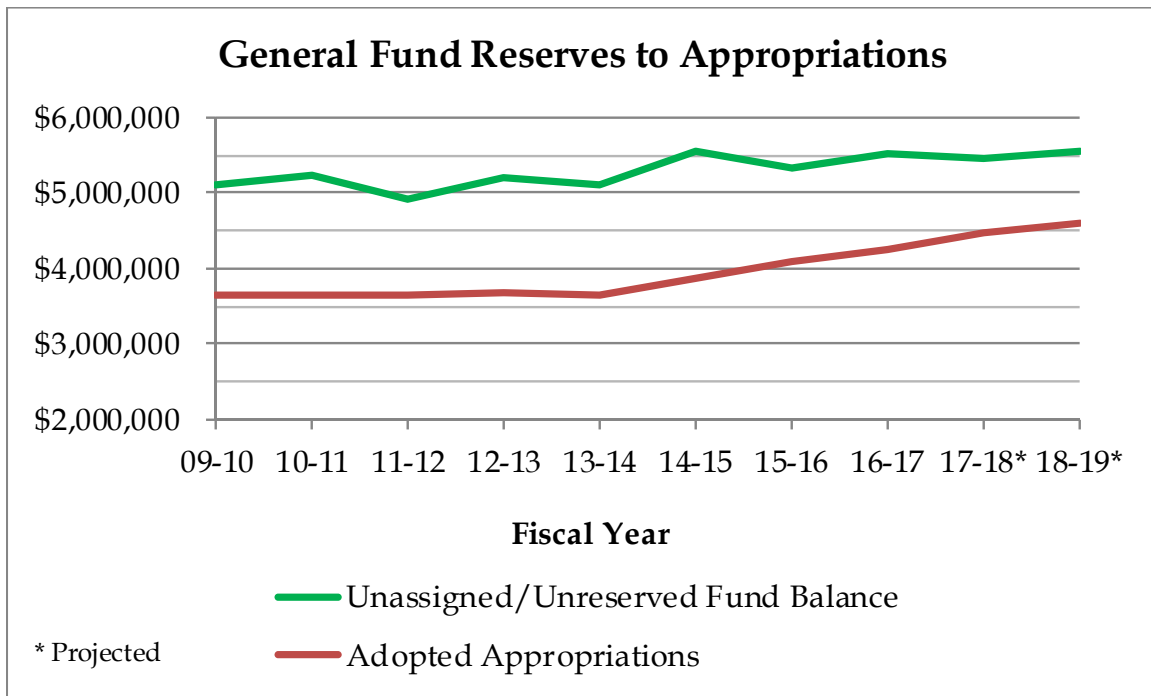
**General Fund Reserve Earmarks Authorized by the City Council**

Concurrent with the receipt of a "clean" opinion from the City's independent auditing firm of Cropper Accountancy Corporation presented to the City Council on October 17, 2017, the City learned FY 2016-17 operations closed with an overage in fund balance of \$299,222 in the General Fund, as evidenced on page 29 of the City's audited Comprehensive Annual Financial Report (CAFR). In this same CAFR, the City's General Fund reported a total positive fund balance of \$5,917,281, of which \$5,429,524 is reported as "unassigned" and available for appropriation. The General Fund unassigned reserve balance at June 30, 2017 exceeded appropriations of the adopted FY 2017-18 General Fund operating budget by **1.21 times**. In contrast, this same ratio of reserves to operating budget for Lafayette and Moraga is 0.69 and 0.27 respectively. This means unlike these fine neighboring cities, the City of Clayton could operate for one fiscal year entirely on reserves alone.

With the General Fund primarily shouldering the bulk of essential public services to our community and for the operations of the municipality (e.g. personnel services), it is often difficult to incorporate larger ticket items into the annual budget while maintaining the City Council's policy of producing an annually-balanced budget with operating surplus. Therefore, the General Fund reserve is multipurpose in its function as the City's "savings account", not only for emergency and disaster purposes, but also to underwrite one-time expenditure items that are merely too large and non-recurring in nature to tuck into a normal balanced operating budget.

**City of Clayton  
Budget Message  
General Fund Reserves**

The following illustrates a ten year comparison by fiscal year, of beginning General Fund reserves to adopted appropriations. In order to avoid over-inflation, General Fund reserves are defined as total General Fund balance per the underlying audited financial statements less any outstanding City Council-approved assignments or commitments of excess reserves.



Given the healthy position of the City of Clayton’s reserves and the need to address non-recurring operational unmet needs of the City, the City Council has three times previously directed staff to utilize recent General Fund annual excess for specific critical technological, infrastructural, and operational purposes. Since the specific needs approved by the City Council would not be sustainable in an ordinary balanced operating budget, the utilization of recent excesses is a responsible use of built-up reserves presuming there remains a sufficient balance to cover next year’s General Fund operational budget in an emergency situation. Categorized as being non-recurring and non-operational in nature, expenditures pertaining to the completion of these authorized projects are not reported as part of the operational budget but tracked separately.

The following is a summary of previous actions taken by the City Council to earmark the General Fund excesses for specific purposes:

Earmark of FY 2014-15 General Fund Excess

During FY 2015-16, on February 3, 2016, the City Council took action to utilize the General Fund excess (\$389,895) reported in the FY 2014-15 audited financial

**City of Clayton  
Budget Message  
General Fund Reserves**

statements to address pressing one-time needs of the City. As reported in the City's audited FY 2015-16 CAFR, \$278,853 of the General Fund reserve was reported as "assigned," which represented the unspent balance the reserve balance earmarked by the City Council on February 3, 2016. Accordingly, this unspent balance was carried forward into FY 2016-17 to address the remaining specifically identified one-time needs identified by the City Council. By the close of FY 2016-17, ten of the fourteen original projects approved by the City Council had been completed by City staff, leaving a residual balance of **\$220,168** rolling into FY 2017-18 for completion. The following table summarizes the historical and projected progress on each of the one-time projects authorized by the City Council on February 3, 2016:

Project Description	Original Amount Authorized	Amount Rolled to FY 2016-17 to Complete	Amount Rolled to FY 2017-18 to Complete	Amount Rolled to FY 2018-19 to Complete (Est.)
1. Exterior repaint of city hall	\$ 6,900	\$ -	\$ -	\$ -
2. Exterior/interior repaint of Endeavor Hall	12,240	-	-	-
3. Refinish oak wood floor at Endeavor Hall	5,473	-	-	-
4. Reseal Endeavor Hall concrete walkway	1,250	1,250	-	-
5. Ten (10) additional trash receptacles at CCP	18,322	-	-	-
6. Replace three (3) grills at CCP	1,724	-	-	-
7. Clean/reseal two (2) restroom floors at CCP	4,900	4,900	-	-
8. Purchase new public works mini-excavator	46,243	-	-	-
9. Keller outhouse demolition	20,000	18,668	18,668	-
10. Police cameras at city entry/exit points	132,983	132,817	132,817	-
11. Police labor overlap and training for attrition	38,237	20,881	-	-
12. Upgrade city website and IT services	47,000	47,000	15,346	-
13. Electronic records management (laserfiche)	48,337	48,337	48,337	48,337
14. Searchable online municipal code	5,000	5,000	5,000	5,000
	<u>\$ 388,609</u>	<u>\$ 278,853</u>	<u>\$ 220,168</u>	<u>\$ 53,337</u>

**Earmark of FY 2015-16 General Fund Excess**

During FY 2016-17, on February 21, 2017, the City Council took action to utilize the General Fund excess (\$203,325) reported in the FY 2015-16 audited CAFR to address an updated priority list of pressing one-time needs of the City. Both of the two projects approved by the City Council to be financed with these excess reserves were in progress by the close of FY 2016-17. Accordingly, the unspent balance of **\$195,072** was rolled into FY 2017-18 for completion. The following table summarizes the historical and projected status of each of the one-time projects authorized by the City Council on February 21, 2017:

Project Description	Original Amount Authorized	Amount Rolled to FY 2017-18 to Complete	Amount Rolled to FY 2018-19 to Complete (Est.)
1. Pension stabilization internal service fund	\$ 110,000	\$ 110,000	\$ -
2. Bid specifications and HVAC drawing	7,950	7,950	-
3. Replace AC unit at city hall	61,500	61,500	-
4. Replace heater unit at city hall	23,875	23,875	-
	<u>\$ 203,325</u>	<u>\$ 203,325</u>	<u>\$ -</u>

**City of Clayton  
Budget Message  
General Fund Reserves**

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Earmark of FY 2016-17 General Fund Excess

During FY 2017-18, on January 16, 2018, the City Council took action to utilize the General Fund excess (\$299,000) reported in the FY 2016-17 audited CAFR to address an updated priority list of the remaining one-time needs of the City. Five of the six projects approved by the City Council to be financed with these excess reserves are expected to still be in progress by the close of the current year and roll into of FY 2018-19 for completion. The following table summarizes the historical and projected status of each of the one-time projects authorized by the City Council on January 16, 2018:

Project Description	Original Amount Authorized	Amount Rolled to FY 2018-19 to Complete (Est.)
1. Replace mobile data terminals - 9 Units	\$ 96,000	\$ 96,000
2. Install new AT&T line for DOJ data connect	25,000	23,220
3. Consultant to re-evaluate open space fee	25,000	25,000
4. Green infrastructure plan	50,000	50,000
5. Update local hazard mitigation plan	45,000	24,515
6. Augment pension rate stabilization fund	58,000	-
	<u>\$ 299,000</u>	<u>\$ 218,735</u>

**FY 2018-19 General Fund Reserves Status**

By set Council Policy, an absolute minimum reserve of \$250,000 as its never-to-be-expended “catastrophic reserve”. In practice this is implemented and easily complied with, indicating perhaps this floor requirement should be elevated sometime in the future. However, the practicing Policy Goal of the City Council is to establish and retain an undesignated reserve of 50% relative to the annual General Fund Budget. When incorporating projections on how FY 2017-18 will close, the total opening General Fund reserves, net of outstanding City Council earmarks of reserves, is estimated to be **\$5,450,828** as of July 1, 2018, or **1.19 times** the proposed General Fund appropriations for FY 2018-19. Subtracting the “untouchable” \$250,000 reserve lowers our true reserve equity to a position of **1.13 times** (\$5,200,828). This measurement demonstrates the effectiveness of the City’s fiscal policies.

**City of Clayton  
Budget Message  
Special Revenue Funds**

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**SPECIAL REVENUE FUNDS**

An appendage to the General Fund operations of the City, the City Council and staff are charged with stewardship over the provision of public services employing restricted-use monies accounted for in *special revenue funds*. In accordance with the Government Accounting Standards Board (GASB), special revenue funds are “governmental funds used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.” In total, the City currently has twelve (12) such special revenue funds that account for such restricted use monies. Strict controls and regulations are placed on the City’s special revenue funds’ express purpose and expenditure. These funds are in essence self-contained operations yet form a critical portion of the overall City Budget as these funds underwrite much of the public service and improvement mission of the City. The following section provides a discussion of the fiscal status of each of these special revenue funds.

**A. HUTA Gas Tax Fund – No. 201**

Derived from layers of state transportation taxes on the sale of gasoline [*California Street and Highway Code*, Sections 2105, 2106, 2107 and 2107.5; voter-approved Proposition 42 “Traffic Congestion Relief Act” monies], this group of revenues is deposited into a fund referred to as the City’s “Highway Users Tax Account (HUTA) Gas Tax Fund”. Local HUTA funds in the past have been a reliable source of funding for cities since the 1970s and are universally used to fund local road maintenance and repairs. The use of HUTA gas taxes is restricted by Article XIX of the California State Constitution and by *California Streets and Highways Code* section 2101. All HUTA gas taxes must be expended for the following:

- The research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for non-motorized traffic), including the mitigation of their environmental impacts, the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes.
- The research and planning for exclusive public mass transit guideways (and their related fixed facilities), the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes.
- The construction and improvement of exclusive public mass transit guideways (and their related fixed facilities), including the mitigation of their environmental effects, the payment for property taken or damaged for such purposes, the administrative costs necessarily incurred in the foregoing purposes, and the maintenance of the structures and the immediate right-of-way for the public mass transit guideways.

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- The payment of principal and interest on voter-approved bonds issued for the purposes specified above.

Historically, the City of Clayton has generally used HUTA monies to perform annual street re-striping and safety re-markings, traffic regulation and warning signs and replacements, resealing of street cracks, sidewalk and gutter repairs, replacement of street name signs, operation and repair of arterial street lights, and traffic signal maintenance.

Due to the City's pattern of heavy reinvestment of HUTA tax funds into maintenance and repair of local streets and roads, our City has been successful in its upkeep of this infrastructure. In total, the City has invested approximately \$580,000 of HUTA tax monies into street repaving and improvements capital projects over the last 10 years (since FY 2008-09). This accomplishment has enabled Clayton to consistently remain in the Top 5 best average pavement condition streets within Contra Costa County. Clayton is currently tied at No. 1 in Contra Costa County with an average system-wide PCI of 85. This Pavement Condition Index (PCI) ranks Clayton's street system in the "Very Good" category, with the average Bay Area PCI being 66. Clayton's latest rating was the result of a P-TAP grant from the Metropolitan Transportation Commission in 2016. The City is currently undertaking another street condition rating study with results expected around April 2019. Pavements are rated from 0 to 100 with 100 being the index assigned to a newly paved street.

Utilizing the latest projection published by the League of California Cities on May 30, 2018, FY 2018-19 HUTA tax revenues are estimated to total \$253,304, reflecting a slight decrease of approximately 0.9% from FY 2017-18 HUTA taxes. This minor decrease is likely due to fluctuations caused by lower gas prices over the past year as well as gradual consumer trend to fuel efficient and alternative energy vehicles. The City's HUTA Gas Tax Fund is projected to open FY 2018-19 with positive reserve balance of \$320,901. In the adopted FY 2017-18 budget, this balance was earmarked for the completion of the Keller Ridge Collector Street Rehabilitation (CIP 10425) and the 2018 Neighborhood Street Repave (CIP 10436) projects. However, these projects were still in the planning and design phase by the close of FY 2017-18 and are proposed roll into the FY 2018-19 budget for re-appropriation into the same projects.

After allocation of monies for basic transportation maintenance and operation expenses (e.g. electricity for arterial street lights and traffic signals at \$54,000; traffic signal maintenance performed by the County at \$20,000; City Maintenance personnel compensation of \$40,650 for street maintenance tasks and traffic sign replacements; general street maintenance supplies at \$12,000), it is proposed to appropriate HUTA gas



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tax transfers of \$443,650 (72.3% of total appropriations) to the City's Capital Improvement Project Budget for the following street improvements and repairs:

ADA Sidewalk/Parking Improvements	\$ 6,000	CIP 10394A (annual)
Kell Ridge Collector Street Rehabilitation	277,988	CIP 10425
2018 Neighborhood Street Repave	159,662	CIP 10436
<b>Total</b>	<u>\$ 443,650</u>	

Consistent with the prior year plan in order to use existing HUTA Gas Tax fund reserves for eligible City streets projects, the proposed budget plans to draw down all available reserves and end FY 2018-19 with fund balance of zero.

**B. RMRA Gas Tax Fund - No. 202**

The Road Repair and Accountability Act of 2017, also referred to as Senate Bill 1 (SB1), is a significant new investment in California's transportation systems of approximately \$5.2 billion per year. SB1 increased the per gallon fuel excise taxes, diesel fuel sales taxes and vehicle registration taxes, sought to stabilize the problematic price-based fuel tax rates and provide for inflationary adjustments to rates in future years. In result, SB1 more than doubled local streets and road funds allocated through the existing HUTA (described previously), allocating monies from new taxes through the establishment of a new Road Maintenance and Rehabilitation Account (RMRA).

The RMRA receives monies from the following new taxes imposed under SB1:

- A 12¢ per gallon increase to the gasoline excise tax effective November 1, 2017.
- A 12¢ per gallon increase to the diesel fuel excise tax effective November 1, 2017, half of which is allocated to the Trade Corridors Enhancement Account with the remaining half to the RMRA.
- A new vehicle registration tax called the "transportation improvement fee," effective January 1, 2018, based on vehicle market value.
- An additional new \$100 vehicle registration tax on zero emission vehicles model year 2020 and later effective July 1, 2020.
- Annual rate increases to these taxes beginning July 1, 2020 (July 1, 2021 for the ZEV fee), and every July 1<sup>st</sup> thereafter for the change in the California consumer price index (CPI). The first adjustment made on July 1, 2020 will cover the CPI change for the two year timeframe November 1, 2017 through November 12, 2019.

The restricted-use of RMRA gas tax monies is similar, but not identical, to HUTA gas tax monies. Pursuant to *California Streets and Highways Code* section 2030, RMRA allocations must be deposited into a separate restricted-use fund and may only be used for projects that include but are not limited to: road maintenance and rehabilitation,

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safety projects, railroad grade separations, traffic control devices, and complete street components.

On September 19, 2017 the City Council authorized the amendment of the Capital Improvement Program budget to earmark the entire balance of FY 2017-18 RMRA monies for the 2018 Neighborhood Streets Repave Project (CIP 10436). As this project was still in the planning and design phase and had not incurred any RMRA-reimbursable expenditures at the conclusion of FY 2017-18, the appropriations for this project are proposed to roll into FY 2018-19 for completion. Accordingly, the RMRA Gas Tax fund is projected to open FY 2018-19 with a positive fund balance of \$64,855 available for eligible projects. After the inclusion of projected FY 2018-19 fund revenues of \$189,383, the proposed budget includes plans for a transfer of RMRA gas tax monies of \$254,238 to the City’s Capital Improvement Project budget for the following street improvements and repairs:

Pine Hollow Road Upgrades	189,883	CIP 10379
2018 Neighborhood Street Repave	64,355	CIP 10436
<b>Total</b>	<b>\$ 254,238</b>	

Consistent with the City’s regular objective to use all available HUTA gas tax reserves for eligible City streets projects, the proposed RMRA Gas Tax fund budget also plans to draw down all available reserves and end FY 2018-19 with a zero fund balance.

**C. Citywide Landscape Maintenance District - Fund No. 210**

In June 2007, Clayton voters approved a replacement real property special tax to continue funding the operation and maintenance of its citywide public landscaped areas. This voter action created the City of Clayton Landscape Maintenance Community Facilities District 2007-1 (LMD). This annual parcel tax is restricted to landscape costs associated with: arterial and specified roadway medians and parkways, the trails system, the annual open space non-native (exotic) invasive weed abatement in city-owned open space of the area hills, the annual open space and trails weed abatement for fire and public safety, landscape and turf irrigation and the monthly maintenance and special occasion/holiday operation of the “Clayton Fountain”. Operations for the LMD are separately accounted for by the City in a restricted special revenue fund.

Measure B, the 2007 ballot measure, expired June 30, 2017. Given this was the only source of funds for the maintenance and operation of the LMD, in order continue this sole funding a special parcel tax, “Measure H” was placed before the voters on the June 7, 2016 ballot needing two-thirds (66.67%) voter approval. In June 2016, the voters overwhelmingly elected (77.1% positive vote) to extend the LMD special parcel tax for an additional ten (10) years.

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Maintenance of City parks is not included as an authorized expenditure under the LMD Act; park maintenance obligations fall to the City’s General Fund. *Citywide public landscaping services have always been funded by a special parcel tax levied on private properties throughout the City.* The LMD has now completed its first year of operation under Measure H. The LMD has a City Council-appointed trails and landscaping citizens’ oversight committee (TLC) that meets periodically to ensure the promised maintenance standards and efficiencies are achieved and reviews the budget ensuring these special-purpose tax revenues are used for their intended purpose as established under the previous ballot measure for the LMD.

Pursuant to the terms of voter-approved Measure H, the special parcel tax rate may be modified annually by the change in the consumer price index (CPI) as published by the US Bureau of Labor and Statistics from April to April for this geographic region (San Francisco-Oakland-Hayward, CA). In no event shall the parcel tax rate be increased by more than 3.0% annually. Given the CPI change (from April 2017 to April 2018) posted at 3.22%, the special parcel tax growth factor must be capped at 3.0% for FY 2018-19. Accordingly, the LMD’S projected revenues are proposed to be increased by 3.0% to a total of \$1,121,746 for FY 2018-19. This results in a modest increase to LMD special parcel tax revenues of \$32,469 over the prior year adopted budget. The capped CPI growth adjustment will result in an increase of \$7.44 per residential parcel over the prior year rate (last year’s single family rate was \$248.42; including the capped CPI adjustment factor the new single-family parcel rate will be \$255.86).

Since 2008, the LMD has used approximately \$1,295,208 of these special tax funds for public landscape and irrigation and trail system improvements. When including an additional \$567,000 of prior-approved projects rolled forward into FY 2018-19, the LMD will have invested over \$1.8 million into landscape related capital improvements in addition to maintaining current landscaping.

For FY 2018-19, the LMD has budgeted to fund the following prior-approved landscape improvement projects:

Downtown Planters Replacement Project	\$ 280,157
Removal of 18 Eucalyptus Trees in Open Space Hills	185,000
Replace Irrigation System Centra Control Field Panel	20,000
Subtotal	485,157
Subdivision/City Entry Sign Replacement Contingency	2,000
<b>Grand Total</b>	<b>\$ 487,157</b>

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The proposed LMD budget is a balanced operational budget, utilizing fund balance to undertake non-annual capital improvement projects. This practice is consistent with prior year budgets as the LMD is pay-as-you-go for such improvements, responsibly drawing on fund balance as needed. The budget expenses are primarily adjusted for increased costs from outside agencies as well as for fuel, fertilizer, water, etc.

Prior year's City Council adopted budget included the Downtown Planters (Main Street) replacement project at an estimated \$300,000. Of this amount \$30,000 for plans/specs, and \$270,000 estimated for construction). By the close of FY 2017-18, it is projected \$19,843 has been spent on plan preparation and specifications (\$19,069 in FY 2016-17, and \$774 in FY 2017-18). This leaves a remaining amount that rolls forward of \$280,157. The estimated construction costs are currently \$270,000 and were approved by the City Council in the FY 2017-18 LMD budget. The new City Engineer has been working on street repair and repaving projects and the timing of this project has been delayed, therefore the funding will roll forward to allow this project to move forward in FY 2018-19. The next steps in the process are administrative staff functions which include the City Engineer to review and finalize construction bid documents, and put the project out to bid. The lowest responsive and responsible bidder would then be recommended directly to the City Council for action.

In FY 2017-18 staff identified the need to remove 18 large Eucalyptus trees (\$185,000) in the open space near Regency Drive/El Molino and along a portion of the Cardinet Trail behind the homes on Rachel Ranch, and two remaining trees on Lydia Lane near the park entry. To-date only one of these trees has been removed. The remaining trees are planned for removal early next year with the appropriations being rolled forward to FY 2018-19 proposed budget.

Two years ago the adopted budget included a city-wide subdivision entry re-landscaping project at \$300,000. Although concept plans were approved, outside landscape architect services were needed to survey all utilities/irrigation and prepare construction level plans and specifications for public bidding. Staff has not been able to locate a qualified landscape architect that has the time or inclination to provide a proposal for this work. Therefore last year (FY 2017-18) the City Council put a hold on the project and directed the allocated funds to be returned to LMD reserves in FY 2017-18. There are no plans to move forward with this project at this time.

The proposed budget is a balanced budget, with the use of the LMD fund balance, which has been done in the past in order to undertake certain replacement or repair projects as the LMD is a pay as you go system drawing on the fund balance as needed. The budgeted expenditures are primarily adjusted for increased costs from outside agencies as well as for fuel, fertilizer etc. The District over the past year has generated a sufficient reserve balance to allow the consideration of new landscaping projects to be

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undertaken. Although an ending fund balance of \$793,019 is projected, staff is not proposing additional capital project beyond that described above in FY 2018-19, in order to allow sufficient time to complete prior City Council approved projects.

An enormous impact on LMD operations from FY 2012-13 through FY 2016-17 was the declared drought conditions and the severe water conservation reductions imposed by Contra Costa Water District (CCWD) as directed by the Governor's Executive Order Emergency declaration. While homeowners were placed under a 25% reduction plan, city and commercial irrigation water consumers were set at a massive 45% mandatory water reduction order. With irrigation cutbacks of that magnitude the LMD suspended irrigation water to turf and bushes, reserving restricted water supplies to irrigate public trees. The LMD also halted all operation of the Clayton Fountain (even though it is a recirculating fountain) and reduced outside watering to two days per week. This action plan impacted some of the water intensive landscape in order to sustain the more valuable plants and mature signature trees in the LMD. Capital improvement projects engaged during the drought were hardscape-only oriented.

Although the State of California and CCWD relaxed water restrictions, allowing more additional outdoor water irrigation uses than in the prior year, there are still reductions needed to balance against water cost increases. The proposed budget for LMD water irrigation supply service incorporates a large projected water cost increase of \$27,000 over the prior year adopted budget, bringing the total budgeted water supply expenditure to \$157,000. The irrigation cost hikes over the last two years incorporates a normalization of water irrigation costs back to pre-drought periods, as well as the 6% water rate increase recently approved by the CCWD Board of Directors.

Personnel services, including contracted seasonal labor, account for \$478,390 (30.36%) of the proposed FY 2018-19 LMD budget, which is reasonably consistent with the prior year (\$476,000). Whenever possible, tasks within the LMD are assigned to temporary seasonal personnel that are less expensive labor (e.g. trimming), allowing the City's full-time permanent maintenance employees to focus on tasks requiring journeyman-level experience (e.g. irrigation line and system repairs).

As approved by Measure H voters, the LMD's proposed budget includes a recurring line item (account 7316) for the purchase of replacement plants, budgeted at \$40,000 in FY 2018-19. The LMD further contributes an annual allocation to the City's Capital Equipment Replacement Fund (CERF) for its shared cost of utilizing City Maintenance Department vehicles for LMD operations budgeted at \$20,070 in FY 2018-19. An expenditure of \$37,258 (only 3.28% of total LMD revenues) is transferred to the City's General Fund to pay for the LMD's share of administrative support provided by the City (i.e. telephones, payroll processing, accounts payable, management, insurance, etc.).

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With all of these actions, the LMD's ending reserve is projected to be **\$793,019** by the close of FY 2018-19. The LMD's healthy reserve position is evidence the City does not siphon "surplus" monies into its General Fund but uses the special parcel tax revenues for its intended voter-approved purposes. Its monetary existence will be crucial in these post-drought conditions is over and the LMD re-examines priorities to replace landscape lost (including adding in more hardscape treatments) from the extreme water conservation measures.

The Trails and Landscape Committee (TLC) reviewed the proposed LMD budget at their public meeting on May 21, 2018, which conveyed the current year CPI rate of 3.22%. After its review, the TLC recommended [vote: 4-0 (3 absent)] that the special parcel tax levy for the LMD be increased by the CPI cap of 3.0% pursuant to the voter approved Measure H specifying a maximum annual increase of 3.0%). The TLC further recommended approval of the proposed LMD budget for FY 2018-19 as presented, including the carrying forward for FY 2018-19 projects totaling \$487,157 [vote: 4-0 (3 absent)].

**D. The Grove Park Fund – No. 211**

The Grove Park officially opened to the community on January 12, 2008 and on May 29, 2008, City Maintenance Department assumed full responsibility for the care and maintenance of The Grove Park. On Opening Day, the public park immediately became the signature statement of our community, and ever since it has been the popular gathering place for residents and visitors to the Clayton Town Center. Voters originally approved this restricted special parcel tax in November 2006 to maintain the park for 10 years (levy first collected in FY 2007-08) with FY 2017-18 constituting the 11<sup>th</sup> year of the special parcel tax's existence. In November 2014, the voters overwhelmingly elected to extend The Grove Park special parcel tax for an additional 20 years through the passage of Measure P (81.3% positive vote). Operations for The Grove Park are separately accounted for by the City in a restricted special revenue fund.

Pursuant to the terms of voter-approved Measure P, the special parcel tax rate may be modified annually by the change in the CPI from April to April. However, in no event shall the tax rate be increased by more than 3.0% each year. Given the CPI change (from April 2017 to April 2018) posted at 3.22%, the special parcel tax growth factor will be capped at 3.0% for FY 2018-19. Accordingly, The Grove Park's projected revenues have been increased by 3.0% to a total of \$134,180 for FY 2018-19. This results in a modest increase to The Grove Park revenues of \$3,905 over the prior year adopted budget. The capped CPI growth adjustment will result in an increase of \$0.62 per residential parcel over the prior year rate (last year's single family rate was \$20.68; including the capped CPI adjustment factor the new rate will be \$21.30). The Grove Park fund received its 10<sup>th</sup> and final installment of the generous \$10,000 annual donation from Endashiian, Inc. (developers and landowners of the CVS/Pharmacy

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store site - formerly Longs Drugs Store), in FY 2016-17. Despite the conclusion of this ten year pledge, Endeashian, Inc. graciously donated an additional \$1,000 to The Grove Park fund in FY 2017-18, which was both unexpected and unsolicited.

Bolstered by these revenues and interest earnings, The Grove Park fund maintains a positive fund balance expected to be approximately \$308,450 by the close of FY 2017-18 with reserves slightly increasing to **\$316,776** at the close of FY 2018-19. Of this projected FY 2018-19 ending fund balance amount, \$111,765 sits in the asset replacement reserve approved in the adoption of Measure O, \$60,000 in the unallocated stabilization reserve (increasing by \$5,000 annually), and \$145,011 in unrestricted fund balance. As the park's apparatus and infrastructure ages following 11 years of high public use, these reserves will be key asset to maintain this public gem.

For FY 2017-18, it is projected total expenditures of The Grove Park will be approximately \$105,978 offset by revenues totaling \$137,480, resulting in an operating surplus of \$31,502. This projected surplus is higher than anticipated, due to the costs of water consumption for The Grove Park's newly modified water play feature coming in lower than expected. During FY 2017-18 budget preparation, a conservative figure was used for the water service line item as no historical information on the new water play feature's consumption was available for budget projection purposes. The Grove Park's new water play feature was activated for the first time during FY 2016-17, which led to substantially higher water consumption over prior years due to its immense popularity with the public. Now given two years of historical information, it appears The Grove Park fund will be able to sustain the increased water consumption costs associated with operation of the water play feature in a balanced budget. However it is currently uncertain whether The Grove Park can sustain annual set-asides of \$18,000 and \$5,000 for the asset replacement and unallocated stabilization reserves prospectively. Fortunately, The Grove Park fund has built up a healthy unrestricted reserve up to this point and any increases to the asset replacement and stabilization reserves not sustainable from fund surpluses can be taken from the unrestricted fund balance for the next six years in worst case scenario. Prospectively, staff will continue to monitor for any unsustainable trends in water demand in order determine what future water play feature use-restrictions, if any, are necessary to sustain the annual reserve set-aside goals established by the ballot measure.

As The Grove Park continues to mature and its public attraction increases, more City Maintenance Department personnel time may be necessary to keep it in a condition worthy of the City's signature piece. During the summer and on Saturday Concert Series weekends, a part-time seasonal maintenance worker is assigned to perform routine maintenance and oversight tasks at The Grove Park to ensure this highly-visible asset shines for our community. The nearby municipal well provides the landscape irrigation and other non-potable water needs of The Grove Park, which saves

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considerable taxpayers' monies compared to the metered water prices of Contra Costa Water District.

To continue to meet the operational objectives of The Grove Park, appropriations of \$132,164 are proposed for FY 2018-19. This results in a planned operating surplus of **\$8,326**. As this projected surplus is less than what is required for the annual replenishment of the asset replacement and unallocated stabilization reserves (\$23,000 total), it results in an unavoidable allocation of \$14,674 from the unrestricted reserve to meet the reserve set-aside requirements for FY 2018-19. Nevertheless, The Grove Park fund's total reserves remain sufficient beyond its normal yearly operations. The City Council may take action after the adoption of the budget to utilize these reserves for additional capital improvements at The Grove Park.

***E. Oakhurst Geological Hazard Abatement District - Fund No. 212***

Formed by the City Council during the construction of the Oakhurst Development Project, this benefit assessment district encompasses all of the lots and open spaces within the Oakhurst [residential] Development. The Oakhurst Geological Hazard Abatement District (GHAD) has the authority but not the obligation to perform repairs to public, or authorized private, properties caused by certain geologic hazards such as landslides within this area. In order to fund any such operations, the GHAD Board of Directors (City Council) is required by state law to receive an affirmative vote by the real property owners within the district for any increase in the assessment rate. Insufficient assessment revenues have always existed to perform much of the identified or speculated hillside repairs; property owners within this district have rejected any assessment increase three (3) times in the past. The GHAD Manager (the contract City Engineer) manages the district and provides a separate budget and annual report to the Board of Directors in June of each year.

Due to the restricted amount of voter-approved assessments, the GHAD levies an annual assessment that generally produces the same amount of revenue each year for general geologic hazard abatement purposes within the Oakhurst Development. For FY 2018-19, assessment revenue is projected to be approximately \$41,065, which incorporates an April 2017 to April 2018 consumer price index (CPI) inflationary increase of 3.22%. Currently, it is unlikely property owners within the district would approve a significant rate increase sufficient to arrest or mitigate hillside movements. Interest earnings are essentially non-existent for this Fund (\$200), which operates for most of the 12 months in a cash-flow deficit. The assessment revenues are not received by the GHAD [City as its fiduciary agent] until property owners pay their property tax bills in December and again in April each year.

Nominal management expenses proposed for the GHAD this year include \$8,000 for City Engineering services (District Manager) and \$1,000 allocated for specialized legal



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services. Although litigation has been settled, the GHAD is still internally assessed a share of the City's general liability insurance premium increases which were historically propelled by the Oakhurst hillside movement litigation, which served lawsuits against the GHAD as well as the City. This annual expenditure (\$7,000 in FY 2018-19) must remain for several years following settlement of the litigation as those defenses pertaining to the GHAD's share of General Fund insurance premium expenses still impact the annual calculation of the City's general liability insurance premium for that prospective time period. A base transfer of \$7,478 to the City's General Fund for general administrative and clerical support services is standard procedure necessary to sustain the bare existence of the District (18% of annual assessment). County administration fees to levy, collect and disburse the District's property tax bill assessment are estimated at \$1,200.

Project costs totaling \$50,642 are planned for FY 2018-19, which includes: the installation of additional inclinometer and piezometers to enhance ground movement detection and measurement; V-ditch repairs, and crack sealing to limit water penetration. Accordingly, and due to the limited financial resources available, the GHAD is projected to fully utilize its reserves to fund these key projects by the close FY 2018-19. Although these projects are designed improve prevention and detection measures, no significant geologic hazards can be abated in exchange for a total assessment of \$41,065 per year. The GHAD maintains its legal life with the foresight and wisdom that affected property owners might someday wish, or need, to proactively utilize this legal instrument to address hillside movement remediation.

***F. Presley GHAD Settlement Fund - No. 213***

In 2003 the City and GHAD settled its lawsuit against Presley regarding damages to City infrastructures in the Kelok Way area of the Oakhurst Development. After reimbursement to the City of advanced legal expenses, proceeds from the settlement were retained in a separate fund for use to clean V-ditches in the area, monitor hillside movement and explore mitigation options to protect public infrastructures in the Development. During FY 2010-11, funds were appropriated from this reserve (\$110,000) to perform road resurfacings in the Development in conjunction with an annual Neighborhood Street Project (CIP No. 10409). More recently, in FY 2017-18 this fund incurred \$19,870 for the removal and replacement of broken concrete V-ditches in three separate locations within the GHAD.

No expenditures are currently planned for the upcoming FY 2018-19 budget year. After the inclusion of projected interest earnings to this fund of approximately \$1,500 it is projected this fund will end FY 2018-19 with a positive reserve balance of **\$107,023**. These monies may yet be tapped for further area repairs to damaged public infrastructure and/or arrest hillside movement in the future, as well as deficit operations of the GHAD fund.

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***G. Neighborhood Street Light Fund - No. 214***

This fund accounts for the operations of the Clayton Neighborhood Streetlight Benefit Assessment District. This restricted-use assessment is collected through the real property tax bill on Clayton residential properties [current assessment ranges from \$8.34 - \$43.54 per residential unit per year]. Since FY 1996-97 (for 22 consecutive years), the City **has not requested or increased the rate charged to real property owners** for the public street lights in their neighborhoods. These assessments are restricted for public street light operations and maintenance within residential neighborhoods, excluding arterial streetlights, which are funded through HUTA gas taxes accounted for in a separate restricted-use fund. This fund's proposed budget incorporates the same amount in revenues as last year (\$125,991) since this assessment can only be increased by affirmative vote of the assessed property owners pursuant to the law (Proposition 218).

In order to continue providing current services within the existing assessment rate, consistent with the prior year and recent years, a draw on existing reserves is expected in FY 2018-19 by approximately **\$24,601**. Recurring causes for this deficit are electrical rate increases prompted by PG&E's field audit a decade ago as to correct tariff categories, in-house labor, electrical parts and supplies, and direct charges for preparation of the Engineer's Report (Engineering).

With a projected opening positive reserve balance of \$85,999 to start FY 2018-19, there is not sufficient justification to approach voters to increase this annual assessment. With the projected utilization of fund balance reserves in FY 2018-19, this fund is projected to close by June 30, 2019 with a reserve balance of **\$61,397**. Total proposed appropriations of the fund are \$151,592, or 4.7% higher than the prior year adopted budget necessary to cover increased PG&E electrical rates as well as inflationary growth for other operating, maintenance, and administrative support services. At the current rate of reserve use, this fund has **only two full fiscal years** of operational monies before the fund is expected to run out of reserves in FY 2021-22. Clearly, given annual hikes in PG&E electrical rates and the longtime cap on the assessment amount (since FY 1996-97) the fund has now entered into a structural deficit which will need to be addressed in the near future.

It has been 22 years since neighborhood street light benefit assessment rates were raised, and the law is clear voter approval is mandatory to do so. Absent an increase to the assessment to capture inflationary growth, should the fund deplete its reserves in FY 2021-22 as currently projected, a policy call would likely be need to either fund the annual operating deficit with a General Fund subsidy (further depleting limited revenues necessary for existing basic public services) or by turning off selected neighborhood streetlights. Conversely, should the annual assessment be lowered by City Council action (under a public policy theory that plentiful reserves should become

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a pseudo rebate to taxpayers), the lowered street light rate is then locked in and cannot return to its higher rate in the next or subsequent years without an affirmative two-thirds vote of the property owners. It is further noted the reserve position of this fund does not incorporate an amortization program for replacement of aging or deteriorated wooden street light poles

***H. Stormwater Fund - No. 216***

This account manages the special parcel tax (labeled “ERUs” for Equivalent Runoff Units) levied locally to assist the City in compliance with unfunded State-mandated regulations through our National Pollution Discharge Elimination System (NPDES) Permit. It has been confirmed by case law (previously challenged and lost by southern California cities) that Regional Water Quality Control Boards do indeed have authority to levy unfunded mandates against pollution discharges (cities and counties) by virtue of the federal Clean Water Act and the California Porter-Cologne Water Quality Control Act.

By previous Council action long ago, this real property tax levy was maximized at its allowable cap in year 2000 currently netting the City \$86,627 for local use in FY 2018-19. In reality, the assessment generates higher gross revenues (\$126,299). However, the following purposes snag portions of the City’s local levy before ever touching our local coffers:

Contra Costa [Cities] Clean Water Program	\$ 30,299	
Commercial Building Inspections by Sanitary District	8,000	
County Auditor-Controller Administrative Fee	3,800	
Reserve Fund for the Clean Water Program	3,000	
Flood Control District Management Expense	3,800	
<b>Total Revenue Offsets:</b>	<u>\$ 48,899</u>	38.72%

In addition the City must pay an annual NPDES Regional Discharger Fee to the State projected to be approximately \$10,000, further dipping into the local assessment levied for the City.

The City’s 5-year Stormwater Permit (MRP) is issued by the San Francisco Regional Water Quality Control Board. Public agencies, including Clayton, are now under requirements to elevate enforcement, monitoring measures, and treatment projects each year to ensure cleaner stormwaters. This permit, called MRP 2.0, was reissued last November. The permit contains additional and enhanced requirements for cities such as: managing litter that can get into its drainage and creeks from private commercial properties; PCB and Mercury pollutant testing/monitoring; maintenance and enforcement activities; “green infrastructure” which would set forth standards for cities to redirect existing storm drainage water from streets, sidewalks and parking lots and

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buildings into landscape areas; and enhanced IPM policies, practices and mandatory training and certifications. These additional permit terms will continue to impact the Stormwater fund's reserves. As other cities in the state are experiencing similar funding constraints, although recent State legislation (SB 231) would allow for consideration by the voters through a Prop 218 process to address some Stormwater improvements the legislation did not fully rectify the needs of local cities as it related to the permit mandates.

MRP 2.0 requires information to be disclosed by June 30, 2017 an ongoing, to elected officials and the public, of the Green Infrastructure (GI) requirements. MRP 2.0 defines GI as *"Infrastructure that uses vegetation, soils, and natural processes to manage water and create healthier urban environments..., green infrastructure refers to stormwater management systems that mimic nature by soaking up and storing water."* GI is designed to capture and reduce existing PCB including background levels, and Mercury. The second objective of GI is to recharge runoff into the ground creating more filtering and more natural infiltration into creeks and waterways. The permit mandates that retrofitting existing impervious surfaces with Green Infrastructure be evaluated, analyzed, planned for costed and reported upon.

The GI has two main elements to be implemented:

- Preparation of a Green Infrastructure Plan for the inclusion of bioswale/landscape planter (LID) drainage design into existing storm drain infrastructure, including streets, roads, storm drains, etc.
- Early implementation of Green Infrastructure Projects Green Infrastructure Plan

The Green Infrastructure Plan requirements and deadlines are:

- Prepare a framework or workplan to be approved by the Permittee's City Manager or governing body by June 30, 2017, and submit it to the SF Regional Water Board with its FY 16-17 Annual Report. This was completed in October 2018.
- Prepare and show estimated costs/budget for a Green Infrastructure Plan and submit it to the SF Regional Water Board with the 2019 Annual Report.

The permit requires that beginning with the 2016 Annual Report each Permittee review current infrastructure (capital improvement) projects, prepare a list of infrastructure projects planned for implementation that have potential for green infrastructure measures, annually review update and submit the list with each Annual Report, including: *"a summary of how each public infrastructure project with green infrastructure potential will include green infrastructure measures to the maximum extent practical during the permit term. For any public infrastructure project where implementation of green infrastructure*

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*measures is not practicable, submit a brief description for the project and the reasons green infrastructure measures were impracticable to implement."*

The Green Infrastructure Plans are intended to describe how each jurisdiction will, in the coming decades, shift their impervious surfaces and storm drain infrastructure from gray, or conventional, storm drain infrastructure where runoff flows directly in to the storm drain and then to creeks and the Bay, to a more resilient, sustainable system that slows runoff by dispersing it to vegetated areas, harvests and uses runoff, promotes infiltration and evapotranspiration, and uses bioretention to detain, retain, and treat stormwater.

City staff reviewed and compiled an initial list of its Council approved CIP budget projects and submitted it with its FY 2015-16 Annual Report. During 2019 City staff working group consisting of the Stormwater Manager/Assistant to the City Manager, City Engineer, and Community Development Director, along with outside consultants will prepare its draft Green Infrastructure Plan. This work effort has been funded by a City Council approved earmark of \$50,000 of FY 2016-17 General Fund annual excess monies.

Cities will also be tasked to review and update as necessary their standard engineering designs and planning policies/ordinances to incorporate Green Infrastructure. The Contra Costa Clean Water Program (CCCWP) is currently working on guidance to the cities for reviewing capital improvement programs and projects, identifying green infrastructure potential, advancing planning and design of potential green infrastructure features, and documenting decisions regarding implementation of green infrastructure.

As noted previously, the current permit contains mandated trash reduction requirements which are met through the implementation of the full trash capture devices. The City has installed and maintains twenty-five (25) devices in its four Trash Management Areas. Through this effort we have been able to achieve 100% reduction in trash load baseline, and permit compliance. The City of Clayton is one of only a few cities to have already achieved this goal. However, recent refinements by the SF Regional Water Board to this requirement may mandate the installation and maintenance of additional full trash capture devices to remain in compliance.

The new permit also requires the use of GIS for database mapping and public viewing availability. The Clean Water Program has begun the establishment of a cloud-based GIS mapping program as a group funded effort for all cities. Each city will have its own section for stormwater mapping with the ability to have additional data layers as it desires. Therefore no additional City funds are needed at this time for GIS program.

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Such permit conditions necessitate ever-increasing expenditures which will eventually consume current levy revenues. Initial staff analyses reveal an additional \$225,000 to \$515,000 in annual costs could someday impact the City's fiscal operations for this state-mandated purpose alone. Only a Proposition 218 voter approval process can increase the levied rates. The failure of the Clean Water Coalition's Proposition 218 ballot in FY 2012-13 to raise levy revenues turned aside a potential \$93,700 for use in meeting state unfunded mandates for cleaner stormwaters. Since the City reached its parcel levy cap 17 years ago there have been an astounding 512 additional permit requirements mandated by the SF Regional Water Board with no increase in revenue to offset the associated costs, thus resulting in an erosion of the City's Stormwater fund's reserves.

In the FY 2018-19 budget, the City's stormwater costs under the permit regulations exceed available revenues by approximately \$45,880, although the close of FY 2017-18 is expected to incur a lesser annual deficit of **\$34,531**. Fortunately at the moment there is projected to be a reserve balance of approximately **\$56,700** at the beginning of FY 2018-19 in this restricted-use special revenue fund, which is sufficient to cover the fund's projected FY 2018-19 operating deficit. The depletion of the Stormwater fund's reserve balance over past several years a direct result of added permit requirements imposed by the Regional Board in 1996 (referred to as "C-3 amendments"), MRP 1.0 (issued in 2010), and the current MRP 2.0 (issued in November 2015). All of these were statutory "unfunded mandates."

Total projected FY 2018-19 labor-related expenditures of \$58,850, including contracted seasonal labor, are necessary cover public works' labor for the City's municipal storm drain system, annual debris clearance of creeks and V-ditches, and proactive measures for the prevention of pollutants into these waters, which ultimately emerge into the San Francisco - Oakland Bay. Educational materials and supplies are also part of the Stormwater fund's budget, along with our membership in the Contra Costa County Clean Water Program. Recoverable expenses include that portion of staff time when working on clean water issues, programs, while Regional Water Quality Control Board directives target specific programs (e.g. "diaper" inserts in storm drain inlets) and local enforcement (e.g. fines). City administrative staff (Assistant to the City Manager) expends an inordinate portion of time (approximately one-third or more) engaged in the management, administration and implementation of this federal and state mandated program for cleaner runoff waters. As such, the proposed budgeted transfer of \$38,447 to the City's General Fund to partially offset this incurred staff time is reasonable and essential.

The monthly street sweeping contract totaling an estimated \$54,000 in FY 2018-19 is paid through this fund as a program component of cleaner stormwater from street gutters. To clarify a common misconception, public streets and gutters are swept monthly to mitigate roadway pollutants from entering the storm drain system, not for

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street aesthetics or as the substitute broom for an abutting property owner's sweeping/clearance of leaves and debris from the front and/or side yard curbs of one's property. Offsetting revenue is tendered by real property owners through their trash bills which is projected to be an equal and offsetting \$54,000. This offsetting revenue estimate could potentially be lower due to the revolving number of vacant homes in Clayton (closed accounts) as well as various delinquent and non-paying accounts slicing away at the revenue stream.

Required annual expenditures are absorbed into this fund for engineering services (\$2,000) and other professional services (\$1,750). Necessary engineering services will assist in providing the City's response to the state-mandate to perform additional drainage/green infrastructure analysis, evaluation and annual reporting of our mapped "trash management areas", and PCB analysis. The other professional services line item captures costs associated with state-mandated programs involving drainage inlet insert cleanings (\$5,000), box culvert cleaning (\$5,000), emergency tree removal creek/drainage areas (\$5,000), and bio-swale inspections and reports for City properties (\$1,500). New private construction activities and newer private developments with storm water treatment have been addressed by the City Council to provide methods that are self-supported or cost recovery through the City charges for fees and services, homeowners association and/or benefit assessment districts, and therefore do not impact the Stormwater fund or the City's General Fund.

As noted previously, the fund is projected to open FY 2018-19 with approximately \$56,700 in reserves, and projects a year-end fund balance of \$10,820 on June 30, 2019, an astounding (but not surprising) 81.9% loss in reserves. At this rate, the Stormwater fund will become depleted during or immediately following FY 2018-19 as long feared, with the only sources of discretionary funds to patch the mandated gap being General Fund operational monies or use of General Fund reserves. Absent a new or increased funding source, the first course of action would likely result in either a reduction of permit compliance potentially resulting in non-compliance and triggering SF Regional Board action of fines of up to \$10,000 per day, reduction in other non-mandated city services, or use of city general fund reserves.

***I. Measure J Fund - No. 220***

This special revenue fund originated by revenues from the ½ cent sales tax levy approved by County voters in 1988 (Measure C) to provide regional and local transportation and street improvements, a growth management process, and a regional planning process to address quality of life issues. One of the program components of the Measure is its "Return to Local Source" monies wherein cities fully complying with the Measure's Growth Management Program (GMP) Checklist are eligible to receive an annual allocation of monies for local streets and roads maintenance. Disbursement of these monies hinges on a city earning and maintaining a certified Housing Element

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(either by the California Department of Housing and Community Development [HCD] or via self-certification), and filing a biennial Compliance Checklist. The Contra Costa Transportation Authority (CCTA), cities, and the Contra Costa County were successful in 2004 in obtaining voter approval of Measure J, which extended the authorization of the current sales tax in the County for an additional 25 years beyond Measure C's expiration on March 31, 2009. Accordingly, Measure J is now in effect.

A letter to our City from HCD dated December 11, 2014 stated *"The Department is pleased to find the adopted housing element in full compliance with State housing element law"*. This letter effectively covers the City's compliance with housing element requirements for eight (8) years from the date of issuance. In addition, with CCTA's acceptance of the City's 2016 Compliance Checklist covering 2014 and 2015, the City is eligible to receive its full Measure J Local Streets Maintenance (LSM) or "Return to Local Source" funds for FY 2018-19. The next biennial CCTA Compliance Checklist is scheduled to be presented to the City Council for approval sometime before the end of calendar year 2018 covering 2016 and 2017. For FY 2018-19 the City projects to receive "Return to Local Source" funds in an amount totaling \$285,000. This revenue, which is typically disbursed after the close of the earned fiscal year in the fall, along with existing Measure J reserves has been earmarked in the proposed FY 2018-19 budget to finance the 2018 Neighborhood Streets Project (CIP 10436) as well as the Keller Ridge Drive Collector Street Rehabilitation (CIP 10425) in the City's Capital Improvement Program (CIP) Budget.

In addition to this funding, on October 7, 2014 the City signed a cooperative agreement with CCTA and its member cities to receive Program 28a grant funding for Sub-regional Transportation Needs. The grant agreement stipulated that funds will be allocated starting in January 2015, and then each November until 2034 using a 50/50 population and road miles split formula. In FY 2018-19 the City is set to receive an additional \$32,676 per the co-operative agreement, which has also been budgeted for the 2018 Neighborhood Streets Project (CIP 10436) in the City's CIP Budget.

It is projected that the Measure J fund will open FY 2018-19 with a positive reserve balance of **\$618,618**, composed of both Return to Local Source and Co-operative agreement funds. In addition to new FY 2018-19 Local Return to Source and Co-operative projected revenues totaling \$317,676, projected interest earnings of the Measure J fund are \$1,000, incorporating a depletion of invested reserves during FY 2018-19 for the completion of the CIP projects outlined previously. Beyond proposed transfers to the CIP fund for capital projects, a relatively small portion of the Local Return to Source funds will be necessary \$36,639 for ongoing operational and support costs in FY 2018-19. The CIP Fund Budget Narrative section expands in much greater detail on capital projects planned for FY 2018-19 as well a description of their various funding sources. Consistent with the prior year budgetary plan, in order to use existing



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Measure J fund reserves for eligible City streets projects, the proposed budget plans to draw down all available reserves and end FY 2018-19 with a zero fund balance.

***J. Restricted Grants Fund - No. 230***

This fund is the repository for State and other subvention grants restricted by law or the underlying grant agreement for specific purposes. This fund accounts for several restricted funding sources from external parties for specific program costs including. The following is a summary of the City's more significant grant-funded programs in the Grants Fund budget:

1. **SLESF / COPS Grant Program**

The "Supplemental Law Enforcement Services Funds" (SLESF) or "Citizen's Option for Public Safety" (COPS) grant is funded by a portion of the formerly-local Vehicle License Fees (VLF) and is passed through from the State to Contra Costa County, and then to the City of Clayton. This revenue is passed through from the County to the City on a monthly basis in varying increments that reflect sales tax allocation fluctuations from the state. SLESF/COPS funds are allocated among cities and counties and special districts that provide law enforcement services in proportion to population, except that a) county populations are the populations in unincorporated areas; and b) each agency is to be allocated a minimum of \$100,000. The City of Clayton receives the annually minimum in funding. Pursuant to state legislation the use of these funds is restricted to "front-line law enforcement purposes." Although previously required, pursuant to a letter from the California State Controller's Office dated August 17, 2012, annual reporting on the use of these funds is no longer necessary.

The proposed FY 2018-19 budget projects the City will receive the minimum SLESF/COPS funding of \$100,000. This revenue in addition to a projected opening SLESF/COPS grant reserve balance of \$118,258 will be utilized to continue underwriting costs associated with the City's 11<sup>th</sup> sworn police officer working patrol in the community as well as to cover costs associated with maintaining the state-mandated secure line for the Police Department and other related front-line public safety costs. In addition to helping to defray these ongoing costs, \$27,200 of the SLESF/COPS grant will be used for the purchase and installation of new patrol unit video cameras, \$5,000 for new Taser equipment, and \$7,000 for the annual cost of the secure phone line necessary for US Department of Justice compliance. After proposed grant appropriations of \$137,740, the SLESF/COPS grant is projected to close FY 2018-19 with a positive balance of **\$80,518**.

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2. Other Grant Funds

Augmenting the SLESF/COPS grant monies, the Grants Fund expects receipt of \$15,500 in annual revenue from the City's cable communications franchise company (Comcast) for restricted use in Public, Education & Government (PEG) broadcast services and equipment. The City also anticipates being eligible for \$2,000 in Avoid the 25 grant funds from the County to reimburse police labor costs associated with DUI checkpoint enforcement.

On the expenditure side of the ledger, \$15,000 is needed for the City's share of the PEG broadcast channel on which our City broadcasts taped meetings of the Clayton City Council and displays other public/community information (Comcast Channel 26). The Avoid the 25 grant operates on a reimbursement basis and revenues received in FY 2018-19 will reflect actual costs incurred. The FY 2018-19 proposed budget once again incorporates the full utilization of the Comcast Technology grant balance for much needed technology improvements including the boost of City Hall and Corp Yard internet speed and implementation of improved business process capabilities on the City's website including, but not limited to expanded online permit and facility rental application and payment processing.

In the aggregate, the Restricted Grants Fund is projected to close FY 2018-19 with a fund balance of **\$279,363**. After the utilization of grant reserves and new revenue during FY 2018-19 for their restricted purposes, year-end reserves are projected to be primarily composed of the Comcast PEG grant (\$191,710) and the SLESF/COPS grant (\$80,518).

***K. Development Impact Fees Fund - No. 304***

This restricted-use special revenue fund accounts for the impact fees the City has collected from new developments within the community. Revenues are private development driven and restricted for use based on the purpose of the impact fee. Although it is unknown exactly when any proposed development comes "on-line" thereby triggering the payment of these impact fees, staff does not wish to budget for new development to occur and not be realized.

By the close of FY 2017-18 is projected the City will have collected a total of \$140,794 in development impact fees. Development impact fees were collected for, childcare facilities, open space in-lieu, parkland dedication, offsite arterial improvement, tree mitigation, fire protection, community facilities, and habitat conservation restricted purposes on two projects. The two aforementioned projects include a two detached single family residence development adjacent St. John's Church and a six detached single family residence development on Verna Way. At this time, no additional development impact fees are projected to be received in FY 2018-19. The sole revenue

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source budgeted in FY 2018-19 is from interest earnings projected to total \$8,000, which is allocated on a quarterly basis to each respective impact fee account.

During FY 2017-18, in accordance with the adopted budget and City Council direction, this fund is projected to incur total expenditures of \$197,717 for eligible projects. Specifically the following were funded during FY 2017-18: a transfer of \$142,000 from the Open Space In-Lieu fee account to the CIP Fund for remediation needs at the North Valley neighborhood park (CIP project #10439), a transfer of \$19,000 from the Community Facilities fee account to the CIP Fund for ADA accessibility improvements at City Hall (CIP project #10443), a pass-through of \$14,418 in Habitat Conservation fees to the East Contra Costa County Habitat Conservancy, and \$22,299 to augment funding for unforeseen overtime in the Police Department.

New community development may result in the collection of additional fees, and trigger the necessity to plan new projects to mitigate the increased City costs associated with development expansion. That being said, it is reasonably possible amendments may be required during FY 2018-19 to appropriately reflect new projects to address the demands of more development. The FY 2018-19 budget projects a decrease in fund balance of **\$56,995** reflecting the utilization of developer fee reserves for eligible purposes, which still results in a positive ending reserve balance of **\$474,230**.

***L. Successor Housing Agency - Fund No. 616***

This restricted-use special revenue fund was created as a result of the dissolution of the City's former redevelopment agency (former RDA) pursuant to state law (AB1x 26). Through the adoption of Resolution 03-2012 the City Council elected to retain the affordable housing assets of the former RDA in accordance with Section 34176 of the California Health and Safety Code.

All monies in the former RDA's Low and Moderate Income (LMI) Housing Fund were transferred on the dissolution date (February 1, 2012) to the City's Successor Housing Agency Fund (No. 616). In accordance with the law, the Successor Housing Agency is separate and distinct from all other funds and accounts of the City, to hold, administer and spend the monies in originating from the former RDA's LMI Housing Fund to perform housing functions consistent with the Dissolution Act.

On April 24, 2015, the California Department of Finance (DOF) issued its Final Determination Letter approving the Low-Moderate Fund Due Diligence Review Report. This report, performed by an independent accountant in accordance with the law (AB 1484), was also approved via Resolution by the Oversight Board to the Successor Agency and authorized payment to be remitted to the County Auditor-Controller's Office totaling \$3,679,225, representing the "unencumbered balance" of Low-Moderate RDA funds. In accordance with the order letter from the DOF, this payment was

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remitted shortly thereafter on May 1, 2015. Furthermore, on December 30, 2015, the City received its Finding of Completion from the DOF, formally concluding the AB 1484 RDA dissolution and audit process.

With the pilfering of the City's LMI housing fund pursuant to AB1484, the City's housing functions have now been largely reduced to loan transactions initiated by residents of low to moderate income housing units within the City's current inventory. In FY 2018-19 this fund is projected to incur expenditures totaling \$58,355 for special legal services involved in the Stranahan subdivision affordable housing loan administration program as well as a nexus study for a affordable housing in-lieu fee to facilitate the new inclusionary housing ordinance adopted by the City Council pursuant to new State law. Total revenues for FY 2018-19 are projected to come in at \$106,400, pertaining primarily to a \$96,400 loan repayment on the Diamond Terrace note, maturing in FY 2030-31. At the close of FY 2018-19, it is projected the Successor Housing Agency will report a positive reserve balance of \$4,574,173, of which **\$1,174,111** is in spendable form available for appropriation for program activities of the City's low to moderate housing program.

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**PROPRIETARY FUNDS**

A further expansion to the General Fund operations of the City, the City Council has established certain funds that meet the requirements of “proprietary funds.” There are two types of proprietary funds: internal service and enterprise funds. Internal service funds are used to report activities providing goods or services to other funds or departments on a cost-reimbursement basis. The City maintains three (3) internal service funds to account for the City-wide shared costs associated with self-insurance and capital equipment replacement activities. Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. The City maintains one (1) enterprise fund to account for the Endeavor Hall facility rental activities. The following section provides a discussion of the fiscal status of each of these proprietary funds.

**A. Self-Insurance (Internal Service) Fund – No. 501**

This internal-service fund manages the fiscal obligations of the City’s self-insured program for our retention deductible (\$5,000 per claim) on initial claims filed against the City for general liability and workers’ compensation as well as deductibles for property, auto, and other insured losses incurred by the City. Pursuant to our membership in the Municipal Pooling Authority of northern California (“MPA”; a municipal self-insured/pooled risk excess coverage joint powers authority [JPA]), our City is responsible for payment of the first \$5,000 in expense and/or damage on each filed claim. This fund also handles other periodic legal expenses to defend the City’s interest in related cases. A recurring expense incurred by this fund is the annual premium (approximately \$1,250) to cover an Employee Assistance Program (EAP), a shared public entity consortium for City employee good-health counseling and wellness services benefiting our permanent organization.

Since there is no recurring or systematic replenishing source of revenue for this fund, the City Council must periodically authorize one-time transfers of General Fund surplus funds to replenish the internal service fund’s reserve balance. The most recent source of such funding was made in FY 2013-14, when the City Council authorized a transfer of \$54,154 from General Fund excess supported by the audited FY 2011-12 financial statements. This transfer assisted in replenishing losses arising from legal expenses on the Oakhurst Hillside litigation cases beginning in FY 2008-09. With total proposed FY 2018-19 expenditures of \$7,248, this fund is projected to utilize \$6,648 in reserves and close the fiscal year with a positive net position of **\$35,673**. The option to make “replenishment” transfers into the Self-Insurance Fund can be re-considered annually by the City Council once General Fund operational results become available after the close of the fiscal year; however, no request by staff is proposed at this time.

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***B. Capital Equipment Replacement (Internal Service) Fund - No. 502***

This fund serves to track the depreciation and finance the replacement of City-owned vehicles, computers and other capital equipment used in operations, generally in excess of \$5,000. The Capital Equipment Replacement Fund (CERF) is projected to open FY 2018-19 with a positive reserve balance of \$457,227. Of this projected opening balance, \$181,942 pertains to available cash reserves available to finance the purchase of replacement assets, with the remainder pertaining to equity resulting from the fund's non-liquid net investment in capital assets.

Using the current annual depreciation expense presented in the City's audited FY 2016-17 CAFR, the projected FY 2017-18 CERF depreciation expense is \$95,000. In a "utopia," the CERF would recover its annual depreciation in the form of internal service fund service charges to the various department and funds using CERF assets in their respective operations. In robust fiscal years, the various departments of the General Fund (e.g. Police; Public Works, Admin/Finance/Legal, etc.) would incur an annual "CERF Charge" to replenish CERF reserves totaling approximately \$95,000.

Despite the CERF's funding needs, for over a decade the General Fund had to cut back, and occasionally eliminate, its replenishment of the CERF sinking fund contribution due to budgetary constraints. During FY 2017-18, based on optimistic projected General Fund operating results, CERF charges of \$55,000 were budgeted for and contributed by the General Fund. Although this was higher than the average contribution of the General fund over the past decade years, the CERF still fell short of the annual depreciation match requirement of nearly \$90,075 in FY 2016-17. When looking at just the past ten completed fiscal years (FY 2007-08 through FY 2016-17), total depreciation expenses of the CERF has exceeded annual replenishments (i.e. CERF charges, interest, proceeds of sales of assets, etc.) by \$308,119. This figure is probably worsened when extending the analysis beyond the aforementioned ten year timeframe considering that as of June 30, 2017 (the most recent audit year where depreciation was calculated), **nearly 78%** of all operational assets still in use and being tracked in the CERF are fully depreciated.

Prior to the enactment of Measure B (LMD) by the voters in June 2007, the General Fund of the City was the sole contributor to this vehicle and equipment depreciation schedule. Since the Landscape Maintenance District (LMD) now consumes over half of full-time Public Works' personnel time, voter-approved Measure B and H included a CERF expense in the public ballot measure to proportionately assist in the replacement of capital equipment and trucks used in the LMD. The FY 2018-19 CERF budget incorporates CERF charges of \$20,070 from the LMD fund, \$1,800 from The Grove Park fund, \$2,310 from the HUTA gas tax fund, and \$2,360 from the Stormwater fund. In addition, the FY 2018-19 proposed CERF budget incorporates \$55,000 and \$7,000 CERF

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charges to the General Fund's Police Department and Public Works Department respectively.

On an annual basis the Police and Public Works Departments communicate their capital equipment replacement needs to the City Manager. Based on an analysis of funds available as well as the most up-to-date CERF depreciation schedule the feasibility of asset replacement is addressed. The proposed FY 2018-19 CERF budget includes plans to purchase a new Ford F-150 dual hauling and patrol response unit at an estimated cost of \$60,000 which will replace two fully depreciated patrol units currently in use. In addition to being patrol and pursuit capable, the F-150 truck will allow the police department to haul the new command center trailer, funds for which were donated by the Tesoro Foundation. As a rollover from the prior year adopted budget, the FY 2018-19 CERF budget again plans for the purchase of a used heavy duty Ford F-350 truck at an estimated cost of \$40,000 to replace the fully depreciated 2000 Ford F-350 currently in use by the Public Works Department. At the conclusion of FY 2018-19, after the purchase of asset replacements offset by CERF charges to the various funds and departments, it is projected the CERF will have a positive net position of \$448,967, of which **\$173,682** pertains to cash reserves available to finance the purchase of replacement assets.

***C. Pension Rate Stabilization Fund- No. 503***

In FY 2017-18, given the growing apprehension surrounding CalPERS unfunded pension liabilities and consideration of the ever-growing list of factors beyond the City's control that can significantly and adversely impact the annual pension contribution expense, the City Council established the Pension Rate Stabilization Fund. The Pension Rate Stabilization Fund is internal service fund, designed to help smoothing out major fluctuations in annual pension contribution costs driven by market factors and actuarial changes. In both 2015-16 and FY 2016-17, the City's operating budget had to overcome the burden of large hikes in employer pension contributions due to fluctuations in its unfunded liability caused by CalPERS investment returns falling short of the actuarially assumed 7.50% discount rate in effect at that time. As it appeared these hikes would continue into the foreseeable future, the Pension Rate Stabilization fund was implemented to act as a hedging tool to stabilize future General Fund operating budgets.

As reported in the General Fund Reserves section previously, In FY 2017-18, utilizing General Fund excess reported in the FY 2015-16 audited CAFR, the City Council directed a transfer of \$110,000 to the newly established Pension Rate Stabilization Fund. Thereafter, following the publication of the City's FY 2016-17 audited CAFR the City Council directed an additional \$58,000 in General Fund excess to this fund as seed monies. By the close of FY 2018-19, when incorporating interest earnings of \$3,500, it is projected this fund will close with a positive reserve balance of **\$173,692**.

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While staff will continue to work on absorbing the pension obligations within the annual operating budget, the enormities and unknowns associated with that policy objective may frankly escape the monetary impact. As illustrated in the Public Employees Retirement System section of the Budget Message, staff projects an upward, not downward, trend in employer pension contribution requirement over the next several years following CalPERS' reduction to the long-term actuarially-assumed discount rate and other funding policy. The establishment of the Pension Rate Stabilization Fund will greatly aid the City's mission to maintain and sustain current public services to the community.

In addition to two sources of seed monies described previously, as a stand-alone fund separate and distinct from the City's General Fund, the Pension Rate Stabilization Fund will generate interest earnings from its share in the City's Investment Pool. Beyond ongoing allocations of interest earnings, future revenue sources could come from one-time transfers of General Fund excess reserves authorized by the City Council or budgeted charges to the City's various governmental funds that utilize City staff.

Contributions to this fund do not result in a decrease to the City's unfunded pension liability, as that could only be achieved from direct contributions to a CalPERS-administered irrevocable trust, which is not being recommended at this time. However, much like the City's already established Capital Equipment Replacement and Self Insurance internal service funds, this new fund is a useful tool for to help mitigate the risk of fluctuations in future pension contribution requirements to the City's ongoing General Fund operating budget.

**D. Endeavor Hall (Enterprise) Fund - No. 702**

This separate fund was established in the FY 2002-03 adopted budget to track specific revenues and expenses of the million dollar historic Endeavor Hall renovation project. More residents and local organizations continue to discover Endeavor Hall's historical charm for events, meetings, and special occasions. Additionally, the Clayton Theatre Company used the Hall for its 6<sup>th</sup> year of theatrical productions. Facility-use rental fees for FY 2017-18 are projected to land at approximately \$29,600, beating the revenue projection in the adopted by \$4,900 (19.8%).

Unfortunately, this positive news is offset by the fact that operational expenditures (excluding depreciation of the facility and improvements) are projected to exceed operational revenues by approximately \$7,562 by the close of FY 2017-18. Based on historical rental performance it is expected Endeavor Hall will incur yet another operational shortfall (excluding depreciation expense) to be approximately **\$4,990** in FY 2018-19. With the average wedding rental of Endeavor Hall generating approximately \$1,300 in rental income in FY 2017-18, all that is necessary for Endeavor Hall to break even in operation (excluding the impacts of depreciation expense) next year is approximately four more wedding rentals, or equivalent full-day use events.



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For FY 2017-18, minimal City staff time (\$15,940) is projected for upkeep of the facility and staffing of evening and weekend events. Maintenance time is necessary for landscaping and gardening to ensure the facilities grounds have annual color plants sufficient to keep it desirable for the rental community. Naturally, when vandalism occurs on the building and grounds, extra expenses are incurred to make the necessary repairs. Furthermore, periodic Public Works labor is necessary for the maintenance and upkeep of on-site equipment and fixtures. Total proposed (non-labor) operational and maintenance expenses in FY 2018-19 are budgeted at \$19,050. Depreciation expense in this fund is projected to remain consistent at \$37,500 in FY 2018-19.

During FY 2015-16, action was taken by the City Council to earmark \$25,863 in General Fund FY 2014-15 excess reserves for much needed facility repairs and replacements at Endeavor Hall. Specific activities funded by this action included: repainting of the exterior and interior walls, refinishing the oak wood flooring, and resealing the concrete walkway. These urgent improvements to the facility are a prime example of the periodic financial support needed from the General Fund for capital improvements/replacements as Endeavor Hall operations are not self-sustaining. As past rental experiences generate positive word of mouth promotion and expand the customer base, staff is hopeful Endeavor Hall operations will eventually become self-sustaining.

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**FIDUCIARY FUNDS**

Tracked by the City and included herein for reference, fiduciary funds of the City are not typically considered part of the budget of the primary government since the City essentially serves as a fiscal conduit (fiscal agent) for legally separate entities. Legally separate entities reported under this category include, but are not limited to several benefit assessment districts and Mello-Roos community facility districts. No underlying debt obligation of the City is assumed in administering the fiscal transactions of these funds. With secured sources of income, these funds are not held hostage to the volatility of general governmental purpose revenues or state government shenanigans. Fiduciary funds often operate with negative cash flow balances and therefore can have interest charges applied for temporary reliance on the use of pooled reserves to underwrite their annual operations.

***A. High Street Bridge Benefit Assessment District- Fund No. 217***

In 1998 the City Council ordered the formation of the High Street Permanent Road Division for the purpose of reconstructing and maintaining the High Street Bridge over Mitchell Creek. This annual assessment is levied against specified private property parcel owners within the High Street Bridge Benefit Assessment District in order to repay construction-related financing and for future maintenance of the bridge. The High Street Bridge debt is repaid over thirty (30) years with its ultimate maturity in FY 2028-29. The fund will continue to assess annual levies against covered parcels within the district until the underlying long-term obligation due to the RDA Successor Agency is fulfilled. After incorporating any pre-payments by district members, the outstanding debt obligation (principal and interest) of the district will be approximately \$15,913 as of June 30, 2018. In FY 2018-19 the total assessment is projected to be \$1,754 to cover debt service and contribute to the annual bridge maintenance reserve. This fund is projected to close FY 2018-19 with a positive reserve balance of **\$6,437**, of which \$5,700 (88.6%) is restricted for future bridge maintenance of the district.

***B. Oak Street Bridge Benefit Assessment District - Fund No. 218***

In 1999 the City Council ordered the formation of the Oak Street Permanent Road Division for the purpose of reconstructing and maintaining the Oak Street Bridge over Mitchell Creek. This annual assessment is levied against specified private property parcel owners within the Oak Street Bridge Benefit Assessment District in order to repay construction-related financing and for future maintenance of the bridge. The Oak Street Bridge debt is repaid over twenty (20) years with its ultimate maturity next year (FY 2018-19). This fund incurs minimal annual expenses for its share of the County's property tax administration fees and includes property tax revenues levied on public property contained within the benefit assessment district. The fund will continue to assess annual levies against covered parcels within the district until the underlying long-term obligation due to the City is fulfilled. After incorporating any pre-payments by district members, the outstanding debt obligation (principal and interest) of the

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district will be approximately \$3,958 as of June 30, 2018. In FY 2016-17 this fund contributed \$12,000 to the City's Arterial Rehabilitation Project (CIP No. 10437A) to help address pavement improvements needed in the District. In FY 2018-19 the total assessment is projected to be \$6,150 to cover debt service, county property tax administrative costs, City administrative costs and to contribute to the annual bridge maintenance reserve. This fund is projected to close FY 2018-19 with a positive reserve balance of **\$18,720**, of which \$17,600 (94.0%) is restricted for future bridge maintenance of the district.

**C. Lydia Lane Sewer Benefit Assessment District - Fund No. 222**

In 2002 the City Council ordered the formation of the Lydia Lane Sewer Benefit Assessment District along south Lydia Lane for the purpose of funding the construction of municipal sewer main line lateral connections to specified homes within the district plus an associated street overlay. The project was funded by the private property parcel owners since they "opted out" of inclusion in the original Project Area of the since-dissolved Redevelopment Agency (RDA). As a result of opting out of inclusion, they were ineligible to receive RDA funds to address public health and safety blight through the installation of a municipal sewer line to eliminate their private septic tank systems. The project was completed in 2003 with bonds issued by the City for repayment by the district over a thirty (30) year life maturing in FY 2032-33. This annual assessment is levied against specified private property parcel owners within the Lydia Lane Sewer Benefit Assessment District in order to repay construction-related financing and to address ongoing operational and administrative costs. This fund will continue to assess annual levies against covered parcels within the district until the underlying long-term obligation due to private bondholders is fulfilled. Parcel assessments are projected to produce \$16,750 in FY 2018-19. Debt service payments for FY 2018-19 total \$14,350 or 85.7% of the district's annual expenses. The principal balance of the bonds will be \$158,325 as of June 30, 2018. This fund is projected to close FY 2018-19 with a positive reserve balance of **\$79,524** for future sewer maintenance in the district. Of this reserve balance, \$12,813 (16.1%) pertains to the bond reserve fund, held by the trustee and restricted for debt service per the bond indenture.

**D. Oak Street Sewer Benefit Assessment District - Fund No. 223**

In 2002 the City Council ordered the formation of the Oak Street Sewer Assessment Division for the purpose of funding the construction of municipal sewer main line lateral connections to specified homes within the district. This neighborhood sewer project was completed in 2004. Under its mission to eliminate public health and safety concerns, the former RDA paid for half (50%) of the project and the adjacent real property owners agreed to annual parcel assessments for the balance of the capital expense. This annual assessment is levied against specified private property parcel owners within the Oak Street Sewer Benefit Assessment District in order to repay construction-related financing. The Oak Street Bridge debt is repaid over twenty (25)

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years with its ultimate maturity in FY 2027-28. This fund will continue to assess annual levies against covered parcels within the district until the underlying long-term obligation due to the RDA Successor Agency is fulfilled. After incorporating any pre-payments by district members, the outstanding principal district's loan will be approximately \$77,273 as of June 30, 2018. Annual parcel assessments are projected to produce \$12,000 in district revenue in FY 2018-19. Debt service payments for FY 2018-19 total \$9,809 or 87.5% of the district's budgeted expenses. The fund is projected close FY 2018-19 with a modest reserve balance of **\$2,887** for future sewer maintenance in the district.

***E. Diablo Estates Benefit Assessment District - Fund No. 231***

In 2012 at the request of the developer of the Diablo Estates sub-division, the City Council formed the Diablo Estates Benefit Assessment District. The purpose of the district is to generate funds for the maintenance of various improvements constructed as part of the development to solely benefit the real property owners within the district. The duties specified in the original Engineer's Report included the maintenance of landscaping and irrigation, weed abatement, storm drainage facilities, and private street lighting, which are funded by an annual assessment levied against the 25 lot residential subdivision. The fund functions essentially as a depository account from which the City contracts with and pays for a property management company to actually perform and execute the subdivision maintenance and infrastructure repairs.

In FY 2018-19 the assessment revenue is projected to be approximately \$85,861, which incorporates an April 2017 to April 2018 consumer price index (CPI) inflationary increase of 3.22%. The primary FY 2018-19 expense of the district pertains to costs associated with the property management firm contract (\$54,390). The fund is projected to close FY 2018-19 with a positive reserve balance of approximately **\$127,340** primarily retained for future infrastructure replacements in the district.

***F. Clayton Financing Authority - Fund No. 405***

On December 4, 1990, the City Council of Clayton, California adopted Resolution No. 120-90, which created the Clayton Financing Authority (CFA) through a joint exercise of powers agreement. Consistent with most local financing authorities, the joint powers agreement established the City Council as the Board of Directors of the CFA. The CFA was initially established to allow redevelopment tax allocation bonds to be sold at a more favorable negotiation basis versus a public basis. The CFA is registered with the State of California Controller's Office and is subject to the laws pertaining to special districts. As a legal separate public entity, the CFA is required to file an Annual Report with the State of California in accordance with *California Government Code* Section 26909.

Arising from matters associated with the Oakhurst Development Project, the CFA held title to a 1-acre parcel located at the southwest corner of the Clayton Road-Oakhurst

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Drive-Center Street intersection. In October 2006, the CFA sold the real property for \$800,815 to a commercial developer (Endashian, Inc.), which ultimately led to the construction and opening of the former Longs Drug Store at this location (now CVS/Pharmacy). A small portion of these monies was used in the 2008 park renovations at Clayton Community Park (tot lot and picnic facility improvements). In addition, during FY 2012-13, the CFA Board of Directors authorized the use of a portion of these discretionary funds to help finance the City's 2013 Neighborhood Street Project (CIP No. 10417).

During this past year, the replacement of the city hall HVAC quickly became more urgent as three of the five condensing units had failed and were rendered inoperable during FY 2017-18, resulting in a total cooling capacity of 40% for the three story building. Furthermore, the city hall boiler had completely failed eliminating all heating capacity of the HVAC unit essential for a productive office workplace. Acknowledging the importance of a functioning HVAC during the hot summer months and cold winter months for a productive office work environment, on July 18, 2017 the City Council authorized the transfer of \$170,126 from the CFA to assist in financing the replacement of the aging city hall HVAC unit.

No appropriations are currently included in the FY 2018-19 CFA proposed budget. After incorporation of interest earnings of \$10,000, it's projected this fund will close FY 2018-19 with a positive reserve balance of **\$565,293**.

***G. "Middle School" Community Facilities District No. 1990-1 – Fund No. 420***

As its name implies, this fund manages the annual collection of the real property Mello-Roos special parcel tax that helped finance the construction of the Diablo View Middle School, a 2007 and 2013 recognized CA Distinguished School. During FY 2007-08 the outstanding district debt was refunded to obtain a lower interest rate on the remaining principal (see Fund No. 422). This was a City-initiated transaction which resulted in lower annual payments for the assessed real property owners of this district (Oakhurst Development properties). The remainder of district budgeted expenses pays for required debt administration costs.

Professional bond trustee administration fees are incurred to manage the retirement of the district's debt. In FY 2018-19 debt service payments on the 1997 local obligations total approximately \$402,061 after the application of a debt service credit from the CFA of \$82,000 after applying savings arising from the bond refunding. Without the application of the debt service levy credit, total regular scheduled debt service on the 1997 local obligations would be \$484,061 in FY 2018-19.

Consistent with past years, in FY 2018-19 the projected special parcel tax revenue of approximately \$393,802 is less than expenditures as it incorporates a levy reduction

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credit of approximately \$125,559 (\$82,000 CFA debt service credit and \$46,029 district reserves use). This levy reduction has been implemented annually to gradually apply savings resulting from the bond refunding. When compared to the prior year district special tax levy, FY 2018-19 reflects a levy reduction of \$4,000 to be shared amongst the district tax payers. The district is projected to close FY 2018-19 with a positive reserve balance of **\$279,036**.

**H. CFA 2007 Refunding Bonds Agency Fund - Fund No. 422**

In 1997 the Clayton Financing Authority (CFA) issued \$7.16 million in Special Tax Bonds to finance in part the construction of the Diablo View Middle School (see Fund No. 420). Approximately \$5.285 million remained outstanding on the debt carrying a final maturity date of 2022. In May 2007 the CFA's Board of Directors (City Council) determined it was financially advantageous to the Oakhurst Development real property owners for the CFA to refinance the outstanding debt to achieve savings in annual debt payments. Upon its issuance the refunding action captured a savings of \$600,000 to the Middle School Community Facilities District 1990-1 (CFD 1990-1) saving individual property taxpayers approximately \$20 - \$51 per year. Bond interest rates fell from the range of 5.25% - 5.90% down to 3.5% - 4.2%. As the CFA is the owner of the 1997 local obligations, the 2007 Refunding Bonds are ultimately secured by the annual special parcel tax levy from CFD 1990-1 and the corresponding annual payment on the 1997 local obligations.

Debt service on the 2007 refunding bonds total \$433,595 in FY 2018-19. Payments received pertaining to the 1997 local obligations from CFD 1990-1 will be sufficient to meet the required 2007 refunding bonds debt service. Consistent with the prior year, this fund is projected to utilize reserves in order to apply a debt service credit to the FY 2018-19 "Middle School" CFD 1990-1 special parcel tax levy (See Fund No. 420). A systematic and gradual utilization of reserves (bond refunding savings) is planned through the maturity of the 2007 refunding bonds in FY 2022-23. The fund is projected to close FY 2018-19 with a positive reserve balance of **\$462,811**, of which \$251,990 (54.4%) pertains to the 2007 bonds' reserve fund held with the bond trustee and restricted for future debt service per the bond indenture.

**I. Successor Agency - Fund No. 615**

On June 28, 2011 the California State Legislature adopted two pieces of legislation - AB 1X 26 and AB 1X 27 (the Bill) - which eliminated redevelopment agencies (RDAs) and provided cities with the opportunity to preserve one's RDA if they agreed to make certain payments to the County Auditor-Controller. On behalf of cities and redevelopment agencies throughout the State, the League of California Cities and California Redevelopment Association requested a stay on the implementation of both pieces of legislation and filed a lawsuit with the California Supreme Court challenging both pieces of legislation. The stay was rejected and on December 29, 2011, the

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Supreme Court validated AB 1X 26 and overturned AB 1X 27. Further, the Supreme Court indicated that all RDAs in the State of California were to be dissolved and cease operations as a legal entity as of February 1, 2012. On January 11, 2012, the City Council elected to become the Successor Agency to the former RDA in accordance with AB IX 26 as part of City Resolution 03-2012. As a result of the restrictions placed on the assets and liabilities of the former RDA, the balances were transferred to a private purpose trust fund (Fund No. 615) on February 1, 2012.

Under the new law, Successor Agencies in the State of California cannot enter into new projects, obligations, or commitments. Subject to the control of a newly established Oversight Board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution. Since FY 2011-12, Successor Agencies are only allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior RDA have been paid in full and all assets have been liquidated. On an annual basis, in accordance with dissolution law, the Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) outlining all of the funding requirements for upcoming fiscal year. The ROPS must be approved by the Oversight Board to the Successor Agency via resolution and be submitted to the California Department of Finance (DOF) for approval. After a scrutinizing review by the DOF and its subsequent approval, funding for the obligations on the ROPS is received from the County Auditor Controllers office each January and June.

For FY 2018-19, the Successor Agency anticipates total expenses of \$692,490, of which 65.7% pertains to annual debt service on the 2014 Refunding Tax Allocation Bonds (TABs). In the DOF's determination letter approving the 2018-19 ROPS dated April 12, 2018, the second installment of the Supplemental Educational Revenue Augmentation Fund (SERAF) loan was approved for repayment to the Clayton Successor Housing Agency, which is scheduled to be fully repaid in FY 2020-21. Through the ROPS process described above, it is projected that the Successor Agency will receive Redevelopment Property Tax Trust Fund (RPTTF) revenues totaling \$719,897 in FY 2018-19. Subsequent to the approval of the All Other Funds Due Diligence Review (AB 1484) in FY 2015-16, the DOF ordered the Successor Agency to first use any existing cash reserves before receiving additional ROPS funding for enforceable obligations. Pursuant to this action, the Successor Agency has and will continue to use remaining bond proceeds for the payment of interest on the 2014 TABs and trustee fees. At the close of FY 2018-19, it is expected the Successor Agency will close with a positive reserve balance of approximately **\$900,643**, which is entirely restricted to future ROPS obligations. This positive reserve balance results solely from the timing of payments, as the first of two annual ROPS payments is received in June of each year, immediately prior to the fiscal year for which funds are restricted.

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**CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET**

With the demise of former RDA monies for capital improvement projects, the City now has limited financial capacity to complete key capital improvement projects. In more recent years, CIP projects have been primarily funded by HUTA gas taxes, Measure J, as well as local, state and federal grant programs.

**FY 2017-18 Capital Improvement Program Projections**

The adopted FY 2017-18 CIP budget incorporated appropriations of \$2,471,256 split between seven (7) different funded CIP projects. Following the adoption of the budget, however, new projects can be incorporated into the CIP budget and circumstances can arise requiring the deferral of planned projects into future fiscal years. The following CIP projects were underway or completed during FY 2017-18 which are projected to have invested **\$483,060** in capital improvements (including design costs) by the close of the fiscal year.

1. Pine Hollow Road Upgrades (CIP 10379)

Included in the past several CIP budgets but listed as “unfunded”, the scope of this project is to widen the north side of Pine Hollow Road with the addition of new curb, gutter and sidewalk between Pine Hollow Estates and the westerly City limit. Project work will require the acquisition of right of way for new improvements with conform paving crossing the city limit line into the City of Concord. Furthermore, the project entails the installation of a pre-made City entryway sign on the southern City limit of Pine Hollow Road.

With the completion of the Measure J grant-funded portion of 2016 Arterial Street Rehabilitation Project (CIP 10437A) under budget, on September 19, 2017 the City Council authorized the redirection of \$375,000 in remaining Measure J grant funds to this project. During FY 2017-18, the new City Engineer worked with Contra Costa County Transportation Authority (CCTA) to revise the grant agreement documents incorporating the Pine Hollow Road Upgrade project as “Phase 2” of the grant-funded local transportation improvement project. On April 3, 2018 the City Council authorized a resolution earmarking the allocation of FY 2018-19 RMRA gas tax revenues to this project to provide additional funding for this project, which is expected to cost well over the amount of residual Measure J grant monies. With preliminary and conservative cost estimates for this project nearing \$1 million, based on the results of other street repave/rehabilitation project bids received in FY 2017-18, the construction phase (and completion) of this project is planned for two years from now (FY 2019-20). In FY 2019-20 an additional \$308,000 in federal Local Street and Road Shortfall Fund funds (or “OBAG II” monies as referred to by CCTA as the pass-through awarding entity) will become available, bringing the total funding for this project to \$872,883.



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During FY 2017-18 this project was in the initial engineering planning and design phase, with a completed set of bid specifications anticipated sometime during next fiscal year (FY 2018-19). As noted previously, it is not expected this project will enter into the construction phase until FY 2019-20, when additional federal funding is expected to become available from CCTA.

Projected Capital Related Expenditures in FY 2017-18: **\$45,000**

2. ADA Compliance Program (CIP 10394A)

Each fiscal year the City sets aside \$6,000 of its annual HUTA gas tax revenues to build up sufficient reserves to perform handicap ramp corner curb cuts on public sidewalks. In addition to installing these ADA ramps where none exist, federal standards on ramp specifications were modified in July 2008 requiring revamping of existing ramps when street or sidewalk projects are installed in the adjacent area. These monies may also be used to repaint and remark existing ADA public parking spaces to current standard. The City's HUTA Gas Tax Fund (No. 201) transferred \$6,000 to this CIP account during FY 2017-18. After interest earnings, the residual reserve balance of this project is estimated to be **\$9,150** by the close of FY 2018-19.

Projected Capital Related Expenditures in FY 2017-18: **None**

3. Utility Undergrounding Project (CIP 10397)

Each year, PG&E is required by the Public Utilities Commission to set aside funds for the undergrounding of overhead utility lines. The money set aside is distributed by PG&E to local agencies on a proportional basis. Since the cost of undergrounding is so high (minimum of \$1,000,000 for 300 feet or so), this project was created to accept and accumulate these funds until enough is available to undertake a project. Typically, PG&E will allocate \$21,000 to the City's Rule 20A project account annually. In addition to the annual allocation, the City is authorized to make a five (5) year advance borrowing currently estimated to be \$103,660. Including an annual allocation estimate of \$21,000, total estimated reserves available for a utility undergrounding project will be approximately **\$445,072** by the close of FY 2017-18. No project expenditures were either planned or incurred during FY 2017-18.

Projected Capital Related Expenditures in FY 2017-18: **None**

4. El Molino Drive Sanitary Sewer Improvements Project (CIP 10422)

This project was originally established as part of the FY 2011-12 CIP budget to construct modifications to existing deficient sanitary sewer mains to prevent potential sewer overflows in areas adjacent to Mt. Diablo Creek. The project

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would entail pipe enlargement and construction of a bypass line in El Molino Drive. Total estimated project costs of \$560,000 will be funded by a reimbursement agreement with the City of Concord executed on September 7, 2017. Funding for this project is derived from the City of Concord's joint sewer enterprise fund wherein property owner parcel assessments in Clayton are deposited. By the close of FY 2017-18, total project expenditures to-date for engineering, planning and design expenditures are projected to be approximately \$40,000. This total excludes initial costs incurred by the City for the Marsh Creek Road Sewer Survey Study of approximately \$63,566, which established the essential groundwork for the El Molino Drive Sanitary Sewer Improvements Project. During FY 2017-18 this project went out to for competitive bidding however no proposals were received. Following this result, on May 15, 2018, the City Council authorized staff to negotiate a contract. This project is expected to transition from the engineering, planning and design phase to construction next fiscal year (FY 2018-19).

Projected Capital Related Expenditures in FY 2017-18: **\$40,000**

5. Keller Ridge Drive Collector Street Rehab Project (CIP 10425)

The scope of this project includes pavement resurfacing and treatment on the Keller Ridge Drive collector street in Clayton. This project will be partially funded by federal Local Street and Road Shortfall Fund funds (or "OBAG I" monies as referred to by the Contra Costa Transportation Authority as the pass-through awarding entity) totaling \$385,000 expected to be received in FY 2018-19 once construction commences. This federal grant requires a minimum local match of 11.5%, which will be achieved through transfers of HUTA and RMRA gas taxes as well as Measure J local street maintenance "return to source" funds. The federal grant monies can only be used on a collector or arterial street (rather than on a residential neighborhood street). By the close of FY 2017-18, it is estimated total planning and design project costs from inception to-date will be approximately \$78,226. Construction is projected to be underway early next fiscal year (FY 2018-19).

Projected Capital Related Expenditures in FY 2017-18: **\$50,000**

6. 2018 Neighborhood Street Rehabilitation (CIP 10436)

The objective of the 2018 Neighborhood Street Project is elevate all of the neighborhood streets to a Pavement Condition Index (PCI) of 80 or greater, with a PCI score of 100 being equivalent to a brand new street. This project has been designed to accomplish said street maintenance and rehabilitation on streets where state or federal transportation funds is not currently available. This project will be funded by various sources with proposed funding being derived

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from HUTA and RMRA gas taxes, Measure J local streets maintenance “return to source” funds, Measure J Co-op funds, and a Cal Recycle grant for utilizing rubberized paving materials. On May 15, 2018 the City Council approved the award of a low-bid contract to Sierra Nevada Construction in the amount of \$784,007 for this project. The proposed budget assumes a total fully funded project cost of \$994,007 for engineering (planning, design, etc.), construction, inspections, and project acceptance reporting. Any locally derived residual funding at the conclusion of the project will be returned to its source special revenue fund, with the policy assumption that the most restrictive funds are considered to have been spent first. By the close of FY 2017-18, it is estimated total initial planning and design project costs from inception to-date will be approximately \$50,000. This project is expected to transition to the construction phase next fiscal year (FY 2018-19).

Projected Capital Related Expenditures in FY 2017-18: **\$50,000**

7. 2016 Arterial Street Rehab Project - Measure J Grant-Funded (CIP 10437A)

The scope of this project was to make the most of a Measure J grant program providing up to \$1.2 million in transportation network improvements to the City. Given the continuously growing volume of commuter traffic the City has experienced on its arterial streets, an investment in the community on street widening, bike lanes, shoulders and pedestrian paths would be immensely beneficial for the City. In addition, given the length of time it would take to accumulate \$1.2 million in reserves from other ordinary revenue sources (i.e. HUTA gas tax and per-capital Measure J) this grant funding allowed the City to commence work on much needed transportation infrastructure improvements earlier. On December 6, 2016 the City Council approved a resolution awarding a contract to Intermountain Slurry Seal, Inc. in the amount of \$556,204 for the construction of the surface treatment portion of the 2016 Arterial Street Rehabilitation Project. The scope of this project was expanded out to east Diablo Parkway during its execution. This resulted in twice the amount of pavement being included in the scope of the project for additional estimated project costs of \$193,796. In-total, this grant-funded portion of the project invested a total of \$861,327 in the community’s arterial street infrastructure system. This figure excludes the non-grant funded portion of the project funded by Measure J totaling \$363,129. This project was largely completed by the close of last fiscal year (FY 2016-17), with some final engineering inspection costs rolling into FY 2017-18. The City Council approved the notice of completion for this project on August 1, 2017.

Projected Capital Related Expenditures in FY 2017-18: **\$2,583**

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8. El Portal Drive Restoration Project (CIP 10439)

In the initial stages of the 2016 Arterial Rehabilitation Project, significant voids in a portion of the El Portal street pavement were identified requiring urgent stabilization. This additional work was added as a change order to the scope of the 2016 Arterial Rehabilitation Project with total remedial El Portal stabilization costs of approximately \$54,000. On February 21, 2017, following the adoption of the FY 2016-17 budget, the City Council added the El Portal Drive Restoration Project to the CIP. An analysis by the City Engineer concluded that while portions of the pavement on El Portal Drive were in good condition (PCI of 65), the first 900 feet east of Regency Drive had failed and needed to be reconstructed. In addition, the south side curbs and sidewalk had raised and settled creating an uneven sidewalk surface and an unprotected drop off to the adjacent creek bed.

Following stabilization of the El Portal Drive subgrade, additional work was identified as being necessary to reconstruct the surface improvements, particularly the pavement and sidewalk areas. The total estimated cost of this additional work, including the construction of a safety rail along the back of the sidewalk where the ground drops steeply into the adjoining creek was estimated to be \$250,000, funded by a combination of the Measure J grant monies described previously (CIP 10437A) as well as local Measure J Local Streets Maintenance “return to source” funds. Since the entire width of this segment of the street was to be repaved, the City was also required by state ADA requirements to reconstruct the handicap ramps at each of the eight (8) intersections along the project length. This additional ADA compliance work was funded by a \$20,000 transfer from the ADA Compliance account (CIP 10394A). This project is expected to be completed by the close of FY 2017-18, with the locally-funded portion of this project accounted for in the CIP 10439 project account costing \$77,874.

Projected Capital Related Expenditures in FY 2017-18: **\$42,862**

9. Clayton Community Park Lower Field Rehabilitation (CIP 10440)

In response to feedback from soccer and baseball groups and an on-site assessment of the premises, a rehabilitation of the lower baseball/softball field (Field #1) of Clayton Community Park was incorporated into the CIP budget and planned for FY 2017-18. The Maintenance Department previously estimated costs of the rehabilitation project to be approximately \$50,000, which was approved to be funded by a partial allocation of the garbage franchise community enhancement fee. However, as a result of turnover with two key positions at the City during FY 2017-18 (City Engineer and Maintenance Supervisor), this project was temporarily halted with more pressing and larger-scale projects entering the planning and design phase (i.e. design and bidding for

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both the 2018 Neighborhood Street Rehabilitation Keller Ridge Collector Street Rehab, replacement of City Hall HVAC, etc.). A re-examination of the original project budget by the City Engineer resulted in a revised project estimate of \$100,000, with the additional costs currently being presented as “unfunded” in the CIP budget requiring additional City Council direction. Despite the temporary setback experienced in FY 2017-18, with a new City Engineer and Maintenance Supervisor at the respective “helms” of their departments, it is expected this project will commence and be completed next fiscal year (FY 2018-19). Staff will be working diligently to identify additional funding for this project to be included with the recommendation of contract award to the City Council sometime during FY 2018-19.

Projected Capital Related Expenditures in FY 2017-18: **None**

10. North Valley Playground Rehabilitation (CIP No. 10442)

In response to feedback from residents in the community and an on-site assessment of the premises, a rehabilitation of the North Valley neighborhood park tot lot and surrounding premises was originally planned for and incorporated into the adopted FY 2017-18 CIP budget. Replacement of the resilient play surface, originally completed in FY 2000-01, is estimated to cost \$50,000, with the cost of equipment, freight and installation of the new play apparatus estimated to be \$79,500. Projected to cost \$37,800, the installation of three (3) shade structures similar to those at the Clayton Community Park Picnic Area #5 will provide much needed shelter from the sun given the absence of mature shade-providing trees in the park. This brings the total cost of the park rehabilitation project to \$167,300. The City Council previously authorized funding for North Valley Playground Rehabilitation project from two sources. The portion of the Open Space In-Lieu development impact fee balance designated for “active areas” will provide \$142,000 in funding for the project, with the remaining \$23,800 in funding coming from unallocated CIP interest earnings. During FY 2017-18, in accordance with the adopted budget, both of these funding transfers were made to the project account. As noted previously, as a result of turnover with two key positions at the City during FY 2017-18, this project was temporarily halted with more pressing and larger-scale projects entering the planning and design phase (i.e. design and bidding for both the 2018 Neighborhood Street Rehabilitation Keller Ridge Collector Street Rehab, replacement of City Hall HVAC, etc.). Despite this temporary setback experienced in FY 2017-18, with a new City Engineer and Maintenance Supervisor it is expected this project will commence and be completed next fiscal year (FY 2018-19).

Projected Capital Related Expenditures in FY 2017-18: **None**

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11. City Hall ADA Accessibility Project (CIP 10443)

Following the adoption of the FY 2017-18 budget, CIP 10443 was added to the CIP budget by the City Council to address feedback from a growing constituency that the City Hall entry doors are extremely heavy and difficult for some to open, bringing into question their compliance with the Americans with Disabilities Act (ADA). Further related research by the City Attorney's office resulted in a finding that despite its historical status and listing on the California Register of Historic Buildings, the Clayton City building is not exempt from compliance with the rigorous ADA requirements. On September 19, 2017 the City Council awarded a low-bid contract to Greentech Industry in the amount of \$24,050 to bring the various entryway doors of City Hall into compliance. Pursuant to project specifications prepared by the City Engineer, the scope of this project included the installation of a push-button activated power door opening system for: (1) the main entry door to City Hall, (2) one of the two interior lobby entry doors within City Hall, and (3) for the City Hall Courtyard exterior public restrooms door. Including engineering design and planning costs, total project costs are estimated to be \$35,000. Due to set-backs encountered by the awarded contractor during the project planning phase, this project was temporarily halted and is expected to commence and enter into the construction phase next fiscal year (FY 2018-19).

Projected Capital Related Expenditures in FY 2017-18: **None**

12. City Hall HVAC Replacement Project (CIP 10444)

Over the course of the past two years, three of the five condensing units of the city hall HVAC system had failed and were rendered inoperable, resulting in a total cooling capacity of 40% for the three story building. Furthermore, during FY 2017-18 the city hall boiler had completely failed eliminating all heating capacity of the HVAC unit. As a reasonably controlled temperature is essential for a productive and safe work environment, particularly during the hot summer months and cold winter season, the replacement of the original city HVAC system quickly became an urgent and essential task. Acknowledging the importance of this need, on February 21, 2017 using a quote provided by the City's existing HVAC maintenance company, the City Council took action to earmark a portion (\$93,325) of the General Fund excess reported in the FY 2015-16 audited CAFR for this project. However, during the contracted project engineer's (Diseno Group) preparation of bid sets, some issues became apparent that the existing HVAC system did not meet current code requirements. Two of the largest code upgrades needed were a need to properly and adequately vent the boiler to the outside and to relocate the electrical disconnects for the boiler pumps that had been previously located behind the unit. Furthermoer, technical discoveries identified some other major equipment needed to be replaced concurrently with the replacement of the

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HVAC system, including the operating controller, and electrical phase converter for the new cooling equipment, a new damper for the hot water heater and various valves and gauges.

Ultimately, with this new information from the contracted project engineer outlining significantly expanded specs, the competitive bids came in much higher than previously estimated. On July 18, 2017 the City Council awarded contract to the lowest responsive and responsible bidder (Servi-Tech Controls) to perform the project in the amount of \$253,398. Noting the previous earmark of General Fund excess fell short of the project's revised estimated cost City Council authorized the transfer of \$170,126 from the Clayton Financing Authority to bridge the gap in funding for this urgent project. This project was completed during FY 2017-18 with the Notice of Completion expected to go to the City Council for approval on June 5, 2018.

Projected Capital Related Expenditures in FY 2017-18: **\$255,198**

**FY 2018-19 Capital Improvement Program Proposed Budget**

Due to several projects previously summarized only entering the initial planning stages during FY 2017-18, any planned expenditures for these projects not incurred by year end are being rolled forward and re-appropriated into the FY 2018-19 CIP budget. Including these rolled-forward appropriations, the following projects are expected to be underway resulting in total projected expenditures of **\$2,746,513** in FY 2018-19.

1. **Pine Hollow Road Upgrades (CIP 10379)**

Included in the past several CIP budgets but listed as "unfunded", the scope of this project is to widen the north side of Pine Hollow Road with the addition of new curb, gutter and sidewalk between Pine Hollow Estates and the westerly City limit. Project work will require the acquisition of right of way for new improvements with conform paving crossing the city limit line into the City of Concord. Furthermore, the project entails the installation of a pre-made City entryway sign on the southern City limit of Pine Hollow Road.

With the completion of the Measure J grant-funded portion of 2016 Arterial Street Rehabilitation Project (CIP 10437A) under budget, on September 19, 2017 the City Council authorized the redirection of \$375,000 in remaining Measure J grant funds to this project. During FY 2017-18, the new City Engineer worked with Contra Costa County Transportation Authority (CCTA) to revise the grant agreement documents incorporating the Pine Hollow Road Upgrade project as "Phase 2" of the grant-funded local transportation improvement project. On April 3, 2018 the City Council authorized a resolution earmarking the allocation of FY 2018-19 RMRA gas tax revenues to this project to provide additional

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funding for this project, which is expected to cost well over the amount of residual Measure J grant monies. With preliminary and conservative cost estimates for this project nearing \$1 million, based on the results of other street repave/rehabilitation project bids received in FY 2017-18, the construction phase (and completion) of this project is planned for two years from now (FY 2019-20). In FY 2019-20 an additional \$308,000 in federal Local Street and Road Shortfall Fund funds (or "OBAG II" monies as referred to by CCTA as the pass-through awarding entity) will become available, bringing the total funding for this project to \$872,883.

It is anticipated this project will complete the engineering planning and design phase with a complete set of bid specifications by the close of next fiscal year (FY 2018-19). As noted previously, it is not expected this project will enter into the construction phase until FY 2019-20, when additional federal funding is expected to become available from CCTA.

Projected Capital Related Expenditures in FY 2018-19: **\$50,000**

2. ADA Compliance Program (CIP 10394A)

Each fiscal year the City sets aside \$6,000 of its annual HUTA gas tax revenues to build up sufficient reserves to perform handicap ramp corner curb cuts on public sidewalks. In addition to installing these ADA ramps where none exist, federal standards on ramp specifications were modified in July 2008 requiring revamping of existing ramps when street or sidewalk projects are installed in the adjacent area. These monies may also be used to repaint and remark existing ADA public parking spaces to current standard. The proposed budget plans for an additional transfer of \$6,000 from the City's HUTA Gas Tax Fund (No. 201) 000 to this CIP account during FY 2018-19. This results in a planned reserve balance of **\$15,150** in this account available for future ADA needs by the close of FY 2018-19.

Projected Capital Related Expenditures in FY 2018-19: **None**

3. Utility Undergrounding Project (CIP 10397)

Each year, PG&E is required by the Public Utilities Commission to set aside funds for the undergrounding of overhead utility lines. The money set aside is distributed by PG&E to local agencies on a proportional basis. Since the cost of undergrounding is so high (minimum of \$1,000,000 for 300 feet or so), this project was created to accept and accumulate these funds until enough is available to undertake a project. Typically, PG&E will allocate \$21,000 to the City's Rule 20A project account annually. In addition to the annual allocation, the City is authorized to make a five (5) year advance borrowing currently estimated to be



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\$103,660. Including a another annual allocation estimate of \$21,000, total estimated reserves available for a utility undergrounding project will be approximately **\$466,072** by the close of FY 2018-19. No project expenditures planned at this point for FY 2018-19.

Projected Capital Related Expenditures in FY 2018-19: **None**

4. El Molino Drive Sanitary Sewer Improvements Project (CIP 10422)

This project was originally established as part of the FY 2011-12 CIP budget to construct modifications to existing deficient sanitary sewer mains to prevent potential sewer overflows in areas adjacent to Mt. Diablo Creek. The project would entail pipe enlargement and construction of a bypass line in El Molino Drive. Total estimated project costs of \$560,000 will be funded by a reimbursement agreement with the City of Concord executed on September 7, 2017. Funding for this project is derived from the City of Concord's joint sewer enterprise fund wherein property owner parcel assessments in Clayton are deposited. This total project estimate excludes initial costs incurred by the City for the Marsh Creek Road Sewer Survey Study of approximately \$63,566, which established the essential groundwork for the El Molino Drive Sanitary Sewer Improvements Project. During FY 2017-18 this project went out to for competitive bidding however no proposals were received. Following this result, on May 15, 2018, the City Council authorized staff to negotiate a contract. It is expected this project will transition from the engineering, planning and design phase to construction and completion in FY 2018-19.

Projected Capital Related Expenditures in FY 2018-19: **\$520,000**

5. Keller Ridge Drive Collector Street Rehab Project (CIP 10425)

The scope of this project includes pavement resurfacing and treatment on the Keller Ridge Drive collector street in Clayton. This project will be partially funded by federal Local Street and Road Shortfall Fund funds (or "OBAG I" monies as referred to by CCTA as the pass-through awarding entity) totaling \$385,000 expected to be received in FY 2018-19 once construction commences. This federal grant requires a minimum local match of 11.5%, which will be achieved through transfers of HUTA and RMRA gas taxes as well as Measure J local street maintenance "return to source" funds. The federal grant monies can only be used on a collector or arterial street (rather than on a residential neighborhood street). This project is expected to be completed next fiscal year (FY 2018-19) at a final estimated total cost of \$1,008,432.

Projected Capital Related Expenditures in FY 2018-19: **\$930,206**

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6. 2018 Neighborhood Street Rehabilitation (CIP 10436)

The objective of the 2018 Neighborhood Street Project is elevate all of the neighborhood streets to a Pavement Condition Index (PCI) of 80 or greater, with a PCI score of 100 being equivalent to a brand new street. This project has been designed to accomplish said street maintenance and rehabilitation on streets where state or federal transportation funds is not currently available. This project will be funded by various sources with proposed funding being derived from HUTA and RMRA gas taxes, Measure J local streets maintenance “return to source” funds, Measure J Co-op funds, and a Cal Recycle grant for utilizing rubberized paving materials. On May 15, 2018 the City Council approved the award of a low-bid contract to Sierra Nevada Construction in the amount of \$784,007 for this project. The proposed budget assumes a total fully funded project cost of \$994,007 for engineering (planning, design, etc.), construction, inspections, and project acceptance reporting. Any locally derived residual funding at the conclusion of the project will be returned to its source special revenue fund, with the policy assumption that the most restrictive funds are considered to have been spent first. This project is expected to transition to the construction phase and be completed by the close of next fiscal year (FY 2018-19).

Projected Capital Related Expenditures in FY 2018-19: **\$944,007**

7. Clayton Community Park Lower Field Rehabilitation (CIP 10440)

In response to feedback from soccer and baseball groups and an on-site assessment of the premises, a rehabilitation of the lower baseball/softball field (Field #1) of Clayton Community Park was incorporated into the CIP budget and planned for FY 2017-18. The Maintenance Department previously estimated costs of the rehabilitation project to be approximately \$50,000, which was approved to be funded by a partial allocation of the garbage franchise community enhancement fee. A re-examination of the original project budget by the new City Engineer resulted in a revised project estimate of \$100,000, with the additional costs currently being presented as “unfunded” in the CIP budget requiring additional City Council direction. Staff will be working diligently to identify additional funding for this project to be included with the recommendation of contract award to the City Council sometime during FY 2018-19. It is expected this project will commence and be completed next fiscal year (FY 2018-19).

Projected Capital Related Expenditures in FY 2018-19: **\$100,000**

8. North Valley Playground Rehabilitation (CIP No. 10442)

In response to feedback from residents in the community and an on-site assessment of the premises, a rehabilitation of the North Valley neighborhood

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park tot lot and surrounding premises was originally planned for and incorporated into the adopted FY 2017-18 CIP budget. Replacement of the resilient play surface, originally completed in FY 2000-01, is estimated to cost \$50,000, with the cost of equipment, freight and installation of the new play apparatus estimated to be \$79,500. Projected to cost \$37,800, the installation of three (3) shade structures similar to those at the Clayton Community Park Picnic Area #5 will provide much needed shelter from the sun given the absence of mature shade-providing trees in the park. This brings the total estimated cost of the park rehabilitation project to \$167,300. The City Council previously authorized funding for North Valley Playground Rehabilitation project from two sources. The portion of the Open Space In-Lieu development impact fee balance designated for “active areas” will provide \$142,000 in funding for the project, with the remaining \$23,800 in funding coming from unallocated CIP interest earnings. During FY 2017-18, in accordance with the adopted budget, both of these funding transfers were made to the project account. This project is expected to commence and be completed next fiscal year (FY 2018-19).

Projected Capital Related Expenditures in FY 2018-19: **\$167,300**

9. City Hall ADA Accessibility Project (CIP 10443)

Following the adoption of the FY 2017-18 budget, CIP 10443 was added to the CIP budget by the City Council to address feedback from a growing constituency that the City Hall entry doors are extremely heavy and difficult for some to open, brining into question their compliance with the Americans with Disabilities Act (ADA). Further related research by the City Attorney’s office resulted in a finding that despite its historical status and listing on the California Register of Historic Buildings, the Clayton City building is not exempt from compliance with the rigorous ADA requirements. On September 19, 2017 the City Council awarded a low-bid contract to Greentech Industry in the amount of \$24,050 to bring the various entryway doors of City Hall into compliance. Pursuant to project specifications prepared by the City Engineer, the scope of this project included the installation of a push-button activated power door opening system for: (1) the main entry door to City Hall, (2) one of the two interior lobby entry doors within City Hall, and (3) for the City Hall Courtyard exterior public restrooms door. Including engineering design and planning costs, total project costs are estimated to be \$35,000. Due to set-backs encountered by the awarded contractor during the project planning phase in FY 2017-18, this project was temporarily halted and is being rolled forward into the FY 2018-19 proposed CIP budget for completion.

Projected Capital Related Expenditures in FY 2018-19: **\$35,000**

**City of Clayton  
Budget Message  
Public Employees Retirement Pension System**

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**PUBLIC EMPLOYEES RETIREMENT PENSION SYSTEM**

**A Brief History**

Eleven years after its incorporation as a municipality in 1964, the City of Clayton joined the California Public Employees Retirement System (CalPERS) to establish a pension system for its public employees (June 1975). At that time it contracted for a retirement system plan of 2% at age 55 for its sworn law enforcement officers and 2% at age 60 for its general (miscellaneous) employees. Each enrolled plan was the least costly “defined benefit” plan offered by CalPERS. For the next 40 years and continuing today, permanent employees of the City are members of CalPERS for retirement pension purposes. The City organization does not belong to Social Security; therefore, its employees rely on this public pension system as the primary retirement program.

A plan change occurred in 1997 when the City moved its law enforcement employees from the CalPERS 2% at 55 Plan to a 2% at age 50 Plan; miscellaneous employees were kept on the 2% at age 60 Plan. Presumably at that time the City elevated the retirement benefits of its Police Department in order to attract and retain quality sworn personnel in the competitive public sector market. In early 2001 the retirement plans were again modified (through the collective bargaining process) to the existing “Classic” contracts of 3% at age 55 for Public Safety (sworn law enforcement) and 2% at age 55 for the Miscellaneous Unit (civilian). CalPERS also initiated unilateral action to eliminate small-employer public agency members from consideration as independent agencies and “pooled” them together to share some of the pension risk. These new pooled plans (in effect today) are referred to as *Multiple-Employer “Cost-Sharing” Defined Benefit Plans*. Although cost sharing plans are designed to bundle employer pension expenses of several employer plans that provide identical benefits, plans that had super- or under-funded statuses carried forward their positive or negative balances into the new plan in what is referred to as a “Side-Fund”. Thus, this CalPERS action caused several of the small employers (including Clayton) to suddenly have a side-fund “unfunded liability” which the City of Clayton has now been reducing over time within its annual Employer contribution pension rates as analyzed in greater detail later.

In recent years, coinciding with the abrupt downturn in the national and local economies and the wave of retiring Baby Boomers (born 1946 - 1964), the press and the public have waged a vigorous debate and exposé concerning the amount and scope of unfunded liabilities of governments [taxpayers] for the CalPERS defined benefit retirement plan. Public pension policies have been attacked, modified, reformed and threatened over the course of this examination and it continues today in the form of state legislation reform bills, statewide initiatives and disparaging editorial opinions. The State of California enacted Public Employee Pension Reform Act (PEPRA) effective January 2013 creating a new defined benefit pension system for newly-enrolled CalPERS-covered employees.

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Acting in advance of PEPRA and most public agencies, the City of Clayton created a 2<sup>nd</sup> Tier Plan effective January 2011 for all new hires. To further mitigate its unfunded liability exposure, the Clayton City Council took action in March 2012 to prohibit all future local elected officials (e.g. city council members) from becoming members of the CalPERS pension plan. In FY 2018-19, three out of five Clayton City Council Members are not members of CalPERS and therefore participate solely in the Social Security federal program.

**Various Pension Plan Groups and Composition**

As a consequence of the actions taken as described above, the City of Clayton now has three (3) separate CalPERS pension plans for its employees:

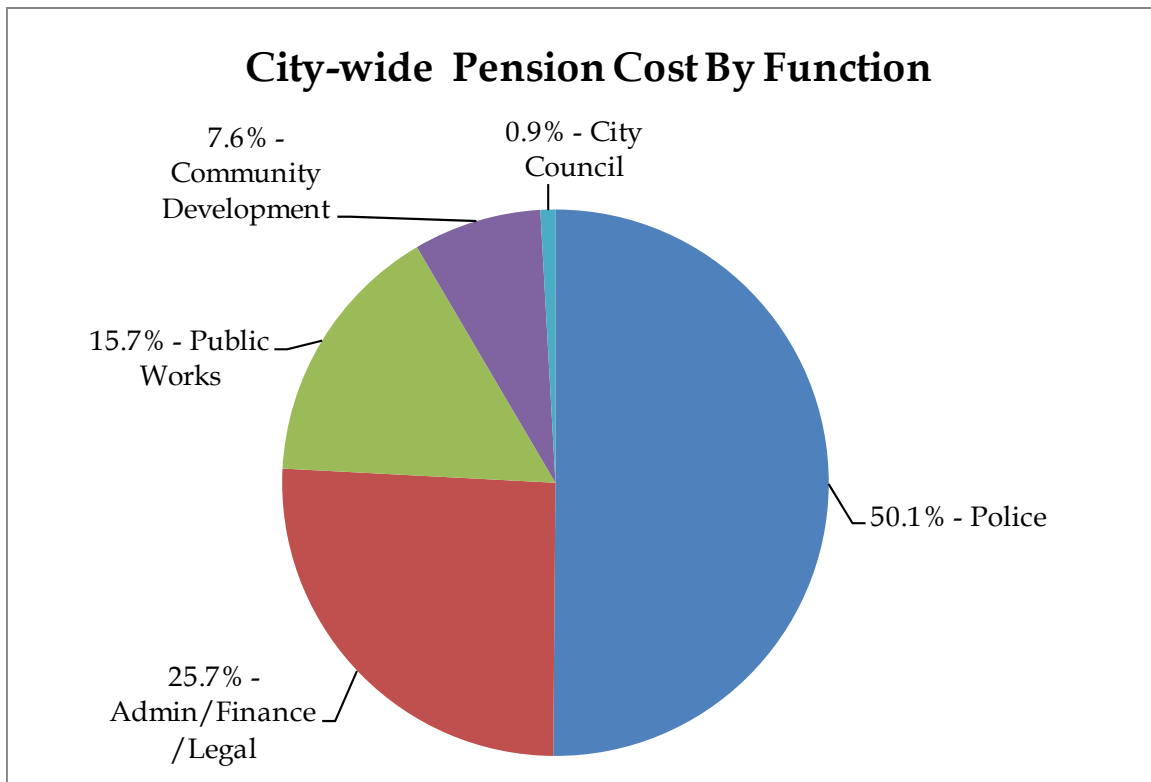
1. **Tier 1 “Classic”** – This plan covers existing City employees prior to January 2011. No future employee of the City can ever become a Tier 1 Plan enrollee; this pool of existing employees will shrink in number as these employees move to other employment or retire from the City. The benefit formula for Public Safety Tier 1 members is 3% @ 55 and the benefit formula for Miscellaneous Tier 1 members is 2% @ 55. The City makes employee contributions on behalf of Tier 1 employees, which are classified as *Employer Paid Member Contributions* or “EPMC” by CalPERS. In accordance with labor agreements currently in place, for FY 2018-19 the City pays the entire 7% employee pension contribution requirement for Miscellaneous Plan Members. As part of three year Police Officers Association labor agreement approved on July 7, 2015, the previous 9% EPMC for Public Safety Tier 1 members was gradually phased out over the term of the agreement with its full elimination in FY 2017-18. This phase-out was offset by 4% annual cost of living adjustments for all sworn officers. In FY 2018-19, employer contribution rates (excluding EPMC) for Tier 1 employees will be 17.614% and 8.892% for Public Safety and Miscellaneous Plan Members, respectively.
2. **Tier 2 “Classic”** – This plan covers City employees hired during the timeframe January 2011 through December 2012, plus any new hire of the City that comes from an employer previously enrolled in a CalPERS pension system (without a break in service longer than six months). The benefit formula for Public Safety Tier 2 members is 2% @ 50 and the benefit formula for Miscellaneous Tier 2 members is 2% @ 60. There is no EPMC provision, making employees responsible for the entire employee pension contribution rate, which is 9% for Public Safety plan members and 7% for Miscellaneous Plan Members. In FY 2018-19 employer contribution rates for Tier 2 employees will be 15.719% and 7.634% for Public Safety and Miscellaneous Plan Members, respectively
3. **Tier 3 “PEPRA”** – This plan (aka the “Brown Plan” named after its originator, Governor Jerry Brown) automatically covers any new employee of the City not

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previously a member of CalPERS or with a break in service longer than six months. The benefit formula for Public Safety Tier 3 members is 2.7% @ 57 and the benefit formula for Miscellaneous Tier 3 members is 2% @ 62. Under PEPRA law, members are required to pay at least 50% of the normal cost of benefits, essentially splitting the pension contribution rate requirement with some exceptions. In FY 2018-19 employer contribution rates for Tier 3 employees will be 12.141% and 6.842% for Public Safety and Miscellaneous Plan Members, respectively

The following chart summarizes the organization-wide spread of the City's pension contributions projected for FY 2018-19:



**Status of the City's Unfunded Liability**

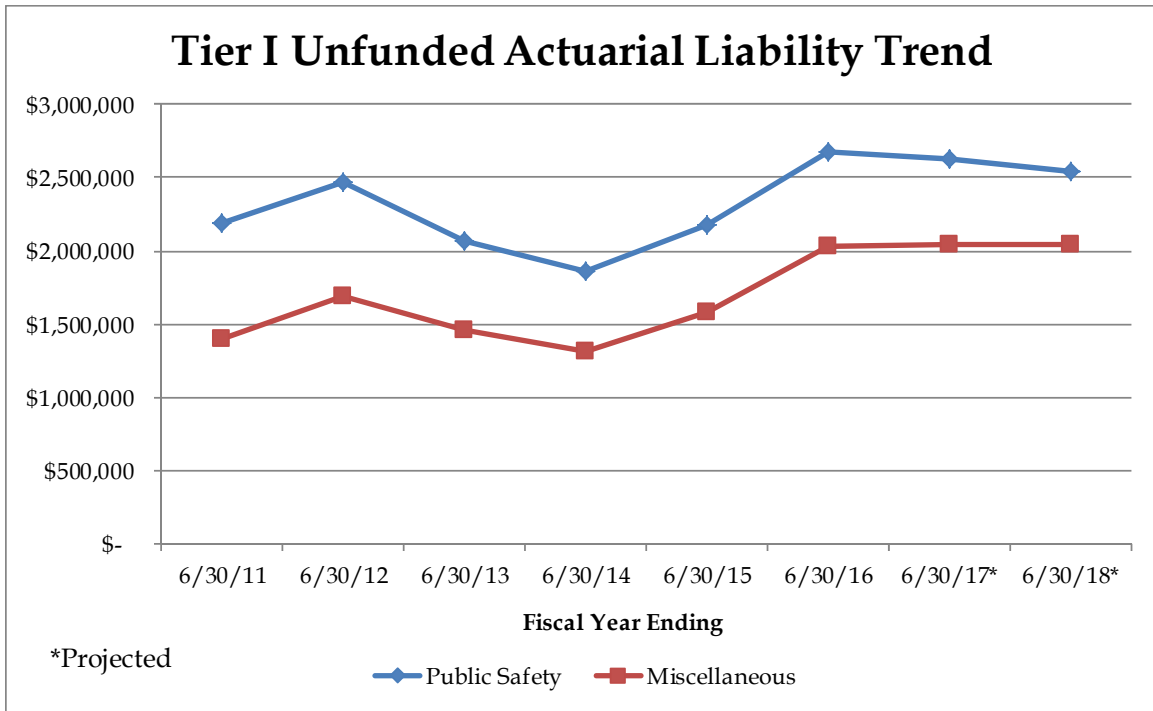
"Unfunded liability" is the difference between the liability estimated to pay future benefits and the market value of assets accumulated to pay those benefits. If assets are greater, a plan is overfunded and if the liability is greater, a plan is underfunded, creating an unfunded liability. An unfunded liability is an estimate that changes with each valuation depending upon changes in market value of assets, investment earnings and actual results of the plan as compared to assumptions made by actuaries. Unfunded liabilities are not amounts that are actually due today but are estimates of what actuaries believe will be needed to pay future benefits. The funding policies

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established by CalPERS are intended to provide for full funding of the pension plan by the time employees retire.

The following is a line chart summarizing the City’s unfunded actuarial liabilities (UALs) for both the Public Safety and Miscellaneous Tier 1 employee plans over the past 6 years (since CalPERS began publishing this information in the actuarial reports) and CalPERS’ estimates for the upcoming actuarial reports for the years ending June 30, 2017 and June 30, 2018:



From the City’s most recent CalPERS actuarial report issued in August 2017 for June 30, 2016, the unfunded liability of the Public Safety and Miscellaneous 1<sup>st</sup> Tier employee groups was \$2,672,718 (71.9% funded) and \$2,026,364 (72.8% funded), respectively. The hike in unfunded status (and corresponding increase in the UAL) from FY 2013-14 to FY 2015-16 was a result of the relatively poor performance of the capital markets with CalPERS not achieving the actuarially assumed 7.5% discount rate effective for those years. The 2016 Annual Review of Funding Levels and Risks published by CalPERS on September 20, 2016 reported that recent economic conditions have increased the risk associated with achieving a 7.5% rate of return over the medium term (10 years or so). With this in mind, action was taken by the CalPERS Board to re-address the viability of the actuarially assumed discount rate for future years with the goal of increasing funded status of pension plans.

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**CalPERS Board Discount Rate Change**

On December 21, 2016 the CalPERS Board voted to lower its discount rate from 7.5% to 7.0% over a three year timeframe with the hope the incremental lowering of the rate would give employers more time to prepare for the changes in contribution costs. The first year of pension contribution increases resulting from lowering the discount rate will be next fiscal year (FY 2018-19). The following is a summary of impacts to the City's Normal Cost (percentage of payroll) rate and fixed dollar UAL contributions resulting from CalPERS Board action on its discount rate:

Valuation Date	Fiscal Year Impact	Normal Cost		UAL Payments	
		Misc Plans.	Safety Plans	Misc. Plan	Safety Plans
6/30/2016	2018-19	0.25% - 0.75%	0.5% - 1.25%	2% - 3%	2% - 3%
6/30/2017	2019-20	0.5% - 1.5%	1.0% - 2.5%	4% - 6%	4% - 6%
6/30/2018	2020-21	1.0% - 3.0%	2.0% - 5.0%	10% - 15%	10% - 15%
6/30/2019	2021-22	1.0% - 3.0%	2.0% - 5.0%	15% - 20%	15% - 20%
6/30/2020	2022-23	1.0% - 3.0%	2.0% - 5.0%	20% - 25%	20% - 25%
6/30/2021	2023-24	1.0% - 3.0%	2.0% - 5.0%	25% - 30%	25% - 30%
6/30/2022	2024-25	1.0% - 3.0%	2.0% - 5.0%	30% - 40%	30% - 40%

These projected increases are not compounding, but represent percentage increases to existing contribution projections for the Normal Cost and fixed dollar UAL contributions previously published by CalPERS. The annual dollar impact of the increases caused by the change in actuarial assumption is illustrated in the Employer Pension Cost Trend Analysis table later in this section.

**Status of the City's Side Funds**

As discussed previously, the Side-Fund unfunded liability is the amount the City's CalPERS actuary annually determines is owed in addition to current payments. The City's Side-Funds have gradually reduced over the past several years. In the aggregate (Safety and Miscellaneous), the liability is being amortized (paid down at approximately \$230,000 per year as of FY 2017-18) following the new fixed dollar billing policy CalPERS implemented in FY 2015-16 discussed later.

Actuarial projections show the City's Tier I Public Safety Side Fund was eliminated this past year (FY 2017-18) and the Tier I Miscellaneous Side Fund will be fully eliminated in next two years (FY 2019-20). Next year, and for the first time, the pay-off of the Tier I Public Safety Side Fund will be accompanied by a temporary decrease in the fixed dollar UAL employer pension contributions. The one-time decrease in employer pension contributions anticipated in FY 2018-19 is clearly visible in the multi-year pension cost trend analysis on the following page. The significant but non-recurring savings are discussed in greater detail in the General Fund Police Department section of the Proposed Budget Narrative. It is important to note that while this is good news in

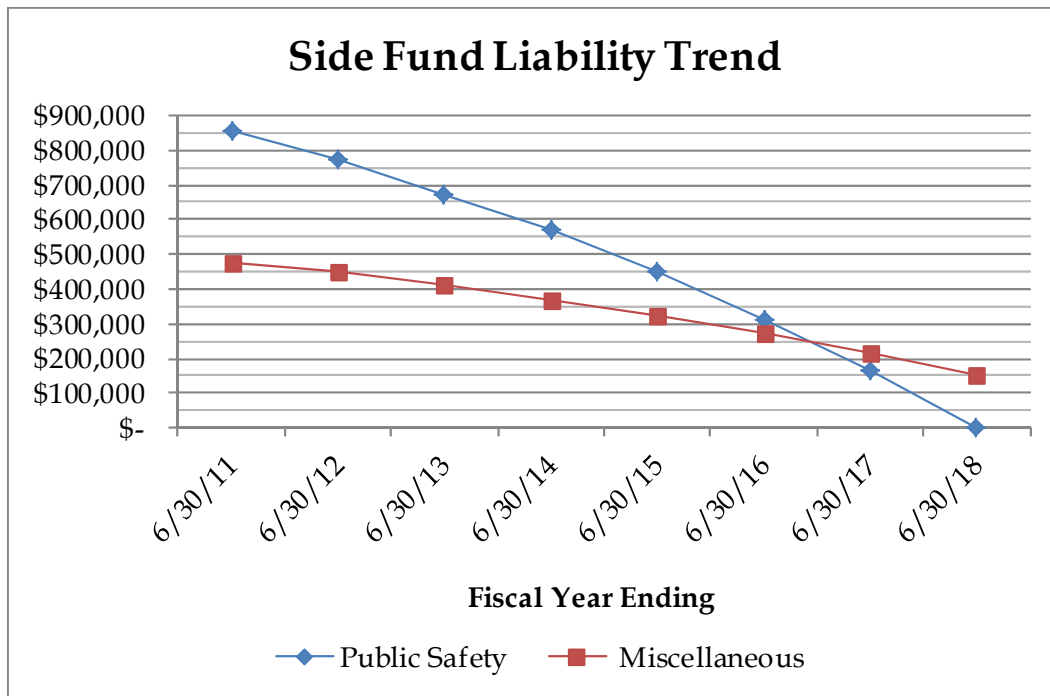


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the short term, changes in CalPERS Board adopted actuarial assumptions can still drastically impact future employer pension contribution requirements.

To provide a more in-depth analysis of a significant driver of the UAL, the following chart is offered summarizing the historical trend of the City's unfunded "side-fund" liability, which is included as part of the total UAL discussed previously. This trend analysis was prepared using the most current actuarial data supplied to the City by CalPERS in the annual funding actuarial reports:



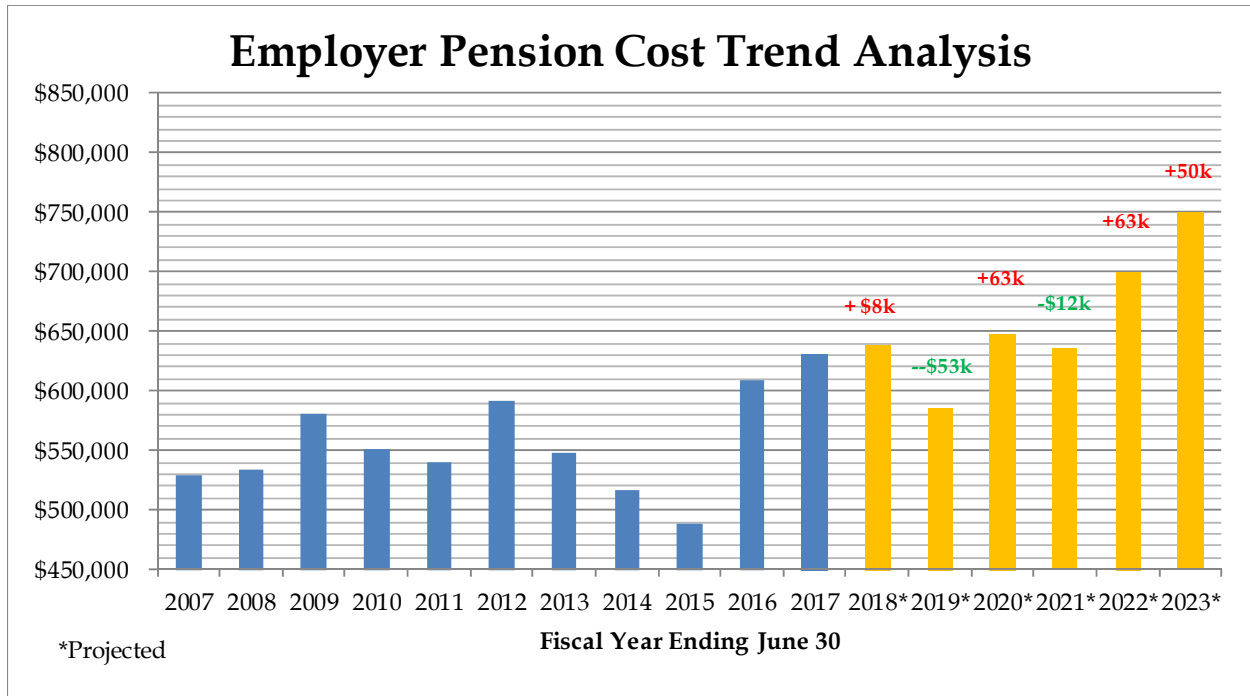
***Impacts of Statutory Pension Reform - Short and Long-term***

As described in the General Fund Expenditures section previously, since the adoption of PEPRA and due to measures taken by the City Council in 2011 to create second retirement tier prior to PEPRA, noteworthy savings were realized by the City in the three (3) year timeframe from FY 2012-13 through FY 2014-15. Ultimately, these savings were realized by the City through the gradual attrition of several Tier 1 "Classic" employees with less expensive Tier 2 and Tier 3 (PEPRA) enrolled employees.

However, commencing in FY 2015-16, in an attempt to "re-capture" these savings realized by the City and numerous other participating agencies, CalPERS began billing for the unfunded portion of the City's pension obligations as a fixed dollar amount as opposed to the "percentage of payroll" method use in all prior years up leading up to FY 2015-16, which prior methodology greatly benefited our City. The following chart

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summarizes the trends in employer pension cost for the past eleven fiscal years and projections for the current and next five fiscal years:



Note: This chart incorporates the existing Police Officer Association and Miscellaneous Employee Group labor agreements which expire on July 1, 2018 and July 1, 2019, respectively.

This chart illustrates actual pension costs from FY 2006-07 through FY 2016-17 and projections for FY 2017-18 (currently in progress) through FY 2022-23. As discussed previously, the noteworthy decrease projected for next fiscal year (FY 2018-19) is a direct result of the full payoff of the Public Safety Tier 1 Side Fund liability. The total amount of monies in the proposed budget projected to be required to pay CalPERS retirement contributions in FY 2018-19 is \$584,930 across all City funds, representing a decrease of approximately \$53,000 (8.4%). Of this amount, over **51.7%** pertains to CalPERS fixed dollar billings for the unfunded liability. This means for every one dollar spent on employer pension contributions, nearly 51.7¢ is used to address the buildup of the unfunded liability reported by CalPERS actuaries and not to address future retirement benefits of the current workforce.

The chart also incorporates the impact of the CalPERS Board decreasing the assumed discount rate in December 2016, which first causes increases to the employer pension contribution rate as a percentage of employee payroll as well as increases to the fixed dollar unfunded liability contributions beginning in FY 2018-19 (next year). Despite the negative impact of pension contribution increases caused by the discount rate reduction, in FY 2018-19 this bad news is offset by the savings realized from the

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maturity of the Public Safety Tier 1 side-fund. Immediately following these non-recurring savings in the Police Department next year, employer pension contributions are expected to rebound back in FY 2019-20. Thereafter in FY 2020-21, estimated employer pension contribution increases which would have otherwise occurred due to the lowering of the discount rate are momentarily held at bay due to the payoff of the Miscellaneous Tier 1 Side Fund. In years following FY 2020-21 estimated employer pension contributions are expected to grow in concert with a wages. Of key importance when analyzing these figures is that the CalPERS projections incorporated in the previous chart assumes a consistent and predictable long-term discount rate of 7.0%. Should investment returns be greater than this, the City would realize savings in projected pension contributions, and vice versa should the assumed discount rate not be achieved.

**Summary of Pension Analysis**

The purpose of this information published annually is not to diminish or dismiss the seriousness of the unfunded liability retirement debate, and certainly the City's current amount of side fund unfunded pension liability is not insignificant. Acknowledging the importance of curbing the growth of unfunded liabilities, action was taken by the City Council to mitigate the issue prospectively by reorganizing the retirement groups. As a result of this restructuring, the amortization of the Side Funds, elimination of EPMC for more expensive Public Safety Tier 1 members, and annual payments made by the City towards the unfunded liability, the City's unfunded status is expected to trend downward in future years. What is critical to include in the dialogue over this subject is the acknowledgement that not every city or local government is in the same precarious predicament, and not every city or local government has the "Cadillac" retirement plan that is offered through CalPERS. Caution is suggested so as not to cast all public pension plans, pensioners, cities and public employees into the same cauldron to burn while gnawing on the most egregious examples of compensation spiking and retirement pay.

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# **BUDGET SCHEDULES**

## **2018-19**

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**General Fund  
Revenues  
2018-19**

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**CITY OF CLAYTON PROPOSED GENERAL FUND REVENUE BUDGET  
2017-18 BUDGETED VS 2018-19 ADOPTED BUDGETED REVENUE**

Description	Account Number	Actual Revenue 2016-17	Budgeted Revenue 2016-17	Projected Revenue 2017-18	Budgeted Revenue 2017-18	Adopted Revenue 2018-19	Change from 2017-18 Budget (%)
Secured Property Taxes:							
Property Taxes In-Lieu of VLF	4100	928,098	907,000	965,768	946,600	985,000	4.1%
Property Taxes - Secured	4101	818,851	793,000	850,000	833,300	867,000	4.0%
Sales Tax In-Lieu (Triple Flip)	4101	58,402	56,000	-	-	-	0.0%
RPTTF Distribution	4108	349,264	290,000	382,000	368,000	414,000	12.5%
<b>Total Secured Property Taxes</b>		<b>2,154,615</b>	<b>2,046,000</b>	<b>2,197,768</b>	<b>2,147,900</b>	<b>2,266,000</b>	<b>5.5%</b>
Property Taxes - Unsecured							
Property Taxes - Unitary Tax	4102	41,033	40,690	40,800	39,800	41,600	4.5%
Property Taxes - Supplemental	4103	13,989	13,920	14,800	14,100	15,000	6.4%
Property Taxes - Other	4104	34,812	24,270	35,000	29,500	35,700	21.0%
Sales and Use Tax	4106	9,874	10,460	10,000	10,500	10,200	-2.9%
Real Property Transfer Tax	4301	455,387	464,400	468,000	434,500	477,000	9.8%
Business Licenses	4502	84,897	78,000	74,900	83,000	76,300	-8.1%
CCC Building Permit Remit Fees	5101	135,866	136,000	151,000	137,000	146,000	6.6%
Engineering Service Fees	5103	61,863	55,000	71,200	58,100	72,000	23.9%
Public Safety Allocation	5106	8,842	7,800	9,600	8,100	9,700	19.8%
Abandoned Veh Abate (AVA)	5201	82,707	82,600	86,000	82,900	87,700	5.8%
Motor Vehicle In-Lieu	5202	5,661	4,800	4,990	5,300	5,080	-4.2%
Other In-Lieu of Taxes	5203	5,021	4,600	5,940	5,100	6,050	18.6%
POST Reimbursements	5205	157,949	157,950	161,108	161,110	164,330	2.0%
State Mandated Cost Reimbursement	5214	1,487	1,000	2,380	1,000	2,380	138.0%
Planning Service Fees	5217	5,062	-	5,273	-	5,000	0.0%
Police Services	5301	15,382	12,200	14,400	14,280	14,600	2.2%
City Hall Rental Fees	5302	16,038	15,300	11,880	15,700	12,110	-22.9%
Planning Service Charges	5303	565	200	130	200	200	0.0%
Well Water Usage Charge	5304	36,091	20,000	27,600	25,000	28,400	13.6%
Misc. City Services	5306	27,268	27,940	30,000	27,940	30,600	9.5%
Fiduciary Funds Administration	5319	544	500	1,000	500	750	50.0%
Franchises - Comcast Cable	5322	252,568	252,560	269,630	269,690	254,827	-5.5%
Franchises - Garbage Fees	5401	216,953	211,000	218,900	220,300	221,000	0.3%
Franchises - PG&E	5402	189,138	178,900	192,500	187,700	194,400	3.6%
Franchises - Equilon Pipe	5403	120,690	113,000	128,658	121,800	129,900	6.7%
AT&T Mobility Franchise Fees	5404	14,168	14,010	14,891	14,550	15,370	5.6%
Fines and Forfeitures	5405	189	100	230	200	230	15.0%
Interest	5501	29,312	26,000	27,700	27,200	28,200	3.7%
Park Use Fee	5601	86,626	60,000	84,900	80,000	88,200	10.3%
Meeting Room Fee	5602	37,048	43,900	32,100	39,100	33,130	-15.3%
Unrealized Inv. Gain/Loss	5603	4,264	4,300	4,290	4,500	4,370	-2.9%
Cattle Grazing Lease Rent	5606	(51,301)	-	-	-	-	0.0%
Cell Tower Lease Rent	5608	9,787	9,780	9,972	9,970	10,150	1.8%
Fountain Use Fee	5609	33,714	34,040	34,460	34,330	35,560	3.6%
Clayton Community Gymnasium Rent	5610	1,131	-	-	-	-	0.0%
Reimbursements/Refunds	5613	30,000	30,000	31,800	31,800	33,600	5.7%
CCLF Contributions	5701	8,596	5,500	5,250	5,500	5,500	0.0%
Other Revenues	5703	-	-	2,000	-	-	0.0%
Overhead Cost Recovery	5790	6,670	4,900	7,440	4,990	5,500	10.2%
Admin Expense Recovery:	5791	2,919	1,600	7,500	1,260	7,500	495.2%
Measure J Fund							
HUTA Gas Tax Fund	6002	4,330	4,330	4,494	4,494	4,639	3.2%
Neighborhood Street Lights Fund	6004	7,230	7,230	7,503	7,503	7,745	3.2%
GHAD Fund	6005	11,120	11,120	11,540	11,540	11,912	3.2%
Landscape Maintenance CFD Fund	6006	6,980	6,980	7,244	7,244	7,478	3.2%
The Grove Park CFD Fund	6007	34,780	34,780	36,095	36,095	37,258	3.2%
Stormwater Assessment Fund	6011	7,070	7,070	7,337	7,337	7,574	3.2%
<b>Total Revenues</b>	6016	<b>4,454,825</b>	<b>4,300,620</b>	<b>4,607,450</b>	<b>4,465,880</b>	<b>4,689,190</b>	<b>5.0%</b>

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**General Fund  
Expenditures  
2018-19**

**CITY OF CLAYTON GENERAL FUND EXPENDITURE AND FUND BALANCE SUMMARY**  
**FISCAL YEAR 2018-19**

<b>Account Number</b>	<b>Account Name</b>	<b>2016-17 Actual</b>	<b>2017-18 Adopted Budget</b>	<b>2017-18 Projected Actual</b>	<b>2018-19 Adopted Budget</b>
7111	Salaries/Regular	1,681,299	1,847,400	1,778,180	1,880,900
7112	Temporary Help	35,227	16,800	49,400	11,700
7113	Overtime	81,095	92,000	89,100	101,000
7115	Council/Commission Comp	29,755	35,400	34,800	35,400
7116	Part-time Salaries	3,724	4,500	4,100	4,500
7218	LTD/STD Insurance	14,864	31,810	19,170	21,280
7219	Deferred Compensation Retirement	2,724	2,730	2,200	2,710
7220	PERS Retirement - Normal Cost	221,925	229,550	207,260	239,180
7221	PERS Retirement - Unfunded Liability	344,599	385,100	370,138	264,400
7231	Workers Comp Insurance	82,106	79,820	75,750	87,080
7232	Unemployment Insurance	11,927	12,170	11,800	11,770
7233	FICA Taxes	27,507	31,360	30,170	31,760
7241	Auto Allowance/Mileage	19,340	19,420	18,490	19,420
7242	Uniform Allowance	8,550	9,000	8,550	9,000
7246	Benefit Insurance	248,923	274,600	246,130	297,200
7247	OPEB Expense	9,036	11,500	11,100	14,750
7301	Recruitment/Pre-employment	3,311	6,500	7,920	6,900
7311	General Supplies	27,542	31,000	32,390	32,000
7312	Office supplies	11,829	12,500	16,810	15,000
7313	Small Tools and Equipment	71	-	-	-
7314	Postage	3,546	5,000	4,400	5,000
7321	Printing and Binding	1,894	1,000	1,700	1,550
7323	Books/Periodicals	361	450	420	450
7324	Dues and Subscriptions	19,461	25,550	26,310	27,500
7325	EBRCSA system user fee	8,900	9,000	8,900	10,080
7331	Rentals/Leases	11,394	12,600	11,850	12,680
7332	Telecommunications	23,559	27,700	30,870	30,920
7335	Gas & Electric Serv.	85,784	88,800	83,030	94,720
7338	Water Service	80,644	90,600	124,570	132,410
7341	Buildings & Grounds Mtn	28,079	31,700	29,400	32,000
7342	Machinery/ Equip Maint.	3,917	5,500	5,130	6,000
7343	Vehicle Maintenance	29,481	29,940	27,830	30,200
7344	Vehicle Gas, Oil, and Supplies	30,193	34,360	39,430	34,500
7345	Office Equip. Maint. & Repairs	1,402	2,200	3,980	3,000
7346	HVAC Mtn & Repairs	15,741	18,000	14,670	18,400
7351	Insurance Premiums	78,943	84,920	85,236	114,780
7362	City Promotional Activity	4,308	4,500	4,100	4,500
7363	Business Expense	403	700	350	450
7364	Employee Recognition	2,372	3,000	2,500	2,800
7365	Volunteer Appreciation	-	500	500	500
7371	Travel	193	200	200	200
7372	Conference	1,367	1,600	1,300	2,600
7373	Education and Training	13,387	15,550	11,750	18,000
7381	Property Tax Admin Cost	8,000	8,400	8,400	8,700
7382	Election Services	7,605	-	-	10,000
7384	Legal Notices	6,120	2,500	3,500	3,000
7408	Crossing Guard Services	8,960	10,000	10,310	10,710
7410	Professional Engineering Services	104,216	90,000	124,735	115,020

**CITY OF CLAYTON GENERAL FUND EXPENDITURE AND FUND BALANCE SUMMARY  
FISCAL YEAR 2018-19**

<b>Account Number</b>	<b>Account Name</b>	<b>2016-17 Actual</b>	<b>2017-18 Adopted Budget</b>	<b>2017-18 Projected Actual</b>	<b>2018-19 Adopted Budget</b>
7411	Legal Services Retainer	96,435	102,000	100,600	104,450
7412	Engineering Inspection	106	500	500	500
7413	Special Legal Services	7,284	8,500	16,100	11,500
7414	Auditing Services	29,415	23,800	23,995	24,300
7415	Computer Services	10,627	17,500	14,593	18,200
7417	Janitorial Services	53,655	55,000	52,500	54,600
7419	Other Prof. Services	28,041	32,900	27,850	30,500
7420	Merchant Fees	1,905	3,180	3,840	4,300
7423	Extra & Sunday Operating Hours	8,946	13,900	11,600	13,000
7424	Dispatch Services	241,074	253,140	253,140	265,800
7425	Lab Fees	17,379	25,000	14,000	25,000
7426	Jail Booking Fee	9,588	5,500	5,000	5,500
7427	Cal ID Services	13,470	14,900	11,620	13,000
7429	Animal Control Services	79,992	83,300	78,310	84,750
7433	Integrated Justice System (ACCJIN-ARIES)	11,017	12,500	11,600	12,200
7435	Contract Seasonal Labor	-	-	-	30,000
7440	Tree Trimming Services	7,570	11,000	11,000	11,000
7486	CERF Charges/Depreciation	25,000	55,000	55,000	62,000

<b>Total Operational Expenditures</b>	<b>4,087,088</b>	<b>4,455,050</b>	<b>4,370,077</b>	<b>4,587,220</b>
<b>Total Revenues</b>	<b>4,454,825</b>	<b>4,465,880</b>	<b>4,607,450</b>	<b>4,689,190</b>
<b>Operational Surplus</b>	<b>367,737</b>	<b>10,830</b>	<b>237,373</b>	<b>101,970</b>

**Non-Operational Expenditures Summary**

City Council Allocation of FY 2014-15 Excess	58,685	68,091	148,164	53,337
City Council Allocation of FY 2015-16 Excess	9,830	203,325	203,325	-
City Council Allocation of FY 2016-17 Excess	-	-	80,265	218,735

<b>Net Increase/(Decrease) in Fund Balance</b>	<b>299,222</b>	<b>(260,586)</b>	<b>(194,381)</b>	<b>(170,102)</b>
<b>Beginning Fund Balance</b>	<b>5,618,059</b>	<b>5,764,845</b>	<b>5,917,281</b>	<b>5,722,900</b>
<b>Ending Fund Balance</b>	<b>5,917,281</b>	<b>5,504,259</b>	<b>5,722,900</b>	<b>5,552,798</b>

## City Council Department 01

### Department Description

The five member City Council is the elected policy-making body for the City of Clayton. Members of the City Council are elected to four year overlapping terms at General Municipal elections held in November of even numbered years. The City Council receives a monthly stipend of \$470 for their services. The Mayor and Vice Mayor are selected annually by the Council from amongst its membership in December each year.

### Services funded:

- Hold regular, twice monthly City Council meetings on Tuesday evenings, and special meetings on an as-needed basis; includes closed sessions as permitted by law.
- Set policy goals and objectives for all City service functions.
- Members serve on various ad-hoc subcommittees and inter-governmental boards to represent the community on critical local and regional issues.
- Appoint citizens to City boards and commissions, and advisory committees.
- Coordinate, attend and participate in community events such as the 4<sup>th</sup> of July Parade and the Concerts in The Grove park.
- Video City Council meetings for playback on the City Cable Channel 24 for public viewing.
- General Municipal Election costs and expenses every even-numbered year through contract with the County Elections Office.
- Hires the City Manager and the City Attorney, and appoints the City Treasurer

City of Clayton  
 Legislative Department 01  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7115	City Council Comp	26,395	28,200	28,200	28,200
7220	PERS Retirement - Normal Cost	1,602	1,350	1,370	1,380
7221	PERS Retirement - Unfunded Liability	2,604	3,400	3,280	3,800
7231	Workers Comp Insurance	1,057	1,190	1,130	1,280
7232	Unemployment Insurance	781	1,750	1,750	1,750
7233	FICA Taxes	1,205	1,460	1,460	1,460
7321	Printing and Binding	276	500	500	300
7324	Dues and Subscriptions	12,408	13,300	12,880	13,300
7362	City Promotional Activity	4,308	4,500	4,100	4,500
7363	Business Meeting Expense	309	500	250	250
7372	Conferences/Meetings	832	500	500	1,600
7382	Election Services	7,605	-	-	10,000
7419	Other Prof. Services	6,874	9,000	9,000	8,000
<b>Total Expenditures</b>		<b>66,256</b>	<b>65,650</b>	<b>64,420</b>	<b>75,820</b>

## **Administration/ Finance/ Legal Department 02**

### Department Description

#### *City Manager*

The City Manager functions as the chief executive officer of the municipal organization responsible for managing all departments of the City and carrying out City Council adopted policy. The department is comprised of three (3) full-time professional staff members (City Manager; Assistant to the City Manager; HR Manager/City Clerk).

#### Services funded:

- Provide leadership to professional staff and municipal employees.
- Advise and recommend policies to the City Council; receive and implement policy directions from the City Council.
- Act as lead negotiator for real property transactions and labor negotiations.
- Oversee the day to day operations of the City.
- Respond to general public inquiries.
- Research and analysis of municipal issues and special projects as assigned.
- Oversee and negotiate various franchise agreements.
- Prepare and distribute agenda packets and minutes.
- Administer contracts, coordinate staffing, and prepare administrative forms and permits for the City's large community and special events.
- Manage consultant contracts and lease agreements.
- Maintain and update the City's website.
- Coordinate all human resource functions responsible for recruitment, employee benefits, risk management, OSHA compliance, and workers' compensation administration.
- Oversee a citywide training plan for OSHA compliance and safety program.
- Research and respond to inquiries by citizens and press in compliance with the Public Records Act.
- Contract with Contra Costa County for municipal elections.
- Process general liability and workers' compensation claims filed against the City.
- Provide notary services.
- Coordinate the self-insured risk management tasks of the organization.



## *Finance*

The City's Finance Department has one full time professional and utilizes two permanent part-time employees. The department is responsible for the City's budgetary, financial/accounting, treasury/investment, business licenses, and facilities rentals functions. The Department also includes the appointed City Treasurer (citizen), who provides auditing and investment oversight.

### Services funded:

- Preparation and monitoring of annual budget
- Preparation of annually audited financial statements
- Manage general ledger and budgetary financial records
- Manage investments in accordance with City investment policy and California Government Code.
- Maintaining compliance with State of California, Contra Costa County and other regulatory agency financial reporting requirements.
- Management and preparation of Successor Agency Recognized Obligation Payment Schedule (ROPS) process.
- Administer and maintain records for the following operational cycles: payroll, employee benefits, cash receipts and disbursements.
- Administer business licenses.
- Manage rental of City-owned facilities and parks (Endeavor Hall, Library Meeting Room, Clayton Community Park, The Grove Park).

## *City Attorney*

The City Attorney is selected and appointed by the City Council. Although this is the primary department the contracted City Attorney conducts work in, retainer time is also charged to other City departments where time is spent.

### Services funded:

- Attend City Council meetings as the City's legal counsel.
- Draft and Review ordinances, resolutions, contracts, and other legal documents.
- Provide legal opinions and advise on matters of interest or concern to the City Council and City Staff
- Advice regarding land use issues.
- Oversee litigation involving the City.
- Assist the Council and staff in limiting litigation exposure and containing liability costs.
- Advise the City on changes to and impacts of state and federal laws, and case laws.

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City of Clayton  
Admin/ Finance / Legal Department 02  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	557,716	571,000	577,000	609,000
7218	LTD/STD Insurance	5,071	9,500	6,420	6,700
7220	PERS Retirement - Normal Cost	62,383	62,500	60,600	68,400
7221	PERS Retirement - Unfunded Liability	61,191	68,800	66,284	81,900
7231	Workers Comp Insurance	24,527	24,000	22,761	27,500
7232	Unemployment Insurance	3,091	2,700	2,700	2,700
7233	FICA Taxes	7,982	8,300	8,660	8,900
7241	Auto Allowance/Mileage	10,740	10,740	10,740	10,740
7246	Benefit Insurance	89,885	83,000	87,430	94,000
7324	Dues and Subscriptions	1,810	2,000	1,810	2,000
7332	Telecommunications	6,713	7,300	7,130	7,180
7371	Travel	23	100	100	100
7372	Conferences/Meetings	55	600	300	500
7373	Education and Training	442	1,550	1,250	1,500
7411	Legal Services Retainer	62,374	61,200	49,000	61,200
7413	Special Legal Services	1,328	3,500	5,000	5,000
7414	Auditing and Financial Reporting Services	29,415	23,800	23,995	24,300
7415	Computer/IT Services	10,505	9,500	9,593	10,200
7419	Other Prof. Services	9,510	6,000	4,200	6,000
<b>Total Expenditures</b>		<b>944,761</b>	<b>956,090</b>	<b>944,972</b>	<b>1,027,820</b>

## **Public Works Department 03**

### Department Description

This department maintains City owned buildings and grounds; and provides maintenance for all non-special district facilities and land. The core employee unit of 5 permanent employees consists of two Maintenance Supervisors and three Maintenance Workers. Labor is augmented by temporary seasonal workers. Although the Public Works department serves as the “base” department for these maintenance employees, their direct labor costs are shared with various other departments and funds based on actual hours worked.

### Services funded:

- Provide routine maintenance for City building and grounds.
- Provide landscaping maintenance for all neighborhood parks in the City (Lydia Lane, North Valley Park, Westwood, Stranahan and El Molino).
- Contract janitorial services for City facilities and buildings.
- Tree trimming services contract supervision.
- Ensure fire inspection compliance of City owned buildings and facilities.
- HVAC system repairs contract supervision.
- Ensure compliance with elevator safety and inspection services.
- Pest extermination services contract supervision.
- Janitorial services contract supervision.

City of Clayton  
Public Works Department 03  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	18,775	17,400	19,400	26,300
7112	Temporary Help	1,418	2,400	1,300	2,500
7113	Overtime	531	-	-	-
7218	LTD/STD Insurance	117	310	570	300
7220	PERS Retirement - Normal Cost	3,655	2,000	3,900	3,200
7221	PERS Retirement - Unfunded Liability	1,821	2,100	2,600	3,600
7231	Workers Comp Insurance	737	830	790	1,300
7232	Unemployment Insurance	167	220	200	270
7233	FICA Taxes	237	500	300	600
7246	Benefit Insurance	1,845	3,900	2,500	5,500
7301	Recruitment/Pre-employment	293	500	750	500
7311	General Supplies	5,177	5,000	4,900	5,000
7332	Telecommunications	1,366	2,000	1,400	2,090
7335	Gas & Electric Serv.	39,176	43,100	31,000	40,000
7338	Water Service	6,824	10,000	11,300	12,000
7341	Buildings & Grounds Mtn	13,890	14,000	13,400	14,000
7342	Machinery/ Equip Maint.	2,072	3,000	3,130	3,500
7343	Vehicle Maintenance	3,422	1,250	2,030	2,000
7344	Vehicle Gas, Oil, and Supplies	948	920	1,320	1,500
7346	HVAC Mtn & Repairs	8,587	10,000	7,000	10,000
7372	Conferences/Meetings	30	-	-	-
7373	Education and Training	1,834	2,500	1,000	2,500
7411	Legal Services Retainer	174	2,550	1,000	2,550
7417	Janitorial Services	9,631	9,000	7,400	9,000
7419	Other Prof. Services	400	400	400	-
7429	Animal/Pest Control Services	7,082	7,300	6,330	7,300
7440	Tree Trimming Services	3,320	6,000	6,000	6,000
7486	CERF Charges/Depreciation	9,830	-	-	7,000
<b>Total Expenditures</b>		<b>143,359</b>	<b>147,180</b>	<b>129,920</b>	<b>168,510</b>

## Community Development Department 04

### Department Description

The Community Development Department is responsible for the general administration, development processing, zoning administration, architectural review, subdivision processing, Municipal Code and Zoning enforcement, General Plan administration, environmental review, housing, and special planning studies for the City, including associated staff support for the City Council and the Planning Commission. The Department provides guidance in the physical development of the City while protecting and maintaining the quality of its physical environment. The Department facilitates public participation and community involvement in planning issues. The Department consistently seeks to enhance the community's safety, welfare, economic opportunities and quality of life through land use controls. It consists of a Community Development Director, a part-time Assistant Planner and a part-time Code Enforcement Officer.

### Services funded:

#### *Long Range Planning and Special Studies Program*

- Prepare and update *Town Center Specific Plan*, and the *Marsh Creek Road Specific Plan*, and state-mandated General Plan which includes the Housing Element.
- Prepare studies to update City policies in response to changes in State law, resource availability, and community goals.
- Facilitate public participation and community involvement in planning issues.
- Participate in development and review of regional studies prepared by ABAG, Contra Costa Transportation Authority, and TRANSPAC.
- Support City Council and City Manager in addressing regional governance and planning issues.

#### *Development and Design Review Program*

- Review, analyze, and provide recommendations on land development and design proposals by private property owners and governmental agencies.
- Provide support to City Council, Planning Commission, and City Manager.
- Reviews land development plans for compliance with City zoning requirements.
- Coordinate and oversee contract with County Building Inspection Department on building permits for construction projects.

- Administer environmental review process in compliance with the California Environmental Quality Act (CEQA).

*Ordinance Information and Code Enforcement Program*

- Provide zoning information and permit services at the City Hall public counter.
- Investigate and enforce zoning and land use complaints.
- Prepare amendments of zoning ordinance and zoning map.

*Housing Program*

- Administer the low-and moderate-income housing programs of the City.
- Ensure low-and moderate-income units remain available to qualified applicants upon sale of units.

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City of Clayton  
Community Dev Department 04  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	175,703	182,000	181,780	191,000
7115	Planning Commission Comp	3,360	7,200	6,600	7,200
7218	LTD/STD Insurance	1,466	3,200	1,900	2,200
7220	PERS Retirement - Normal Cost	15,333	17,200	14,590	18,600
7221	PERS Retirement - Unfunded Liability	19,529	21,900	21,120	25,700
7231	Workers Comp Insurance	7,800	7,700	7,340	8,700
7232	Unemployment Insurance	878	900	900	900
7233	FICA Taxes	2,025	2,700	2,230	2,800
7241	Auto Allowance/Mileage	4,140	4,240	4,140	4,240
7246	Benefit Insurance	27,218	34,400	25,900	36,400
7323	Books/Periodicals	-	200	200	200
7324	Dues and Subscriptions	85	700	700	700
7332	Telecommunications	632	700	700	700
7371	Travel	170	100	100	100
7372	Conferences/Meetings	450	500	500	500
7373	Education and Training	1,386	1,500	1,500	2,000
7384	Legal Notices	6,120	2,500	3,500	3,000
7411	Legal Services Retainer	22,549	20,400	34,600	20,400
7413	Special Legal Services	118	-	500	500
<b>Total Expenditures</b>		<b>288,962</b>	<b>308,040</b>	<b>308,800</b>	<b>325,840</b>

## **General Services**

### **Department 05**

#### Department Description

This department functions as the internal support service fund for expenses which aid the efficient and effective operation of the City organization. It has no assigned employees or revenue-generating capability.

#### Services funded:

- City-wide risk management (Clayton was one of the original members of the Municipal Pooling Authority of Northern California [MPA] Joint Powers Authority [JPA] for self-insured and risk pooled programs of general liability, workers compensation, and employee wellness).
- Copier and postage machine services for all departments.
- Office supplies for administration and general City functions.
- Information technology support for all departments as needed.
- Property tax administration fees levied by the (billed by County).
- Payroll and benefits administration software functions.
- Internet services for all departments.
- Provides funding for Other Post-Employment Benefits (OPEB) required of the City through contract with CalPERS medical insurance coverage.

City of Clayton  
 General Services Department 05  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7231	Workers Comp Insurance	1,790	-	-	-
7247	OPEB Expense	9,036	11,500	11,100	14,750
7301	Recruitment/Pre-employment	25	1,000	1,600	1,000
7312	Office Supplies	6,285	7,500	8,160	8,000
7314	Postage	3,546	4,500	4,300	4,500
7321	Printing and Binding	1,618	500	1,200	1,250
7331	Rentals/Leases	11,394	12,100	11,350	12,180
7332	Telecommunications	4,330	4,700	4,790	5,100
7351	Insurance Premiums	78,943	84,920	85,236	114,780
7364	Employee Recognition	1,859	1,500	1,500	1,800
7381	Property Tax Admin Cost	8,000	8,400	8,400	8,700
7415	Computer/IT Services	97	8,000	5,000	8,000
7419	Other Prof. Services	6,939	10,000	8,600	9,000
7420	Merchant Fees	1,905	3,180	3,840	4,300
<b>Total Expenditures</b>		<b>135,767</b>	<b>157,800</b>	<b>155,076</b>	<b>193,360</b>

## **Police Department Department 06**

### Department Description

The Clayton Police Department has a present authorized strength of 11 full-time sworn members (includes the Chief), 2 civilians, and active Police Reserve, VIPS, CERT, and Cadet programs. The Department is a generalist law enforcement agency with duties that include all aspects of local law enforcement. Sworn positions currently work on a 4-10/3-12 plan and may be assigned to specialized assignments such as field training officer, traffic accident investigator, bicycle patrol, and motorcycle patrol. The Department's employees take pride in their jobs and the community they serve and strive to perform their duties in a professional but sensitive, friendly, and positive manner. It subscribes to a community-oriented policing philosophy.

### Services funded:

- Provide traffic enforcement and collision investigation throughout the City and on the Trails system.
- Investigate crimes and submit to the District Attorney for prosecution.
- Represent the City in meetings with community groups, civic organizations, and inter-agencies concerned with law enforcement problems and policies.
- Event Planning for various City sponsored events such as the 4th of July Parade, Concerts in The Grove, and many community sponsored events such as the Clayton Art and Wine and Oktoberfest.
- Facilitate the VIPS and CERT programs to serve the community.
- Participation in the East Bay Regional Interoperability Communications system.
- Contract for animal control services through Contra Costa County.
- Contract for police dispatch services and police records management through the City of Concord.

City of Clayton  
Police Department 06  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	881,775	1,021,000	966,000	1,008,000
7112	Temporary Help	-	-	13,600	-
7113	Overtime	80,050	90,000	88,800	100,000
7116	Part-time Salaries	3,724	4,500	4,100	4,500
7218	LTD/STD Insurance	7,761	17,800	9,880	11,500
7219	Deferred Compensation Retirement	2,724	2,730	2,200	2,710
7220	PERS Retirement - Normal Cost	133,421	140,000	123,000	142,000
7221	PERS Retirement - Unfunded Liability	254,270	282,000	271,954	143,100
7231	Workers Comp Insurance	43,508	43,100	40,874	45,700
7232	Unemployment Insurance	6,371	5,600	5,600	5,500
7233	FICA Taxes	14,727	16,500	16,300	16,500
7241	Auto Allowance/Mileage	4,460	4,440	3,610	4,440
7242	Uniform Allowance	8,550	9,000	8,550	9,000
7246	Benefit Insurance	120,948	140,800	123,000	151,700
7301	Recruitment/Pre-employment	2,993	5,000	5,570	5,400
7311	General Supplies	14,579	12,000	13,990	13,000
7312	Office Supplies	5,544	5,000	8,650	7,000
7313	Small Tools & Equipment	71	-	-	-
7314	Postage	-	500	100	500
7323	Books and Periodicals	361	250	220	250
7324	Dues and Subscriptions	3,649	8,000	9,135	9,700
7325	EBRCSA system user fee	8,900	9,000	8,900	10,080
7332	Telecommunications	8,478	10,000	14,750	13,350
7342	Machinery/ Equip Maint.	1,845	2,500	2,000	2,500
7343	Vehicle Maintenance	23,341	24,000	22,000	24,000
7344	Vehicle Gas, Oil, and Supplies	26,353	30,000	35,700	30,000
7345	Office Equip. Maint. & Repairs	1,402	2,200	3,980	3,000
7363	Business Meeting Expense	94	200	100	200
7364	Employee Recognition	513	1,500	1,000	1,000
7365	Volunteer Appreciation	-	500	500	500
7373	Education and Training	9,725	10,000	8,000	12,000
7408	Crossing Guard Services	8,960	10,000	10,310	10,710
7411	Legal Services Retainer	7,842	15,300	11,000	15,300
7413	Special Legal Services	5,484	5,000	10,600	6,000
7415	Computer/IT Services	25	-	-	-
7417	Janitorial Services	2,708	3,000	2,700	3,000
7419	Other Prof. Services	4,318	7,500	5,650	7,500
7424	Dispatch Services	241,074	253,140	253,140	265,800
7425	Lab Fees	17,379	25,000	14,000	25,000
7426	Jail Booking Fee	9,589	5,500	5,000	5,500
7427	Cal ID Services	13,470	14,900	11,620	13,000
7429	Animal/Pest Control Services	66,293	68,500	68,090	70,450
7433	Integrated Justice System (ACCJIN + ARIES)	11,017	12,500	11,600	12,200
7486	CERF Charges/Depreciation	25,000	55,000	55,000	55,000
<b>Total Expenditures</b>		<b>2,083,296</b>	<b>2,373,460</b>	<b>2,270,774</b>	<b>2,266,590</b>

## **Library Department 07**

### Department Description

The operation of the Clayton Community Library was the original model for other cities and is looked to as the example in County - City partnerships. While staffing of the Library is run by the County Library System, the City owns and maintains the building and grounds surrounding the Library at City expense.

#### Services funded:

- Payment of costs for Sunday and weekday operations (44 hours) at the Library beyond the County's base of 35 weekly hours.
- General maintenance of library facility and parking lot.
- Ensure fire inspection compliance of library facility.
- HVAC system repairs contract supervision.
- Pest extermination services contract supervision.
- Tree trimming services contract supervision.
- Janitorial services contract supervision.

City of Clayton  
Library Department 07  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	8,506	11,000	5,300	6,600
7112	Temporary Help	174	400	100	200
7218	LTD/STD Insurance	77	200	70	80
7220	PERS Retirement - Normal Cost	979	1,300	700	800
7221	PERS Retirement - Unfunded Liability	736	1,400	900	900
7231	Workers Comp Insurance	520	500	475	400
7232	Unemployment Insurance	106	100	100	100
7233	FICA Taxes	143	200	120	200
7246	Benefit Insurance	1,683	2,500	1,200	1,400
7332	Telecommunications	2,040	3,000	2,100	2,500
7335	Gas & Electric Serv.	44,988	44,000	50,400	53,000
7338	Water Service	1,098	1,800	2,270	2,410
7341	Buildings & Grounds Maintenance	9,777	12,700	12,500	13,000
7343	Vehicle Maintenance	225	950	600	700
7344	Vehicle Gas, Oil, and Supplies	202	700	410	500
7346	HVAC Mtn & Repairs	7,154	8,000	7,670	8,400
7413	Legal Services	354		-	-
7417	Janitorial Services	28,433	29,500	29,100	29,100
7423	Extra & Sunday Operating Hours	8,946	13,900	11,600	13,000
7429	Animal/Pest Control Services	1,606	1,400	1,290	1,400
7440	Tree Trimming Services	1,600	2,000	2,000	2,000
<b>Total Expenditures</b>		<b>119,347</b>	<b>135,550</b>	<b>128,905</b>	<b>136,690</b>

## **Engineering Department 08**

### Department Description

The Department's duties can be divided into three basic categories: administrative, capital improvements, and land development. The City contracts with PERMCO Engineering for the performance of these services as the City Engineer.

#### Services funded:

##### *Administrative*

- Administer the City's encroachment permit program as well as the Geological Hazard Abatement District and various special Assessment Districts.
- Coordinate with the Maintenance Department regarding maintenance, operations and the repair of public transportation facilities (e.g. streets; sidewalks).
- Enforcement and continuous update of the City's Standard Plans and Specifications for design and construction.
- Represent the City's interests in regional transportation and funding issues.
- Response to flood zone information requests.
- Serve as the City Engineer.

##### *Capital Improvements*

- Administer the City's Capital Improvements Program, including coordination with the City Manager; evaluation and prioritization of Capital Improvement Projects; procurement of funds; right-of-way and land acquisition; and administration of the public bidding process.
- Administer the City's Pavement Management System.
- Supervision of the design and construction of all street and infrastructure projects, including sanitary sewer and storm drainage systems, local roads and traffic lights.

##### *Land Development*

- Coordinate with the Planning Department in the review and approval process for all land development projects.
- Plan check and review of construction plans, collection of fees, and construction inspection for all private development and improvements thereto.



City of Clayton  
 Engineering Department 08  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7324	Dues and Subscriptions	1,509	1,550	1,785	1,800
7410	Professional Engineering Services	104,216	90,000	124,735	115,020
7411	Legal Services Retainer	3,496	2,550	5,000	5,000
7412	Engineering Inspection	106	500	500	500
<b>Total Expenditures</b>		<b>109,327</b>	<b>94,600</b>	<b>132,020</b>	<b>122,320</b>

## **Community Park Department 09**

### Department Description

In 2009 the Clayton Community Park was separated into its own department in order to capture the actual costs of maintaining this well used multi-sport and recreational public park.

### Services funded:

- Mowing of the turf.
- Ball field turf and sports field grooming.
- Water irrigation supply to ball fields and surrounding vegetation
- Safety inspections of play equipment and apparatus.
- Trash removal and general park clean-up.
- Landscape pruning.
- Janitorial services contract supervision.
- Repairs to and maintenance of the irrigation system.
- Pest extermination services contract supervision.
- Tree trimming services contract supervision.
- All other general maintenance of park fields and facilities.

City of Clayton  
Community Park Department 09  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	38,823	45,000	28,700	40,000
7112	Temporary Help	33,635	14,000	34,400	9,000
7113	Overtime	514	2,000	300	1,000
7218	LTD/STD Insurance	372	800	330	500
7220	PERS Retirement - Normal Cost	4,552	5,200	3,100	4,800
7221	PERS Retirement - Unfunded Liability	4,448	5,500	4,000	5,400
7231	Workers Comp Insurance	2,167	2,500	2,380	2,200
7232	Unemployment Insurance	533	900	550	550
7233	FICA Taxes	1,188	1,700	1,100	1,300
7246	Benefit Insurance	7,344	10,000	6,100	8,200
7311	General Supplies	7,786	14,000	13,500	14,000
7331	Rentals/Leases	-	500	500	500
7335	Gas & Electric Serv.	1,620	1,700	1,630	1,720
7338	Water Service	72,722	78,800	111,000	118,000
7341	Buildings/Grounds Maintenance	4,412	5,000	3,500	5,000
7343	Vehicle Maintenance	2,493	3,740	3,200	3,500
7344	Vehicle Gas, Oil, and Supplies	2,690	2,740	2,000	2,500
7417	Janitorial Services	12,883	13,500	13,300	13,500
7429	Animal/Pest Control Services	5,011	6,100	2,600	5,600
7435	Contract Seasonal Labor	-	-	-	30,000
7440	Tree Trimming Services	2,650	3,000	3,000	3,000
<b>Total Expenditures</b>		<b>205,843</b>	<b>216,680</b>	<b>235,190</b>	<b>270,270</b>

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**Special Revenue  
Funds  
2018-19**

City of Clayton  
HUTA Gas Tax Fund 201  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	9,363	10,000	20,700	24,200
7112	Temporary Help	2,784	3,000	1,000	1,100
7113	Overtime	2,036	3,000	1,000	2,000
7218	LTD/STD Insurance	89	200	250	300
7220	PERS Retirement - Normal Cost	1,082	1,100	2,500	2,900
7221	PERS Retirement - Unfunded Liability	556	1,200	3,000	3,300
7231	Workers Comp Insurance	1,300	500	480	1,200
7232	Unemployment Insurance	125	200	200	210
7233	FICA Taxes	157	300	420	440
7246	Benefit Insurance	1,779	3,000	4,500	5,000
7301	Recruitment/Pre-employment	38	-	-	-
7311	General Supplies	10,189	12,000	5,000	12,000
7324	Dues & Subscriptions	-	1,500	3,000	3,000
7327	Arterial Street Light Supplies	-	1,500	1,500	1,500
7335	Gas & Electric Serv.	49,387	52,100	51,000	54,000
7340	Traffic Safety Supplies	410	500	500	500
7343	Vehicle Maintenance	612	880	2,200	2,500
7344	Vehicle Gas, Oil, and Supplies	570	650	1,600	2,000
7349	Traffic Signal Maintenance	22,977	26,300	12,000	20,000
7350	Pavement Repair/Maintenance	5,299	20,000	20,000	20,000
7381	Property Tax Admin Cost	428	350	450	500
7419	Other Prof. Services	13,232	4,540	3,200	1,550
7450	Street Light Maintenance	126	-	3,000	2,000
7486	CERF Charges/Depreciation	1,900	2,230	2,230	2,310
8101	Fund Admin - Transfer to GF	7,230	7,503	7,503	7,745
8111	Transfer to CIP Fund	6,000	370,788	56,000	443,650
<b>Total Expenditures</b>		<b>137,669</b>	<b>523,341</b>	<b>203,233</b>	<b>613,905</b>
4607	Property Taxes - Lighting Maintenance District	35,135	34,500	36,000	36,700
5209	State Gasoline 2105	62,982	65,149	65,892	66,026
5210	State Gasoline 2106	45,322	44,148	46,216	46,302
5211	State Gasoline 2107	79,852	84,164	81,792	81,964
5212	State Gasoline 2107.5	3,000	3,000	3,000	3,000
5216	State of CA Sec 2103 (Prop 42)	29,917	44,878	45,917	43,184
5218	State Gasoline 2030 (RMRA)	-	64,639	-	-
5219	State Gasoline Loan Repayments	-	12,825	12,828	12,828
5601	Interest	2,543	2,000	3,800	3,000
5606	Unrealized Inv. Gain/Loss	(1,239)	-	-	-
<b>Total Revenue</b>		<b>257,512</b>	<b>355,303</b>	<b>295,445</b>	<b>293,004</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>119,843</b>	<b>(168,038)</b>	<b>92,212</b>	<b>(320,901)</b>
<b>Beginning Fund Balance (Deficit)</b>		<b>108,846</b>	<b>168,038</b>	<b>228,689</b>	<b>320,901</b>
<b>Ending Fund Balance</b>		<b>228,689</b>	<b>-</b>	<b>320,901</b>	<b>-</b>

City of Clayton  
 RMRA Gas Tax Fund 202 (New Fund)  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
8111	Transfer to CIP Fund	-	-	-	254,238
<b>Total Expenditures</b>		-	-	-	<b>254,238</b>
5218	State Gasoline 2030 (RMRA)	-	-	64,355	187,383
5601	Interest	-	-	500	2,000
5606	Unrealized Inv. Gain/Loss	-	-	-	-
<b>Total Revenue</b>		-	-	<b>64,855</b>	<b>189,383</b>
<b>Increase (Decrease) in Fund Balance</b>		-	-	<b>64,855</b>	<b>(64,855)</b>
<b>Beginning Fund Balance</b>		-	-	-	<b>64,855</b>
<b>Ending Fund Balance</b>		-	-	<b>64,855</b>	-

City of Clayton  
Landscape Maintenance District Fund 210 (CFD 2007-1)  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	164,465	202,000	177,000	211,000
7112	Temporary Help	126,766	149,000	109,000	46,000
7113	Overtime	474	1,000	1,000	1,000
7218	LTD/STD Insurance	1,588	3,500	2,100	2,400
7220	PERS Retirement - Normal Cost	20,683	23,300	19,300	25,200
7221	PERS Retirement - Unfunded Liability	21,777	24,300	18,378	28,290
7231	Workers Comp Insurance	11,934	12,700	12,175	11,600
7232	Unemployment Insurance	2,251	5,000	2,500	2,900
7233	FICA Taxes	4,337	10,500	5,000	6,600
7246	Benefit Insurance	33,875	44,700	37,900	43,400
7301	Recruitment/Pre-employment	-	1,000	500	1,000
7311	General Supplies	44,245	50,100	33,150	50,000
7316	Landscape Replacement Material	17,896	40,000	18,000	40,000
7335	Gas & Electric Serv.	29,072	30,000	28,100	29,600
7338	Water Service	139,832	130,000	148,000	157,000
7341	Buildings/Grounds Maintenance	10,304	20,000	9,800	20,000
7342	Machinery/Equipment Maint.	10,402	19,000	9,500	12,000
7343	Vehicle Maintenance	19,128	18,000	19,600	20,000
7344	Vehicle Gas, Oil, and Supplies	12,594	13,000	12,500	13,000
7381	Property Tax Admin Cost	3,735	4,000	3,900	4,000
7411	Professional Services Retainer (Legal)	1,996	2,000	2,000	2,000
7419	Other Prof. Services	5,829	6,560	5,480	7,000
7429	Animal/Pest Control Services	3,095	5,000	5,000	5,000
7435	Contract Seasonal Labor	-	-	-	100,000
7440	Tree Trimming Services	29,300	25,000	60,000	60,000
7445	Weed Abatement Services	106,560	122,000	122,000	128,100
7486	CERF Charges/Depreciation	14,500	14,500	14,500	20,070
7520	Project/Program costs	77,739	483,000	52,482	487,157
7615	Property Taxes	2,709	2,800	2,791	2,900
8101	Fund Admin - Transfer to GF	34,780	36,095	36,095	37,258
8111	Transfer to CIP Fund	-	-	-	-
8113	Transfer to Stormwater Fund	1,008	1,008	1,008	1,050
<b>Total Expenditures</b>		<b>952,874</b>	<b>1,499,063</b>	<b>968,759</b>	<b>1,575,525</b>
4604	Clayton LMD Special Parcel Tax	1,058,798	1,089,277	1,089,074	1,121,746
5601	Interest	14,454	12,000	15,400	15,000
5606	Unrealized Inv Gain/Loss	(11,061)	-	-	-
<b>Total Revenue</b>		<b>1,062,191</b>	<b>1,101,277</b>	<b>1,104,474</b>	<b>1,136,746</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>109,317</b>	<b>(397,786)</b>	<b>135,715</b>	<b>(438,779)</b>
<b>Beginning Fund Balance</b>		<b>986,766</b>	<b>1,111,621</b>	<b>1,096,083</b>	<b>1,231,798</b>
<b>Ending Fund Balance</b>		<b>1,096,083</b>	<b>713,835</b>	<b>1,231,798</b>	<b>793,019</b>



City of Clayton  
The Grove Park Fund 211 (CFD 2006-1)  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	20,225	20,000	10,400	19,000
7112	Temporary Help	22,204	10,000	12,300	11,200
7113	Overtime	-	500	270	500
7218	LTD/STD Insurance	192	350	120	220
7220	PERS Retirement - Normal Cost	2,426	2,300	1,200	2,300
7221	PERS Retirement - Unfunded Liability	3,226	2,400	1,500	2,600
7231	Workers Comp Insurance	1,647	1,300	1,233	1,400
7232	Unemployment Insurance	288	500	500	470
7233	FICA Taxes	739	1,000	610	1,200
7246	Benefit Insurance	3,701	4,500	2,200	3,900
7311	General Supplies	4,969	6,250	4,250	6,000
7331	Rentals/Leases	-	500	-	500
7335	Gas & Electric Serv.	1,518	1,800	1,650	1,800
7338	Water Service	27,700	36,700	27,600	30,000
7341	Buildings/Grounds Maintenance	11,397	5,860	4,300	6,000
7342	Machinery/Equipment Maint.	1,236	700	500	1,000
7343	Vehicle Maintenance	1,979	1,800	1,200	1,500
7344	Vehicle Gas, Oil, and Supplies	2,057	1,400	800	1,000
7381	Property Tax Admin Cost	3,738	3,800	3,800	3,800
7413	Special Legal Services	-	1,000	-	1,000
7417	Janitorial Services	14,170	14,000	13,000	14,000
7419	Other Prof. Services	4,491	4,530	4,545	4,730
7429	Animal/Pest Control Services	501	1,000	610	650
7435	Contract Seasonal Labor	-	-	-	5,000
7440	Tree Trimming Services	2,120	1,500	3,720	2,500
7485	Capital Outlay - Equipment & Machinery	11,563	-	-	-
7486	CERF Charges/Depreciation	2,100	2,100	2,100	1,800
7615	Property Taxes	482	500	500	520
8101	Fund Admin - Transfer to GF	7,070	7,337	7,070	7,574
<b>Total Expenditures</b>		<b>151,739</b>	<b>133,627</b>	<b>105,978</b>	<b>132,164</b>
4613	Downtown Park Special Parcel Tax - O&M	103,493	107,285	107,280	111,190
4613	Downtown Park Special Parcel Tax - Capital	18,000	18,000	18,000	18,000
4613	Downtown Park Special Parcel Tax - Restricted	5,000	5,000	5,000	5,000
5601	Interest	3,826	3,500	3,800	3,800
5602	Park Use Fee	2,781	1,600	2,400	2,500
5606	Unrealized Inv Gain/Loss	(3,070)	-	-	-
5701	Reimbursement/Refunds	-	-	-	-
5702	Donations & Contributions	10,000	-	1,000	-
<b>Total Revenue</b>		<b>140,030</b>	<b>135,385</b>	<b>137,480</b>	<b>140,490</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(11,709)</b>	<b>1,758</b>	<b>31,502</b>	<b>8,326</b>
<b>Beginning Fund Balance</b>		<b>288,657</b>	<b>291,566</b>	<b>276,948</b>	<b>308,450</b>
<b>Ending Fund Balance</b>		<b>276,948</b>	<b>293,324</b>	<b>308,450</b>	<b>316,776</b>

Ending Fund Balance Includes:

Unrestricted Reserve	156,183	138,122	159,685	145,011
Asset Replacement Reserve	75,765	100,202	93,765	111,765
Unallocated Stabilization Reserve	45,000	55,000	55,000	60,000
<b>Total Fund Balance</b>	<b>276,948</b>	<b>293,324</b>	<b>308,450</b>	<b>316,776</b>

City of Clayton  
 Geological Hazard and Abatement District (GHAD) Fund 212  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7314	Postage	300	750	750	750
7350	Pavement Repairs/Maintenance	6,755	-	-	-
7351	Insurance Premiums	16,364	7,000	7,000	7,000
7381	Property Tax Admin Cost	1,155	1,200	1,200	1,200
7384	Legal Notices	828	100	100	100
7389	Misc. Expenses	117	300	200	300
7411	Legal Services Retainer	325	-	-	-
7412	Engineering Services	7,155	5,000	8,000	8,000
7413	Special Legal Services	-	1,000	-	1,000
7520	Project Costs	8,581	5,000	4,300	50,642
8101	Fund Admin - Transfer to GF	6,980	7,244	7,244	7,478
<b>Total Expenditures</b>		<b>48,560</b>	<b>27,594</b>	<b>28,794</b>	<b>76,470</b>
4606	GHAD Assessment	38,399	39,841	39,784	41,065
5601	Interest	272	200	250	200
5606	Unrealized Inv. Gain/Loss	(384)	-	-	-
<b>Total Revenue</b>		<b>38,287</b>	<b>40,041</b>	<b>40,034</b>	<b>41,265</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(10,273)</b>	<b>12,447</b>	<b>11,240</b>	<b>(35,205)</b>
<b>Beginning Fund Balance</b>		<b>34,238</b>	<b>23,886</b>	<b>23,965</b>	<b>35,205</b>
<b>Ending Fund Balance</b>		<b>23,965</b>	<b>36,333</b>	<b>35,205</b>	<b>-</b>

City of Clayton  
 Presley GHAD Settlement Fund 213  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7520	Project Costs	-	-	19,870	-
<b>Total Expenditures</b>		-	-	<b>19,870</b>	-
5601	Interest Income	1,759	1,600	1,800	1,500
5606	Unrealized Investment Gain/Loss GASB31	(1,266)	-	-	-
<b>Total Revenue</b>		<b>493</b>	<b>1,600</b>	<b>1,800</b>	<b>1,500</b>
<b>Increase in Fund Balance</b>		<b>493</b>	<b>1,600</b>	<b>(18,070)</b>	<b>1,500</b>
<b>Beginning Fund Balance</b>		<b>123,100</b>	<b>123,983</b>	<b>123,593</b>	<b>105,523</b>
<b>Ending Fund Balance</b>		<b>123,593</b>	<b>125,583</b>	<b>105,523</b>	<b>107,023</b>

City of Clayton  
 Neighborhood Street Light Assessment District Fund 214  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7113	Overtime	9,469	-	-	-
7311	General Supplies	540	1,000	200	500
7335	Gas & Electric Serv.	115,340	112,000	117,600	118,000
7381	Property Tax Admin Cost	3,566	3,700	3,600	3,600
7389	Misc. Expenses	-	330	100	330
7412	Engineering/Inspection Service	-	1,000	1,000	1,000
7419	Other Prof. Services	200	200	200	250
7450	Street Light Maintenance	1,626	15,000	16,000	16,000
8101	Fund Admin - Transfer to GF	11,120	11,540	11,540	11,912
<b>Total Expenditures</b>		<b>141,861</b>	<b>144,770</b>	<b>150,240</b>	<b>151,592</b>
4607	Street Light Assessment	125,991	125,991	125,991	125,991
5601	Interest	1,635	1,400	1,400	1,000
5606	Unrealized Inv. Gain/Loss	(1,324)	-	-	-
<b>Total Revenue</b>		<b>126,302</b>	<b>127,391</b>	<b>127,391</b>	<b>126,991</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(15,559)</b>	<b>(17,379)</b>	<b>(22,849)</b>	<b>(24,601)</b>
<b>Beginning Fund Balance</b>		<b>124,409</b>	<b>110,450</b>	<b>108,849</b>	<b>85,999</b>
<b>Ending Fund Balance</b>		<b>108,849</b>	<b>93,070</b>	<b>85,999</b>	<b>61,397</b>

City of Clayton  
Stormwater Fund 216  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	25,213	28,420	23,600	24,700
7112	Temporary Help	12,905	9,840	22,000	5,800
7218	LTD/STD Insurance	230	500	290	290
7220	PERS Retirement - Normal Cost	3,135	3,280	2,900	3,000
7221	PERS Retirement - Unfunded Liability	2,025	3,430	3,160	3,400
7231	Workers Comp Insurance	2,089	1,610	1,527	1,400
7232	Unemployment Insurance	320	660	660	350
7233	FICA Taxes	476	1,170	710	810
7246	Benefit Insurance	5,561	6,310	5,150	5,100
7311	General Supplies	1,862	9,000	4,140	4,000
7341	Building/Grounds Maintenance	-	10,500	8,260	15,500
7343	Vehicle Maintenance	1,078	3,000	2,430	2,500
7344	Vehicle Gas, Oil, and Supplies	929	2,300	1,840	2,000
7373	Education and Training	-	500	-	500
7389	Misc. Expenses	16	-	-	-
7409	Street Sweeping Services	41,125	46,400	54,000	54,000
7411	Professional Services Retainer (Legal)	-	-	-	-
7412	Engineering Services	1,163	2,000	1,200	2,000
7419	Other Prof. Services	8,493	24,810	1,500	1,750
7435	Contract Seasonal Labor	-	-	-	14,000
7481	State Regional Annual Discharge Fee	8,980	10,000	8,980	10,000
7486	CERF Charges/Depreciation	2,900	3,200	3,200	2,360
7520	Project/Program Costs - Outreach	800	2,000	500	1,000
8101	Fund Admin - Transfer to GF	35,890	37,247	37,247	38,447
<b>Total Expenditures</b>		<b>155,190</b>	<b>206,177</b>	<b>183,294</b>	<b>192,907</b>
Stormwater Assessment ERU Gross		126,328	127,145	126,299	126,299
NPDES Group Program costs		(26,872)	(26,872)	(26,872)	(30,299)
Commercial Insp by Central San		(4,937)	(8,000)	(8,000)	(8,000)
Flood Control Dist Fiscal Mgmt Cost		(810)	(3,000)	(3,000)	(3,000)
County Auditor/Controller Costs		(3,711)	(3,800)	(3,721)	(3,800)
Adjustment (Third Installment Timing)		(8,910)	(3,000)	5,933	5,427
4602	<i>Net Assessment Revenue</i>	81,088	82,473	90,639	86,627
4603	Stormwater O & M Annual Fee	4,060	4,060	4,220	4,360
5324	Street Sweeping Fees	38,660	46,400	51,956	54,000
5601	Interest	1,228	1,300	940	1,000
5606	Unrealized Inv. Gain/Loss	(1,226)	-	-	-
6007	Transfer from Landscape Maintenance Fund	1,008	1,008	1,008	1,040
<b>Total Revenue</b>		<b>124,818</b>	<b>135,241</b>	<b>148,763</b>	<b>147,027</b>
<b>(Decrease) in Fund Balance</b>		<b>(30,372)</b>	<b>(70,936)</b>	<b>(34,531)</b>	<b>(45,880)</b>
<b>Beginning Fund Balance</b>		<b>121,603</b>	<b>71,939</b>	<b>91,231</b>	<b>56,700</b>
<b>Ending Fund Balance</b>		<b>91,231</b>	<b>1,003</b>	<b>56,700</b>	<b>10,820</b>

City of Clayton  
Measure J Fund 220  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7324	Dues and Subscriptions	1,311	2,000	2,000	2,000
7385	Transpac Fees	22,849	23,000	25,628	30,000
8101	Fund Admin - Transfer to GF	4,330	4,494	4,494	4,639
8111	Transfer to CIP Fund	383,552	676,768	87,418	900,655
<b>Total Expenditures</b>		<b>412,042</b>	<b>706,262</b>	<b>119,540</b>	<b>937,294</b>
5223	Measure J Tax (Local Streets)	284,518	280,000	280,000	285,000
5225	Measure J Program 28a (Co-op)	29,417	31,500	29,994	32,676
5601	Interest Income	3,322	1,000	3,700	1,000
5606	Unrealized Inv. Gain/Loss	(2,438)	-	-	-
<b>Total Revenue</b>		<b>314,819</b>	<b>312,500</b>	<b>313,694</b>	<b>318,676</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(97,223)</b>	<b>(393,762)</b>	<b>194,154</b>	<b>(618,618)</b>
<b>Beginning Fund Balance (Deficit)</b>		<b>521,687</b>	<b>393,762</b>	<b>424,464</b>	<b>618,618</b>
<b>Ending Fund Balance</b>		<b>424,464</b>	<b>-</b>	<b>618,618</b>	<b>-</b>

Fund Balance Restricted for:

Local Streets Maintenance Program	400,980	-	564,875	-
Co-operative 28(a) Program	23,484	-	53,743	-
<b>Total Fund Balance</b>	<b>424,464</b>	<b>-</b>	<b>618,618</b>	<b>-</b>

City of Clayton  
 Restricted Grants Fund 230  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	64,022	73,100	67,000	66,300
7113	Overtime	30,841	20,020	18,280	18,000
7218	LTD/STD Insurance	569	1,270	750	800
7220	PERS Retirement - Normal Cost	7,911	8,900	7,600	8,100
7231	Workers Comp Insurance	3,163	3,100	2,940	3,000
7232	Unemployment Insurance	405	440	440	440
7233	FICA Taxes	1,073	1,060	1,100	1,000
7242	Uniform Allowance	900	900	900	900
7246	Benefit Insurance	2,657	1,800	1,730	2,000
7311	General Supplies	21,045	6,139	2,321	5,000
7332	Telecommunications	-	-	6,190	7,000
7342	Machinery/Equipment Maintenance	5,912	-	-	-
7371	Travel	644	-	152	-
7373	Education & Training	1,856	-	-	-
7411	Professional Services Retainer	106	-	-	-
7420	Administrative Costs	72	-	136	-
7485	Capital Outlay - Equipment and Machinery	14,988	111,454	20,613	107,152
7520	Project/Program costs	7,911	5,400	-	10,570
<b>Total Expenditures</b>		<b>164,075</b>	<b>233,583</b>	<b>130,152</b>	<b>230,262</b>
5222	Avoid the 25 Grant	443	2,000	2,000	2,000
5240	Recycling Grant	5,000	-	-	-
5250	PEG Fees	15,233	15,500	15,500	15,500
5260	SLESF - PD	129,324	100,000	139,400	100,000
5261	DOJ Body Armor Grant	2,712	2,712	-	-
5265	State Alcohol Beverage Control Grant	24,914	-	-	-
5270	Insurance Risk	15,000	-	-	-
5285	FEMA Grant	-	-	3,353	-
5601	Interest Income	4,861	4,000	5,200	4,000
5606	Unrealized Inv. Gain/Loss	(3,312)	-	-	-
<b>Total Revenue</b>		<b>194,175</b>	<b>124,212</b>	<b>165,453</b>	<b>121,500</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>30,100</b>	<b>(109,371)</b>	<b>35,301</b>	<b>(108,762)</b>
<b>Beginning Fund Balance</b>		<b>322,724</b>	<b>316,978</b>	<b>352,824</b>	<b>388,125</b>
<b>Ending Fund Balance</b>		<b>352,824</b>	<b>207,607</b>	<b>388,125</b>	<b>279,363</b>

City of Clayton  
Development Impact Fund 304  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7113	Overtime	36,657	30,000	22,299	-
7311	General Supplies	-	-	-	-
7313	Small Tools & Equipment	-	-	-	-
7485	Capital Outlay - Equipment & Machinery	-	45,000	-	48,000
7520	Projects	-	-	14,418	16,995
7612	Interest Expense	-	-	-	-
8111	Transfer to CIP Fund	-	142,000	161,000	-
<b>Total Expenditures</b>		<b>36,657</b>	<b>217,000</b>	<b>197,717</b>	<b>64,995</b>
5307	Childcare Facility Fees	-	-	1,640	-
5312	Open Space In-Lieu Fee	-	-	28,508	-
5313	Parkland Dedication Fee	-	-	20,552	-
5314	Offsite Arterial Improvement Fees	1,456	-	11,648	-
5315	Tree Mitigation Fee	-	-	59,828	-
5317	Fire Protection Fee	176	-	600	-
5323	Community Facilities Fees	450	-	3,600	-
5325	Police Impact Fee	-	-	-	-
5326	Habitat Conservation Fee	-	-	14,418	-
5601	Interest Income	8,799	8,500	9,000	8,000
5606	Unrealized Investment Gain/Loss GASB31	(6,290)	-	-	-
<b>Total Revenue</b>		<b>4,591</b>	<b>8,500</b>	<b>149,794</b>	<b>8,000</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(32,066)</b>	<b>(208,500)</b>	<b>(47,923)</b>	<b>(56,995)</b>
<b>Beginning Fund Balance</b>		<b>611,214</b>	<b>591,996</b>	<b>579,148</b>	<b>531,225</b>
<b>Ending Fund Balance</b>		<b>579,148</b>	<b>383,496</b>	<b>531,225</b>	<b>474,230</b>



City of Clayton  
 Successor Housing Agency Fund 616  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Regular Salaries	665	-	-	-
7411	Professional Services Retainer (Legal)	335	500	500	500
7413	Special Legal Services	18,146	10,000	5,000	10,000
7419	Other Professional Services	940	-	-	47,855
<b>Total Expenditures</b>		<b>20,086</b>	<b>10,500</b>	<b>5,500</b>	<b>58,355</b>
4110	Program Revenues (Loan Repayments)	86,400	91,400	91,400	96,400
5601	Interest	10,287	5,000	13,000	10,000
5606	Unrealized Inv. Gain/Loss	55,454	-	-	-
<b>Total Revenue</b>		<b>152,141</b>	<b>96,400</b>	<b>104,400</b>	<b>106,400</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>132,055</b>	<b>85,900</b>	<b>98,900</b>	<b>48,045</b>
<b>Beginning Fund Balance</b>		<b>4,295,173</b>	<b>4,427,228</b>	<b>4,427,228</b>	<b>4,526,128</b>
<b>Ending Fund Balance</b>		<b>4,427,228</b>	<b>4,513,128</b>	<b>4,526,128</b>	<b>4,574,173</b>

Ending Fund Balance Includes:

Non-spendable Reserve	3,696,268	3,548,165	3,548,165	3,400,062
Reserve Available for Appropriation	730,960	964,963	977,963	1,174,111
<b>Total Fund Balance</b>	<b>4,427,228</b>	<b>4,513,128</b>	<b>4,526,128</b>	<b>4,574,173</b>

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# **Proprietary Funds**

## **2018-19**

City of Clayton  
Self Insurance Fund 501  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7220	PERS Retirement	-	-	2,717	-
7351	Insurance Premiums (EAP Plan)	1,248	1,252	2,007	1,248
7352	Insurance Claim Deductibles	4,139	6,000	5,000	6,000
7413	Special Legal Services	-	-	-	-
<b>Total Expenses</b>		<b>5,387</b>	<b>7,252</b>	<b>7,007</b>	<b>7,248</b>
5601	Interest	703	700	690	600
5606	Unrealized Inv. Gain/Loss	(550)	-	-	-
5790	Other Revenues	-	-	-	-
6001	Transfers From General Fund	-	-	-	-
<b>Total Revenue</b>		<b>153</b>	<b>700</b>	<b>690</b>	<b>600</b>
<b>Increase (Decrease) in Net Position</b>		<b>(5,234)</b>	<b>(6,552)</b>	<b>(6,317)</b>	<b>(6,648)</b>
<b>Beginning Net Position</b>		<b>53,872</b>	<b>49,435</b>	<b>48,638</b>	<b>42,321</b>
<b>Ending Net Position</b>		<b>48,638</b>	<b>42,883</b>	<b>42,321</b>	<b>35,673</b>

City of Clayton  
 CERF Fund 502  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7390	Depreciation Expense	90,075	110,000	95,000	100,000
7513	Computers/Software Upgrades	-	-	-	-
<b>Total Expenses</b>		<b>90,075</b>	<b>110,000</b>	<b>95,000</b>	<b>100,000</b>
5328	CERF Charges to Depts	47,215	77,030	77,673	88,540
5601	Interest	2,644	2,500	2,200	2,200
5606	Unrealized Inv. Gain/Loss	(1,806)	-	-	-
5801	Sale of Assets	1,624	-	1,089	1,000
<b>Total Revenue</b>		<b>49,677</b>	<b>79,530</b>	<b>80,962</b>	<b>91,740</b>
<b>Increase (Decrease) in Net Position</b>		<b>(40,398)</b>	<b>(30,470)</b>	<b>(14,038)</b>	<b>(8,260)</b>
<b>Beginning Net Position</b>		<b>511,663</b>	<b>451,477</b>	<b>471,265</b>	<b>457,227</b>
<b>Ending Net Position</b>		<b>471,265</b>	<b>421,007</b>	<b>457,227</b>	<b>448,967</b>

Fixed Asset Purchases:

1503	Machinery, Vehicles & Equipment	-	88,000	46,243	100,000
<b>Total Other Outflows</b>		<b>-</b>	<b>88,000</b>	<b>46,243</b>	<b>100,000</b>

Net Position Composed of:

Net Investment in Capital Assets	324,042	302,390	275,285	275,285
Unrestricted Net Position	147,223	118,617	181,942	173,682
<b>Total Net Position</b>	<b>471,265</b>	<b>421,007</b>	<b>457,227</b>	<b>448,967</b>

City of Clayton  
Pension Rate Stabilization Fund 503 (New Fund)  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7220	PERS Retirement - Normal Cost	-	-	-	-
7221	PERS Retirement - Unfunded Liability	-	-	-	-
<b>Total Expenses</b>		-	-	-	-
5601	Interest	-	-	1,460	3,500
5606	Unrealized Inv. Gain/Loss	-	-	-	-
6001	Transfers From General Fund	-	-	168,732	-
<b>Total Revenue</b>		-	-	170,192	3,500
<b>Increase (Decrease) in Net Position</b>		-	-	170,192	3,500
<b>Beginning Net Position</b>		-	-	-	170,192
<b>Ending Net Position</b>		-	-	170,192	173,692

City of Clayton  
 Endeavor Hall Fund 702  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7111	Salaries/Regular	5,813	6,600	7,700	8,900
7112	Temporary Help	1,490	1,200	500	-
7113	Overtime	133	200	-	200
7116	Part-time salaries	682	1,900	1,400	2,000
7218	LTD/STD Insurance	51	120	90	110
7220	PERS Retirement - Normal Cost	656	750	770	1,060
7221	PERS Retirement - Unfunded Liability	562	790	701	1,200
7231	Workers Comp Insurance	607	430	408	410
7232	Unemployment Insurance	95	240	100	100
7233	FICA Taxes	120	340	150	130
7246	Benefit Insurance	1,079	1,500	1,600	1,830
7311	General Supplies	656	800	500	800
7332	Telecommunications	902	950	930	950
7335	Gas & Electric Serv.	3,245	3,100	3,310	3,410
7338	Water Service	792	1,200	1,500	1,590
7341	Buildings & Grounds Mtn	8,042	5,050	11,600	6,000
7343	Vehicle Maintenance	191	550	790	800
7344	Vehicle Gas, Oil, and Supplies	186	410	500	500
7346	HVAC Mtn & Repairs	1,415	1,500	1,500	1,500
7361	Advertising	223	500	223	500
7411	Legal Services	586	-	-	-
7417	Janitorial Services	1,123	1,700	1,600	1,700
7429	Animal/Pest Control Services	1,487	1,290	1,290	1,300
<b>Total Expenses Before Depreciation</b>		<b>30,136</b>	<b>31,120</b>	<b>37,162</b>	<b>34,990</b>
5607	Rental Income	22,066	24,700	29,600	30,000
5611	Reserve for Endeavor Hall	185	-	-	-
<b>Total Revenue</b>		<b>22,251</b>	<b>24,700</b>	<b>29,600</b>	<b>30,000</b>
<b>Increase (Decrease) in Net Position Before Depreciation</b>		<b>(7,885)</b>	<b>(6,420)</b>	<b>(7,562)</b>	<b>(4,990)</b>
7390	Depreciation Expense	37,257	37,500	37,500	37,500
<b>(Decrease) in Net Position After Depreciation</b>		<b>(45,142)</b>	<b>(43,920)</b>	<b>(45,062)</b>	<b>(42,490)</b>
<b>Beginning Net Position</b>		<b>1,165,694</b>	<b>1,119,705</b>	<b>1,120,552</b>	<b>1,075,490</b>
<b>Ending Net Position</b>		<b>1,120,552</b>	<b>1,075,785</b>	<b>1,075,490</b>	<b>1,033,000</b>

**Fixed Asset Purchases:**

1504	Improvements other than Building	-	-	-	-
<b>Total Other Outflows</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Net Position Composed of:**

Net investment in capital assets	1,184,742	1,142,807	1,141,108	1,103,608
Unrestricted net position resulting from:				
<i>Due to the General Fund</i>	(55,556)	(64,522)	(63,118)	(68,108)
<i>Refundable Deposits Payable</i>	(4,000)	(2,500)	(2,500)	(2,500)
<i>General accounts payable</i>	(4,634)	-	-	-
<b>Total Net Position</b>	<b>1,120,552</b>	<b>1,075,785</b>	<b>1,075,490</b>	<b>1,033,000</b>

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# **Fiduciary Funds**

## **2018-19**

City of Clayton  
 High Street Bridge Benefit Assessment District - Fund 217  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7611	Principal (RDA Successor Agency)	684	725	725	769
7612	Interest Payment	770	729	729	685
<b>Total Expenditures</b>		<b>1,454</b>	<b>1,454</b>	<b>1,454</b>	<b>1,454</b>
4611	High Street Bridge Assessment	1,754	1,754	1,754	1,754
4650	Special Assessment Payoff	-	-	-	-
5601	Interest	80	80	80	80
5606	Unrealized Investment Gain/Loss	(55)	-	-	-
<b>Total Revenue</b>		<b>1,779</b>	<b>1,834</b>	<b>1,834</b>	<b>1,834</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>325</b>	<b>380</b>	<b>380</b>	<b>380</b>
<b>Beginning Fund Balance</b>		<b>5,297</b>	<b>5,677</b>	<b>5,677</b>	<b>6,057</b>
<b>Ending Fund Balance</b>		<b>5,677</b>	<b>6,057</b>	<b>6,057</b>	<b>6,437</b>

**Fund Balance Includes:**

Reserve for Bridge Maintenance	5,100	5,400	5,400	5,700
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For financial reporting purposes, the High Street Bridge Assessment District Fund (No. 217) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton  
Oak Street Bridge Benefit Assessment District - Fund 218  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7381	Property Tax Admin Cost	258	258	258	258
7420	Other Outside Services	301	301	301	301
7520	Projects	12,000	-	-	-
7611	Principal (General Fund)	3,260	3,488	3,488	3,699
7612	Interest Payment	731	503	503	259
<b>Total Expenditures</b>		<b>16,550</b>	<b>4,550</b>	<b>4,550</b>	<b>4,517</b>
4611	Oak Street Bridge Assessment	6,150	6,150	6,150	6,150
5601	Interest Income	286	300	180	180
5606	Unrealized Investment Gain/Loss	251	-	-	-
5790	Other Revenue	-	-	-	-
<b>Total Revenue</b>		<b>6,687</b>	<b>6,450</b>	<b>6,330</b>	<b>6,330</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(9,863)</b>	<b>1,900</b>	<b>1,780</b>	<b>1,813</b>
<b>Beginning Fund Balance</b>		<b>24,990</b>	<b>14,890</b>	<b>15,127</b>	<b>16,907</b>
<b>Ending Fund Balance</b>		<b>15,127</b>	<b>16,790</b>	<b>16,907</b>	<b>18,720</b>

**Fund Balance Includes:**

Reserve for Bridge Maintenance	14,400	16,000	16,000	17,600
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For financial reporting purposes, the Oak Street Bridge Assessment District Fund (No. 218) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton  
 Lydia Lane Sewer Benefit Assessment District - Fund 222  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7381	Property Tax Admin Cost	264	264	264	264
7420	Other Outside Services	2,400	1,636	1,636	1,636
7520	Projects	-	-	-	-
7611	Principal	5,000	5,000	5,000	5,000
7612	Interest Payment	9,950	9,650	9,650	9,350
7613	Paying Agent Fees	500	500	500	500
<b>Total Expenditures</b>		<b>18,114</b>	<b>17,050</b>	<b>17,050</b>	<b>16,750</b>
4612	Lydia Lane Sewer Assessment	17,200	17,050	16,900	16,750
5601	Interest	871	840	870	800
5606	Unrealized Investment Gain/Loss	(680)	-	-	-
<b>Total Revenue</b>		<b>17,391</b>	<b>17,890</b>	<b>17,770</b>	<b>17,550</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(723)</b>	<b>840</b>	<b>720</b>	<b>800</b>
<b>Beginning Fund Balance</b>		<b>78,246</b>	<b>78,724</b>	<b>78,724</b>	<b>78,724</b>
<b>Ending Fund Balance</b>		<b>77,523</b>	<b>79,564</b>	<b>79,444</b>	<b>79,524</b>

**Fund Balance Includes:**

Bond Reserve Fund	12,813	12,813	12,813	12,813
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For financial reporting purposes, the Lydia Lane Sewer Assessment District Fund (No. 222) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton  
Oak Street Sewer Benefit Assessment District - Fund 223  
Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7381	Property Tax Admin Cost	271	259	271	280
7420	Other Outside Services	1,500	1,241	1,241	1,220
7611	Principal	7,273	7,273	7,273	8,182
7612	Interest Payment	2,755	2,536	2,536	2,318
<b>Total Expenditures</b>		<b>11,799</b>	<b>11,309</b>	<b>11,321</b>	<b>12,000</b>
4612	Oak Street Sewer Assessment	10,353	11,309	11,309	12,000
4650	Special Assessment Payoff	-	-	-	-
5601	Interest	68	80	50	80
5606	Unrealized Investment Gain/Loss	(42)	-	-	-
<b>Total Revenue</b>		<b>10,379</b>	<b>11,389</b>	<b>11,359</b>	<b>12,080</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(1,420)</b>	<b>80</b>	<b>38</b>	<b>80</b>
<b>Beginning Fund Balance</b>		<b>4,189</b>	<b>2,945</b>	<b>2,769</b>	<b>2,807</b>
<b>Ending Fund Balance</b>		<b>2,769</b>	<b>3,025</b>	<b>2,807</b>	<b>2,887</b>

For financial reporting purposes, the Oak Street Sewer Assessment District Fund (No. 223) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton

Diablo Estates Benefit Assessment District - Fund 231

Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7335	Gas & Electric Serv.	137	400	140	300
7338	Water Service	8,713	9,400	9,000	9,600
7381	Property Tax Admin Cost	270	270	271	280
7384	Legal Notices	-	100	100	100
7411	Legal Services Retainer	-	-	-	-
7413	Special Legal Services	-	-	-	-
7419	Other Prof. Services	54,570	58,390	58,390	59,390
7420	Administrative Costs	2,044	2,044	2,121	2,189
<b>Total Expenditures</b>		<b>65,734</b>	<b>70,604</b>	<b>70,022</b>	<b>71,859</b>
4611	Fiduciary Fund Assessment	79,892	82,912	82,911	85,580
5601	Interest Income	1,208	600	1,350	1,200
5606	Unrealized Investment Gain/Loss	(871)	-	-	-
<b>Total Revenue</b>		<b>80,229</b>	<b>83,512</b>	<b>84,261</b>	<b>86,780</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>14,495</b>	<b>12,908</b>	<b>14,239</b>	<b>14,921</b>
<b>Beginning Fund Balance</b>		<b>83,685</b>	<b>82,351</b>	<b>98,180</b>	<b>112,419</b>
<b>Ending Fund Balance</b>		<b>98,180</b>	<b>95,259</b>	<b>112,419</b>	<b>127,340</b>

For financial reporting purposes, the Diablo Estates Benefits Assessment District Fund (No. 231) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton  
 Clayton Financing Authority - Fund 405  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7482	Capital Contributions	-	-	170,126	-
	<b>Total Expenditures</b>	-	-	<b>170,126</b>	-
5601	Interest Income	10,203	9,000	8,470	10,000
5606	Unrealized Investment Gain/Loss	(7,342)	-	-	-
	<b>Total Revenue</b>	<b>2,861</b>	<b>9,000</b>	<b>8,470</b>	<b>10,000</b>
	<b>Increase (Decrease) in Fund Balance</b>	<b>2,861</b>	<b>9,000</b>	<b>(161,656)</b>	<b>10,000</b>
	<b>Beginning Fund Balance</b>	<b>714,088</b>	<b>724,188</b>	<b>716,949</b>	<b>555,293</b>
	<b>Ending Fund Balance</b>	<b>716,949</b>	<b>733,188</b>	<b>555,293</b>	<b>565,293</b>

For financial reporting purposes, the Clayton Financing Authority Fund (No. 405) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton  
 Middle School Community Facilities District 1990-1 - Fund 420  
 Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7381	Property Tax Admin Cost	1,404	1,404	1,404	1,404
7419	Other Prof. Services	18,657	18,450	18,846	18,760
7420	Other Outside Services	16,452	16,452	16,452	16,950
7611	Principal	316,000	342,000	342,000	362,000
7612	Interest Expense	80,347	60,952	60,952	40,061
7613	Paying Agent Fees	715	2,000	1,980	2,000
7615	Property Taxes	603	603	603	650
<b>Total Expenditures</b>		<b>434,178</b>	<b>441,861</b>	<b>442,237</b>	<b>441,825</b>
4609	Middle School CFD 1990-1 Parcel Tax	401,799	397,802	397,796	393,796
5601	Interest Income	3,024	2,500	1,930	2,000
5606	Unrealized Investment Gain/Loss	(4,070)	-	-	-
<b>Total Revenue</b>		<b>400,753</b>	<b>400,302</b>	<b>399,726</b>	<b>395,796</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>400,753</b>	<b>(41,559)</b>	<b>(42,511)</b>	<b>(46,029)</b>
<b>Beginning Fund Balance</b>		<b>397,985</b>	<b>367,576</b>	<b>367,576</b>	<b>325,065</b>
<b>Ending Fund Balance</b>		<b>367,576</b>	<b>326,017</b>	<b>325,065</b>	<b>279,036</b>

For financial reporting purposes, the Middle School CFD 1990-1 Fund (No. 420) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.



City of Clayton

Clayton Financing Authority 2007 Middle School Refunding Bonds - Fund 422

Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7419	Other Prof. Services	6,646	6,400	6,371	6,550
2804	Principal Payment (CFA 2007)	325,000	355,000	355,000	370,000
7612	Interest Expense	92,159	78,291	92,161	63,595
7613	Paying Agent Fees	2,310	2,310	2,310	2,310
<b>Total Expenditures</b>		<b>426,115</b>	<b>442,001</b>	<b>455,842</b>	<b>442,455</b>
5601	Interest Income	1,730	1,500	2,840	1,750
5606	Unrealized Investment Gain/Loss	(1,241)	-	-	-
5701	Reimbursements/Refunds (CFD 1990-1)	8,956	9,000	8,681	8,860
5815	Interest on Loans/Bonds	73,471	53,539	53,539	32,211
1251	Principal Payment (CFD 1990-1)	316,000	342,000	342,000	362,000
<b>Total Revenue</b>		<b>398,916</b>	<b>406,039</b>	<b>407,060</b>	<b>404,821</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(27,199)</b>	<b>(35,962)</b>	<b>(48,782)</b>	<b>(37,634)</b>
<b>Beginning Fund Balance</b>		<b>575,317</b>	<b>549,227</b>	<b>549,227</b>	<b>500,445</b>
<b>Ending Fund Balance</b>		<b>549,227</b>	<b>513,265</b>	<b>500,445</b>	<b>462,811</b>

**Restricted Portion of Fund Balance Includes:**

CFD 1990-1 Special Tax Fund (Trustee)	153,045	115,226	133,300	113,300
2007 CFA TAB Reserve Fund (Trustee)	251,990	251,990	251,990	251,990
<b>Total</b>	<b>405,035</b>	<b>367,216</b>	<b>385,290</b>	<b>365,290</b>

For financial reporting purposes, the Clayton Financing Authority 2007 Middle School Refunding Bonds Fund (No. 422) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton

RDA Successor Agency Private Purpose Trust - Fund 615

Adopted Budget 18-19

Account Number	Account Name	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected	2018-19 Adopted Budget
7413	Special Legal Services	-	-	-	-
7419	Other Professional Services	1,200	1,200	1,200	1,200
7420	Administrative Costs	231,915	250,000	250,000	234,720
7612	Interest Expense	72,733	63,777	63,777	54,590
7613	Paying Agent Fee	1,980	1,980	1,980	1,980
8500	Extraordinary Loss / (Gain)	-	-	-	-
2601	Due to General Fund (Firestation and 2%)	475,000	-	-	-
2802	2014 Refunding Bonds Payable	330,000	395,000	395,000	400,000
<b>Total Expenditures</b>		<b>1,112,828</b>	<b>711,957</b>	<b>711,957</b>	<b>692,490</b>
4108	Redevelopment Property Tax Trust Fund Rev.	701,354	643,424	786,053	719,897
5601	Interest	2,911	3,000	3,060	2,500
5606	Unrealized Investment Gain/Loss	(10,036)	-	-	-
5790	Other Revenues	11,481	11,263	11,263	11,954
<b>Total Revenue</b>		<b>705,710</b>	<b>657,687</b>	<b>800,376</b>	<b>734,351</b>
<b>Increase (Decrease) in Fund Balance</b>		<b>(407,118)</b>	<b>(54,270)</b>	<b>88,419</b>	<b>41,861</b>
<b>Beginning Fund Balance</b>		<b>1,177,481</b>	<b>893,532</b>	<b>770,363</b>	<b>858,782</b>
<b>Ending Fund Balance</b>		<b>770,363</b>	<b>839,262</b>	<b>858,782</b>	<b>900,643</b>

**Restricted Portion of Fund Balance Includes:**

Restricted Bond Proceeds	188,696	41,285	41,810	-
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For financial reporting purposes, the RDA Successor Agency Fund (No. 615) is a Private Purpose Trust Fiduciary Fund, and is reported on a full accrual proprietary fund basis. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well debt service and loan transactions, which would otherwise be excluded from expenditures/revenues following proprietary fund GAAP accounting.

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**CAPITAL IMPROVEMENT  
PROGRAM BUDGET  
2018-19**

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2018/19 – 2022/23



# Capital Improvement Program

Adopted by the City Council on  
June 19, 2018

## City Council

Keith Haydon, Mayor

David T. Shuey, Vice Mayor

Julie K. Pierce

Jim Diaz

Tuija Catalano

## Staff

Gary Napper

City Manager

Scott Alman

City Engineer

Mindy Gentry

Community Development Director

Janet Brown

City Clerk / HR Manager

Kevin Mizuno

Finance Manager

CITY OF CLAYTON  
 CAPITAL IMPROVEMENT PROGRAM FY 2018/19 TO 2022/23

\*Completed - no project sheet included  
 \*\*Deleted by City Council

Master Index of Projects by Number

Project Number	Project Category	Project	Project Number	Project Category	Project
10330	Streets	Overlays*	10387	Streets	Pavement Rehab 2002/03*
10331	Streets	Slurry Seals (Deleted)*	10388	Streets	Pavement Rehab 2003/04*
10332	Streets	High Street Bridge*	10389	Streets	Pavement Rehab 2004*
10333	Streets	Marsh Creek Road - TEA-21*	10390	Streets	Pavement Rehab 2005*
10334	Parks	Community Dog Park*	10391	Streets	Pavement Rehab 2006*
10335	Parks	El Molino Park*	10392	Sewers	Oak - High Street*
10336	Parks	Lydia Lane Park Ph. H*	10393	Parks	Skateboard Park
10337	Facilities	Keller House Preservation*	10394	Streets	Handicap Ramps - RDA Area*
10337A	Facilities	Keller House Rehabilitation	10394A	Streets	ADA Compliance Program
10338	Facilities	Endeavor Hall	10395	Streets	Catch Basin Modifications
10339	Facilities	Youth Center/Gym*	10396	Streets	East Marsh Creek Road Signal
10340	Landscape	Marsh Creek Road LS*	10397	Streets	Utility Undergrounding
10341	Streets	Center Street Crossing*	10398	Streets	Clayton Rd. MCR Slurry Seal*
10342	GHAD	Windmill Debris Basin*	10399	Sewers	Pine Hollow Area*
10343	GHAD	Crow Debris Basin	10400	Other	Downtown Economic Development
10344	GHAD	Obsidian Landslide*	10400A	Other	Town Center Property Purchase*
10345	GHAD	Clayton Rd. Landslides*	10401	Streets	Pedestrian Xing Signals**
10346	GHAD	Black Diamond Landslide**	10402	Streets	Clayton Road Trail Connection*
10347	GHAD	V-ditch Repairs*	10403	Streets	Downtown Entry Signs*
10347A	GHAD	Eagle Peak Slope Repair	10404	Streets	March Creek Rd. Retaining Wall*
10348	GHAD	Keller Ridge Slope Repair	10405	Streets	2007 Pavement Patching Project**
10349	GHAD	Community Park Slide Repair	10406	Streets	2008 Pavement Rehab Project*
10350	Facilities	Downtown Elec. Conn.*	10407	Parks	Community Park Upgrades*
10351	Facilities	Fire Station*	10408	Streets	2009 Pavement Rehab Project**
10352	Landscape	Library Landscaping*	10409	Streets	2010 Pavement Rehab Project*
10353	Streets	Downtown Revitalization*	10410	Streets	2011 Neighborhood Street Project**
10354	Streets	Four Oaks Area*	10411	Streets	2012 Neighborhood Street Project*
10355	Streets	Oak Street Bridge*	10412	Streets	2009 Arterial Overlay Project*
10356	Landscape	Westwood Open Space*	10413	Parks	Community Park Parking Lot Expan.*
10357	Facilities	Old City Hall Renovation*	10414	Streets	East March Creek Rd. Upgrade**
10358	Facilities	Grove Property Acquisition*	10415	Parks	Well Renovation*
10359	Facilities	Endeavor Hall Parking I*	10416	Streets	Marsh Creek Rd. (old) Overlay*
10360	Facilities	Endeavor Hall Parking II*	10417	Streets	2013 Neighborhood Street Project*
10361	Facilities	Stanley Property**	10418	Streets	2014 Neighborhood Street Project*
10362	Facilities	Stanley Property Parking*	10419	Parks	Community Park Lighting, etc.
10363	Facilities	Corp. Yard Expansion*	10420	Parks	School Bridge Area Improvements
10364	Streets	Downtown Signage**	10421	Creeks	Cardinet Trail Restoration*
10365	Facilities	Library Parking Expansion*	10422	Sewers	El Molino Drive Sanitary Sewer Impr.
10366	Facilities	Police Parking Expansion*	10423	Facilities	Library Upgrades
10367	Parks	Downtown Park*	10424	Streets	2015 Neighborhood Street Project*
10368	Parks	City Hall Park*	10425	Streets	Keller Ridge Dr. Collector Street Rehab.
10369	Streets	March Creek Road Narrowing**	10426	Facilities	City Hall Parking Area Rehabilitation*
10370	Creeks	Creek Revitalization	10427	Facilities	Library Parking Lot Rehabilitation*
10371	Streets	Survey Monuments*	10428	Facilities	Lydia Lane Park Parking Rehabilitation*
10372	Streets	Traffic Signal Modifications*	10429	Facilities	2012 Trail Repaving Project*
10373	Streets	Peacock Creek Dr. Signal*	10430	Landscape	Clayton Road Median Landscaping*
10374	Parks	North Valley Park*	10431	Landscape	Daffodil Hill Landscaping*
10375	Parks	Samuel Ct. Park	10432	Streets	2016 Neighborhood Street Project*
10376	Facilities	Equestrian Staging Area*	10433	Streets	DVMS Safety Signing*
10377	Streets	DVMS - Right Turn Lane*	10434	Parks	CCCP Scoreboard Replacement*
10378	Streets	Keller Ridge Drive Planters*	10435	Facilities	Library HVAC Replacement*
10379	Streets	Pine Hollow Road - Upgrade	10436	Streets	2018 Neighborhood Street Project
10380	Parks	Community Park - Rt. Turn Lane**	10437	Streets	2016 Arterial Rehabilitation Project*
10381	Parks	Bocce Ball Courts**	10438	Streets	Arterial Streetlight LED Project*
10382	GHAD	Inclinometers*	10439	Streets	El Portal Drive Restoration Project
10383	GHAD	Keller Ridge Drive Subdrain*	10440	Parks	CCP - Field #1 Rehab
10384	Streets	Mitchell Vanyon Rd. Overlay*	10441	Streets	OBAG 2 - 2018 Pavement Rehab
10385	Parks	Community Park Tot Lot*	10442	Parks	North Valley Park Playground Rehab
10386	GHAD	Wells (cancelled)*	10443	Facilities	ADA Accessibility - City Hall
			10444	Facilities	City Hall HVAC Replacement

CITY OF CLAYTON  
 CAPITAL IMPROVEMENT PROGRAM FY 2018/19 TO 2022/23

\*Completed - no project sheet included  
 \*\*Deleted by City Council

Master Index of Projects by Type

Project Number	Project Category	Project	Project Number	Project Category	Project
<u>CREEKS</u>			<u>PARKS (cont'd)</u>		
10370	Creeks	Creek Revitalization	10368	Parks	City Hall Park*
10421	Creeks	Cardinet Trail Restoration*	10374	Parks	North Valley Park*
<u>FACILITIES</u>			10375	Parks	Samuel Ct. Park
10337	Facilities	Keller House Preservation*	10380	Parks	Community Park - Rt. Turn Lane**
10337A	Facilities	Keller House Rehabilitation	10381	Parks	Bocce Ball Courts**
10338	Facilities	Endeavor Hall	10385	Parks	Community Park Tot Lot*
10339	Facilities	Youth Center/Gym*	10393	Parks	Skateboard Park
10350	Facilities	Downtown Elec. Conn.*	10407	Parks	Community Park Upgrades*
10351	Facilities	Fire Station*	10413	Parks	Community Park Parking Lot Expan.*
10357	Facilities	Old City Hall Renovation*	10415	Parks	Well Renovation*
10358	Facilities	Grove Property Acquisition*	10419	Parks	Community Park Lighting, etc.
10359	Facilities	Endeavor Hall Parking I*	10420	Parks	School Bridge Area Improvements
10360	Facilities	Endeavor Hall Parking II*	10434	Parks	CCCP Scoreboard Replacement*
10361	Facilities	Stanley Property**	10440	Parks	Clayton Community Park - Field No.1 Rehab
10362	Facilities	Stanley Property Parking*	10442	Parks	North Valley Park Playground Rehab
10363	Facilities	Corp. Yard Expansion*	<u>STREETS</u>		
10365	Facilities	Library Parking Expansion*	10330	Streets	Overlays*
10366	Facilities	Police Parking Expansion*	10331	Streets	Slurry Seals (Deleted)*
10376	Facilities	Equestrian Staging Area*	10332	Streets	High Street Bridge*
10423	Facilities	Library Upgrades	10333	Streets	Marsh Creek Road - TEA-21*
10426	Facilities	City Hall Parking Area Rehabilitation*	10341	Streets	Center Street Crossing*
10427	Facilities	Library Parking Lot Rehabilitation*	10353	Streets	Downtown Revitalization*
10428	Facilities	Lydia Lane Park Parking Rehabilitation*	10354	Streets	Four Oaks Area*
10429	Facilities	2012 Trail Repaving Project*	10355	Streets	Oak Street Bridge*
10435	Facilities	Library HVAC Replacement*	10364	Streets	Downtown Signage**
10443	Facilities	ADA Accessibility - City Hall	10369	Streets	March Creek Road Narrowing**
10444	Facilities	City Hall HVAC Replacement	10371	Streets	Survey Monuments*
<u>GHAD</u>			10372	Streets	Traffic Signal Modifications*
10342	GHAD	Windmill Debris Basin*	10373	Streets	Peacock Creek Dr. Signal*
10343	GHAD	Crow Debris Basin	10377	Streets	DVMS - Right Turn Lane*
10344	GHAD	Obsidian Landslide*	10378	Streets	Keller Ridge Drive Planters*
10345	GHAD	Clayton Rd. Landslides*	10379	Streets	Pine Hollow Road - Upgrade
10346	GHAD	Black Diamond Landslide**	10384	Streets	Mitchell Vanyon Rd. Overlay*
10347	GHAD	V-ditch Repairs*	10387	Streets	Pavement Rehab 2002/03*
10347A	GHAD	Eagle Peak Slope Repair	10388	Streets	Pavement Rehab 2003/04*
10348	GHAD	Keller Ridge Slope Repair	10389	Streets	Pavement Rehab 2004*
10349	GHAD	Community Park Slide Repair	10390	Streets	Pavement Rehab 2005*
10382	GHAD	Inclinometers*	10391	Streets	Pavement Rehab 2006*
10383	GHAD	Keller Ridge Drive Subdrain*	10394	Streets	Handicap Ramps - RDA Area*
10386	GHAD	Wells (cancelled)*	10394A	Streets	ADA Compliance Program
<u>LANDSCAPE</u>			10395	Streets	Catch Basin Modifications
10340	Landscape	Marsh Creek Road LS*	10396	Streets	East Marsh Creek Road Signal
10352	Landscape	Library Landscaping*	10397	Streets	Utility Undergrounding
10356	Landscape	Westwood Open Space*	10398	Streets	Clayton Rd. MCR Slurry Seal*
10430	Landscape	Clayton Road Median Landscaping*	10401	Streets	Pedestrian Xing Signals**
10431	Landscape	Daffodil Hill Landscaping*	10402	Streets	Clayton Road Trail Connection*
<u>OTHER</u>			10403	Streets	Downtown Entry Signs*
10392	Sewers	Oak - High Street*	10404	Streets	March Creek Rd. Retaining Wall*
10399	Sewers	Pine Hollow Area*	10405	Streets	2007 Pavement Patching Project**
10400	Other	Downtown Economic Development	10406	Streets	2008 Pavement Rehab Project*
10400A	Other	Town Center Property Purchase*	10408	Streets	2009 Pavement Rehab Project**
10422	Sewers	El Molino Drive Sanitary Sewer Impr.	10409	Streets	2010 Pavement Rehab Project*
<u>PARKS</u>			10410	Streets	2011 Neighborhood Street Project**
10334	Parks	Community Dog Park*	10411	Streets	2012 Neighborhood Street Project*
10335	Parks	El Molino Park*	10412	Streets	2009 Arterial Overlay Project*
10336	Parks	Lydia Lane Park Ph. H*	10414	Streets	East March Creek Rd. Upgrade**
10367	Parks	Downtown Park*	10416	Streets	Marsh Creek Rd. (old) Overlay*
			10417	Streets	2013 Neighborhood Street Project*
			10418	Streets	2014 Neighborhood Street Project*
			10424	Streets	2015 Neighborhood Street Project*
			10425	Streets	Collector Street Rehabilitation Project
			10432	Streets	2016 Neighborhood Street Project*
			10433	Streets	DVMS Safety Signing*
			10436	Streets	2018 Neighborhood Street Project
			10437	Streets	2016 Arterial Rehabilitation Project*
			10438	Streets	Arterial Streetlight LED Project*
			10439	Streets	El Portal Drive Restoration Project
			10441	Streets	OBAG 2 - 2018 Pavement Rehabilitation

CITY OF CLAYTON  
CAPITAL IMPROVEMENT PROGRAM FY 2017/18 to 2022/23

Budget by Funding Source - FY 2017/18

#	Category	Project	Unspent Prior Year Funding	HUTA Fund	RMRA Fund	Federal Grants	Concord Sewer Fund	Measure J LSM	Measure J Co-op	Measure J Grant	Impact Fee Fund	Other	CIP Interest	17/18 Project Totals
		Fund Balance as of 6/30/17		\$ 228,689	\$ -	\$ -	\$ 560,000	\$ 400,980	\$ 23,484	\$ -	\$ 579,148	\$ -	\$ -	\$ 84,471
		Estimated Revenue thru FY 17/18		295,445	64,855	-	-	283,435	30,259	45,000	149,794	321,198	4,500	4,500
		Estimated non-CIP Expenses in FY 17/18		(147,233)	-	-	-	(32,122)	-	-	(36,717)	-	(2,464)	(2,464)
		Funds Available for CIP in FY 17/18		376,901	64,855	-	560,000	652,293	53,743	45,000	692,225	321,198	86,507	86,507
10337A	Facilities	Keller House Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-
10343	GHAD	Crow Debris Basin	-	-	-	-	-	-	-	-	-	-	-	-
10347A	GHAD	Eagle Peak Slope Repair	-	-	-	-	-	-	-	-	-	-	-	-
10348	GHAD	Keller Ridge Drive Area Slope Repair	-	-	-	-	-	-	-	-	-	-	-	-
10349	GHAD	Community Park Slide Repair	-	-	-	-	-	-	-	-	-	-	-	-
10370	Creeks	Creek Revitalization	-	-	-	-	-	-	-	-	-	-	-	-
10375	Parks	Samuel Ct. Park	-	-	-	-	-	-	-	-	-	-	-	-
10379	Streets	Pine Hollow Road Upgrades	-	-	-	-	-	-	-	45,000	-	-	-	45,000
10393	Parks	Skateboard Park	-	-	-	-	-	-	-	-	-	-	-	-
10394A	Streets	ADA Compliance Program	3,052	6,000	-	-	-	-	-	-	-	-	-	9,052
10395	Streets	Catch Basin Modifications	-	-	-	-	-	-	-	-	-	-	-	-
10396	Streets	East Marsh Creek Road Signal	-	-	-	-	-	-	-	-	-	-	-	-
10397	Streets	Utility Undergrounding	-	-	-	-	-	-	-	-	-	-	-	-
10400	Other	Downtown Economic Development	1,322,499	-	-	-	-	-	-	-	-	-	-	1,322,499
10419	Parks	Community park Lighting, etc.	-	-	-	-	-	-	-	-	-	-	-	-
10420	Other	School Bridge Area Improvements	202,258	-	-	-	-	-	-	-	-	-	2,500	204,758
10422	Sewers	El Molino Drive Sanitary Sewer Impr.	-	-	-	-	40,000	-	-	-	-	-	-	40,000
10423	Facilities	Library Upgrades	-	-	-	-	-	-	-	-	-	-	-	-
10425	Streets	Keller Ridge Collector Street Rehab	-	50,000	-	-	-	-	-	-	-	-	-	50,000
10436	Streets	2018 Neighborhood Street Project	-	-	-	-	-	50,000	-	-	-	-	-	50,000
10439	Streets	El Portal Drive restoration Project	5,430	-	-	-	-	37,418	-	-	-	-	-	42,848
10440	Parks	Clayton Community Park - Field 1 Rehab	-	-	-	-	-	-	-	-	-	50,000	500	50,500
10442	Parks	North Valley Park Playground Rehab.	-	-	-	-	-	-	-	-	142,000	-	25,300	167,300
10443	Facilities	City Hall ADA Accessibility	-	-	-	-	-	-	-	-	19,000	16,000	-	35,000
10444	Facilities	City HVAC Replacement	-	-	-	-	-	-	-	-	-	255,198	-	255,198
		Total CIP Funding in FY 17/18		56,000	-	-	40,000	87,418	-	-	161,000	321,198	28,500	2,272,155
		Fund Balance as of June 30, 2018		\$ 1,533,239	\$ 64,855	\$ -	\$ 520,000	\$ 564,875	\$ 53,743	\$ 45,000	\$ 534,225	\$ -	\$ -	\$ 58,207



**CITY OF CLAYTON  
CAPITAL IMPROVEMENT PROGRAM FY 2017/18 to 2022/23**

Budget by Funding Source - FY 2018/19

#	Category	Project	Unspent Prior Year Funding	HUTA Fund	RMRA Fund	Federal Grants	State Grants	Concord Sewer Fund	Measure J LSM	Measure J Co-op	Measure J Grant	Impact Fee Fund	CIP Interest	18/19 Project Totals
		Fund Balance as of 6/30/18		\$ 320,901	\$ 64,855	\$ -	\$ -	\$ 520,000	\$ 564,875	\$ 53,743	-	\$ 531,225	\$ 58,207	
		Estimated Revenue thru FY 18/19		293,004	189,383	385,000	86,553	-	286,000	32,676	330,000	-	-	
		Estimated non-CIP Expenses in FY 18/19		(170,255)	-	-	-	-	(36,639)	-	-	-	-	
		Funds Available for CIP in FY 18/19		443,650	254,238	385,000	86,553	520,000	814,236	86,419	330,000	531,225	58,207	
10337 A	Facilities	Keller House Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-
10343	GHAD	Crow Debris Basin	-	-	-	-	-	-	-	-	-	-	-	-
10347 A	GHAD	Eagle Peak Slope Repair	-	-	-	-	-	-	-	-	-	-	-	-
10348	GHAD	Keller Ridge Drive Area Slope Repair	-	-	-	-	-	-	-	-	-	-	-	-
10349	GHAD	Community Park Slide Repair	-	-	-	-	-	-	-	-	-	-	-	-
10370	Creeks	Creek Revitalization	-	-	-	-	-	-	-	-	-	-	-	-
10375	Parks	Samuel Ct. Park	-	-	-	-	-	-	-	-	-	-	-	-
10379	Streets	Pine Hollow Road Upgrades	-	-	-	-	-	-	-	-	330,000	-	-	519,883
10393	Parks	Skateboard Park	-	-	-	-	-	-	-	-	-	-	-	-
10394 A	Streets	ADA Compliance Program	9,052	6,000	-	-	-	-	-	-	-	-	-	15,052
10395	Streets	Catch Basin Modifications	-	-	-	-	-	-	-	-	-	-	-	-
10396	Streets	East Marsh Creek Road Signal	-	-	-	-	-	-	-	-	-	-	-	-
10397	Streets	Utility Undergrounding	-	-	-	-	-	-	-	-	-	-	-	-
10400	Other	Downtown Economic Development	1,322,499	-	-	-	-	-	-	-	-	-	-	1,322,499
10419	Parks	Community park Lighting, etc.	-	-	-	-	-	-	-	-	-	-	-	-
10420	Other	School Bridge Area Improvements	204,758	-	-	-	-	-	-	-	-	-	-	204,758
10422	Sewers	El Molino Drive Sanitary Sewer Impr.	-	-	-	-	-	520,000	-	-	-	-	-	520,000
10423	Facilities	Library Upgrades	-	-	-	-	-	-	-	-	-	-	-	-
10425	Streets	Keller Ridge Dr. Collector Street Rehab	-	277,988	-	385,000	25,775	-	241,443	-	-	-	-	930,206
10436	Streets	2018 Neighborhood Street Project	-	159,662	64,355	-	60,778	-	572,793	86,419	-	-	-	944,007
10439	Streets	El Portal Drive restoration Project	-	-	-	-	-	-	-	-	-	-	-	-
10440	Parks	Clayton Community Park - Field 1 Rehab	50,500	-	-	-	-	-	-	-	-	-	-	50,500
10442	Parks	North Valley Park Playground Rehab.	167,300	-	-	-	-	-	-	-	-	-	-	167,300
10443	Facilities	City Hall ADA Accessibility	35,000	-	-	-	-	-	-	-	-	-	-	35,000
		<b>Total CIP Funding in FY 18/19</b>		<b>443,650</b>	<b>254,238</b>	<b>385,000</b>	<b>86,553</b>	<b>520,000</b>	<b>814,236</b>	<b>86,419</b>	<b>330,000</b>	<b>-</b>	<b>-</b>	<b>2,920,096</b>
		<b>Fund Balance as of June 30, 2019</b>		<b>\$ 1,789,109</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 531,225</b>	<b>\$ 58,207</b>	

**CITY OF CLAYTON  
CAPITAL IMPROVEMENT PROGRAM FY 2017/18 to 2022/23**

Budget by Funding Source - FY 2019/20

#	Category	Project	Unspent Prior Year Funding	HUTA Fund	RMRA Fund	Federal Grants	State Grants	Concord Sewer Fund	Measure J LSM	Measure J Co-op	Measure J Grant	Impact Fee Fund	CIP Interest	19/20 Project Totals
		Fund Balance as of 6/30/19		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 531,225	\$ 58,207	
		Estimated Revenue thru FY 19/20		250,000	190,000	308,000	-	-	290,000	30,000	-	-	-	
		Estimated non-CIP Expenses in FY 19/20		(150,000)	-	-	-	-	(40,000)	-	-	-	-	
		Funds Available for CIP in FY 19/20		100,000	190,000	308,000	-	-	250,000	30,000	-	531,225	58,207	
		<b>Total CIP Funding in FY 19/20</b>		<b>6,000</b>	<b>-</b>	<b>308,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>314,000</b>
		<b>Fund Balance as of June 30, 2020</b>		<b>\$ 94,000</b>	<b>\$ 190,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ 531,225</b>	<b>\$ 58,207</b>	

**CITY OF CLAYTON  
CAPITAL IMPROVEMENT PROGRAM FY 2017/18 to 2022/23**

Budget by Funding Source - FY 2020/21

#	Category	Project	Unspent Prior Year Funding	HUTA Fund	RMRA Fund	Federal Grants	State Grants	Concord Sewer Fund	Measure J LSM	Measure J Co-op	Measure J Grant	Impact Fee Fund	CIP Interest	20/21 Project Totals
		Fund Balance as of 6/30/20		\$ 94,000	\$ 190,000	\$ -	\$ -	\$ -	\$ 250,000	\$ 30,000	\$ -	\$ 531,225	\$ 58,207	
		Estimated Revenue thru FY 20/21		255,000	195,000	-	-	-	295,000	30,000	-	-	-	
		Estimated non-CIP Expenses in FY 20/21		(155,000)	-	-	-	-	(45,000)	-	-	-	-	
		Funds Available for CIP in FY 20/21		194,000	385,000	-	-	-	500,000	60,000	-	531,225	58,207	
		<b>Total CIP Funding in FY 20/21</b>		<b>6,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000</b>
		<b>Fund Balance as of June 30, 2021</b>	<b>\$ 1,548,509</b>	<b>\$ 188,000</b>	<b>\$ 385,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ 60,000</b>	<b>\$ -</b>	<b>\$ 531,225</b>	<b>\$ 58,207</b>	

**CITY OF CLAYTON  
CAPITAL IMPROVEMENT PROGRAM FY 2017/18 to 2022/23**

Budget by Funding Source - FY 2021/22

#	Category	Project	Unspent Prior Year Funding	HUTA Fund	RMRA Fund	Federal Grants	State Grants	Concord Sewer Fund	Measure J LSM	Measure J Co-op	Measure J Grant	Impact Fee Fund	CIP Interest	21/22 Project Totals
		Fund Balance as of 6/30/21		\$ 188,000	\$ 385,000	\$ -	\$ -	\$ -	\$ 500,000	\$ 60,000	\$ -	\$ 531,225	\$ 58,207	
		Estimated Revenue thru FY 21/22		255,000	200,000	-	-	-	300,000	30,000	-	-	-	
		Estimated non-CIP Expenses in FY 21/22		(155,000)	-	-	-	-	(50,000)	-	-	-	-	
		Funds Available for CIP in FY 21/22		288,000	585,000	-	-	-	750,000	90,000	-	531,225	58,207	
		<b>Total CIP Funding in FY 21/22</b>		<b>6,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000</b>
		<b>Fund Balance as of June 30, 2022</b>		<b>1,554,309</b>	<b>585,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>750,000</b>	<b>90,000</b>	<b>-</b>	<b>531,225</b>	<b>58,207</b>	

**CITY OF CLAYTON  
CAPITAL IMPROVEMENT PROGRAM FY 2017/18 to 2022/23**

Budget by Funding Source - FY 2022/23

#	Category	Project	Unspent Prior Year Funding	HUTA Fund	RMRA Fund	Federal Grants	State Grants	Concord Sewer Fund	Measure J LSM	Measure J Co-op	Measure J Grant	Impact Fee Fund	CIP Interest	22/23 Project Totals
		Fund Balance as of 6/30/22		\$ 282,000	\$ 585,000	\$ -	\$ -	\$ -	\$ 750,000	\$ 90,000	\$ -	\$ 531,225	\$ 58,207	
		Estimated Revenue thru FY 22/23		255,000	200,000	-	-	-	300,000	30,000	-	-	-	
		Estimated non-CIP Expenses in FY 22/23		(160,000)	-	-	-	-	(65,000)	-	-	-	-	
		Funds Available for CIP in FY 22/23		377,000	785,000	-	-	-	995,000	120,000	-	531,225	58,207	
		<b>Total CIP Funding in FY 22/23</b>		<b>6,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000</b>
		<b>Fund Balance as of June 30, 2023</b>		<b>\$ 1,554,309</b>	<b>\$ 371,000</b>	<b>\$ 785,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 995,000</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>\$ 531,225</b>	<b>\$ 58,207</b>	
10337 A	Facilities	Keller House Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-
10343	GHAD	Crow Debris Basin	-	-	-	-	-	-	-	-	-	-	-	-
10347 A	GHAD	Eagle Peak Slope Repair	-	-	-	-	-	-	-	-	-	-	-	-
10348	GHAD	Keller Ridge Drive Area Slope Repair	-	-	-	-	-	-	-	-	-	-	-	-
10349	GHAD	Community Park Slide Repair	-	-	-	-	-	-	-	-	-	-	-	-
10370	Creeks	Creek Revitalization	-	-	-	-	-	-	-	-	-	-	-	-
10375	Parks	Samuel Ct. Park	-	-	-	-	-	-	-	-	-	-	-	-
10379	Streets	Pine Hollow Road Upgrades	-	-	-	-	-	-	-	-	-	-	-	-
10393	Parks	Skateboard Park	-	-	-	-	-	-	-	-	-	-	-	-
10394 A	Streets	ADA Compliance Program	27,052	6,000	-	-	-	-	-	-	-	-	-	33,052
10395	Streets	Catch Basin Modifications	-	-	-	-	-	-	-	-	-	-	-	-
10396	Streets	East Marsh Creek Road Signal	-	-	-	-	-	-	-	-	-	-	-	-
10397	Streets	Utility Undergrounding	-	-	-	-	-	-	-	-	-	-	-	-
10400	Other	Downtown Economic Development	1,322,499	-	-	-	-	-	-	-	-	-	-	1,322,499
10419	Parks	Community park Lighting, etc.	-	-	-	-	-	-	-	-	-	-	-	-
10420	Other	School Bridge Area Improvements	204,758	-	-	-	-	-	-	-	-	-	-	204,758
10422	Sewers	El Molino Drive Sanitary Sewer Impr.	-	-	-	-	-	-	-	-	-	-	-	-
10423	Facilities	Library Upgrades	-	-	-	-	-	-	-	-	-	-	-	-
10425	Streets	Keller Ridge Dr. Collector Street Rehab	-	-	-	-	-	-	-	-	-	-	-	-
10436	Streets	2018 Neighborhood Street Project	-	-	-	-	-	-	-	-	-	-	-	-
10439	Streets	El Portal Drive restoration Project	-	-	-	-	-	-	-	-	-	-	-	-
10440	Parks	Clayton Community Park - Field 1 Rehab	-	-	-	-	-	-	-	-	-	-	-	-
10442	Parks	North Valley Park Playground Rehab.	-	-	-	-	-	-	-	-	-	-	-	-
10443	Facilities	City Hall ADA Accessibility	-	-	-	-	-	-	-	-	-	-	-	-

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Facilities	10337A	Keller House Rehabilitation

DESCRIPTION - LOCATION

Rehabilitation of historical ranch home  
And grounds located across Mt. Diablo  
Creek from the library.



COMMENTS

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design								
Construction/ Execution							\$1,780,477	\$1,780,477
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
<b>TOTAL</b>							\$1,780,477	\$1,780,477

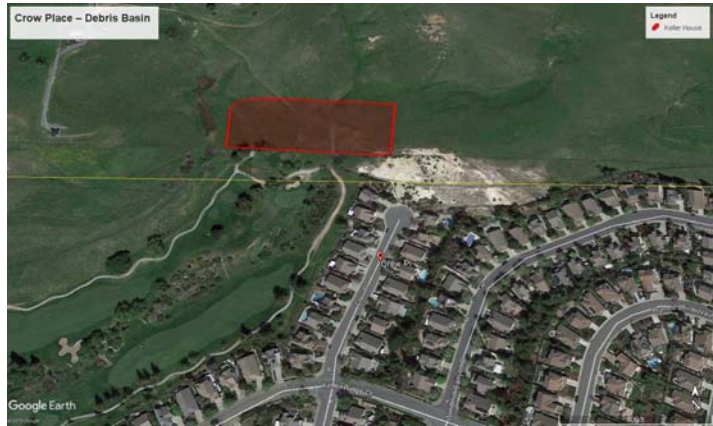
Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$1,780,477	\$1,780,477
<b>TOTAL</b>							\$1,780,477	\$1,780,477

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
GHAD	10343	Crow Place - Debris Basin

DESCRIPTION - LOCATION

Clean out debris basin located in GHAD easement behind golf course and single-family lots.



COMMENTS

Subject to approval of increased assessments.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design							\$10,000	\$10,000
Construction/Execution							\$95,000	\$95,000
Monitoring/Inspections							\$5,000	\$5,000
Close-out/Punch List								
Other								
<b>TOTAL</b>							\$110,000	\$110,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$110,000	\$110,000
<b>TOTAL</b>							\$110,000	\$110,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
GHAD	10347A	Eagle Peak Slope Repair

DESCRIPTION - LOCATION

Stabilize and/or repair large slope moving adjacent to single family houses and streets in Eagle Peak Subdivision.



COMMENTS

Cost estimate per Soils Engineer. Dependent on GHAD assessment increase.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design							\$70,000	\$70,000
Construction/Execution							\$1,140,000	\$1,140,000
Monitoring/Inspections							\$30,000	\$30,000
Close-out/Punch List							\$10,000	\$10,000
Other								
<b>TOTAL</b>							\$1,250,000	\$1,250,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$1,250,000	\$1,250,000
<b>TOTAL</b>							\$1,250,000	\$1,250,000



## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
GHAD	10348	Keller Ridge Drive Area - Slope Repair

DESCRIPTION - LOCATION

Stabilize and/or repair small slope pop-out adjacent to single-family homes.



COMMENTS

Subject to approval of increased assessments.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design							\$5,000	\$5,000
Construction/Execution							\$50,000	\$5,000
Monitoring/Inspections							\$5,000	\$50,000
Close-out/Punch List								
Other								
<b>TOTAL</b>							\$60,000	\$60,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$60,000	\$60,000
<b>TOTAL</b>							\$60,000	\$60,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
GHAD	10349	Community Park - Landslide

DESCRIPTION - LOCATION

Repair landslides that occurred above field #3 (uppermost field).



COMMENTS

Subject to approval of increased assessments.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design							\$7,000	\$7,000
Construction/Execution							\$95,000	\$95,000
Monitoring/Inspections							\$8,000	\$8,000
Close-out/Punch List								
Other								
<b>TOTAL</b>							\$110,000	\$110,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$110,000	\$110,000
<b>TOTAL</b>							\$110,000	\$110,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Creeks	10370	Creek Revitalization

DESCRIPTION - LOCATION

Clean out creeks, improve access to creek banks, reinforce creek banks and repair adjacent trails where needed, replace riparian vegetation.



COMMENTS

Catch-all project for when City hits the lottery.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design								
Construction/Execution							\$3,000,000	\$3,000,000
Monitoring/Inspections								
Close-out/Punch List								
Other								
<b>TOTAL</b>							\$3,000,000	\$3,000,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$3,000,000	\$3,000,000
<b>TOTAL</b>							\$3,000,000	\$3,000,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Streets	10375	Samuel Ct. Park

DESCRIPTION - LOCATION

Install landscaping and irrigation improvements.



COMMENTS

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design							\$5,000	\$5,000
Construction/Execution							\$75,000	\$75,000
Monitoring/Inspections							\$5,000	\$5,000
Close-out/Punch List								
Other								
<b>TOTAL</b>							\$85,000	\$85,000

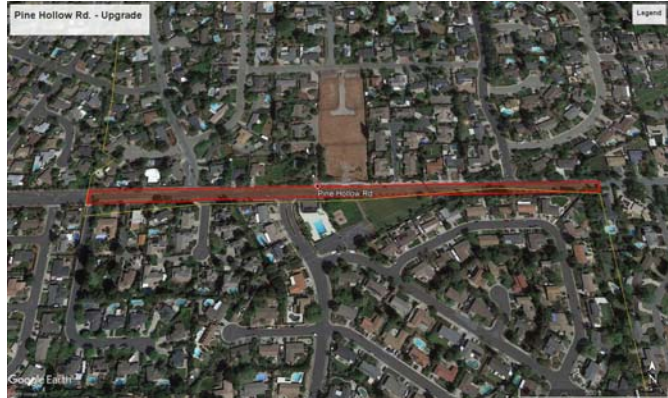
Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$85,000	\$85,000
<b>TOTAL</b>							\$85,000	\$85,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Streets	10379	Pine Hollow Rd. - Upgrade

DESCRIPTION - LOCATION

Improve City entry on Pine Hollow Rd. with new painting, monument sign, etc.



COMMENTS

ROW controlled by Concord and/or County. Joint Project possible, though not probable.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/ Design	\$45,000	\$50,000						\$95,000
Construction/ Execution			\$732,883					\$732,883
Monitoring/ Inspections			\$35,000					\$35,000
Close-out/ Punch List			\$10,000					\$10,000
Other								
<b>TOTAL</b>	\$45,000	\$50,000	\$777,883					\$872,883

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Measure J Grant	\$45,000	\$50,000	\$280,000					\$375,000
Gas Tax (RMRA)			\$189,883					\$189,883
OBAG II (Federal)			\$308,000					\$308,000
<b>TOTAL</b>	\$45,000	\$50,000	\$777,883					\$872,883

**2018/19-2022/23 Capital Improvement Program**

<b>Category</b>	<b>Project Number</b>	<b>Project</b>
Parks	10393	Skateboard Park

DESCRIPTION - LOCATION

Construct Skateboard Park at an as yet  
Undetermined location.

COMMENTS

<b>Estimated Cost</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Planning/Design							\$45,000	\$45,000
Construction/ Execution							\$660,000	\$660,000
Monitoring/ Inspections								
Close-out/ Punch List								
<b>TOTAL</b>							\$750,000	\$750,000

<b>Funding (Sources)</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Unfunded							\$750,000	\$750,000
<b>TOTAL</b>							\$750,000	\$750,000

**2018/19-2022/23 Capital Improvement Program**

<b>Category</b>	<b>Project Number</b>	<b>Project</b>
Streets	10394A	ADA Compliance Program

DESCRIPTION - LOCATION

ADA Compliance City-wide.

COMMENTS

<b>Estimated Cost</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Planning/Design								
Construction/ Execution							\$500,000	\$500,000
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
<b>TOTAL</b>							\$500,000	\$500,000

<b>Funding (Sources)</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Gas Tax (HUTA)	\$9,052	\$6,000						\$15,052
Unfunded							\$484,948	\$484,948
<b>TOTAL</b>	\$9,052	\$6,000					\$484,948	\$500,000

**2018/19-2022/23 Capital Improvement Program**

<b>Category</b>	<b>Project Number</b>	<b>Project</b>
Streets	10395	Catch Basin Modifications

DESCRIPTION - LOCATION

Add cross-bar to openings

COMMENTS

<b>Estimated Cost</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Planning/Design								
Construction/ Execution							\$100,000	\$100,000
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
<b>TOTAL</b>							\$100,000	\$100,000

<b>Funding (Sources)</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Unfunded								\$100,000
<b>TOTAL</b>								\$100,000



**2018/19-2022/23 Capital Improvement Program**

<b>Category</b>	<b>Project Number</b>	<b>Project</b>
Streets	10396	East Marsh Creek Road Traffic Signal

DESCRIPTION - LOCATION

Install traffic signal on Marsh Creek Road  
To the east of Diablo Parkway.

COMMENTS

Project postponed by Council action.

<b>Estimated Cost</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Planning/Design							\$45,000	\$45,000
Construction/ Execution							\$350,000	\$350,000
Monitoring/ Inspections							\$35,000	\$35,000
Close-out/ Punch List								
Utility Relocation							\$80,000	\$80,000
Other								
<b>TOTAL</b>							\$510,000	\$510,000

<b>Funding (Sources)</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Unfunded							\$510,000	\$510,000
<b>TOTAL</b>							\$510,000	\$510,000

**2018/19-2022/23 Capital Improvement Program**

<b>Category</b>	<b>Project Number</b>	<b>Project</b>
Streets	10397	Utility Undergrounding

DESCRIPTION - LOCATION

Underground overhead utility lines at as  
Yet undetermined locations.

COMMENTS

Funds are allocated to the City's Rule 20Aa  
account annually but held by PG&E until  
project is approved by the City Council and  
commences.

<b>Estimated Cost</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Planning/Design								
Construction/ Execution							\$3,000,000	\$3,000,000
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
<b>TOTAL</b>							\$3,000,000	\$3,000,000

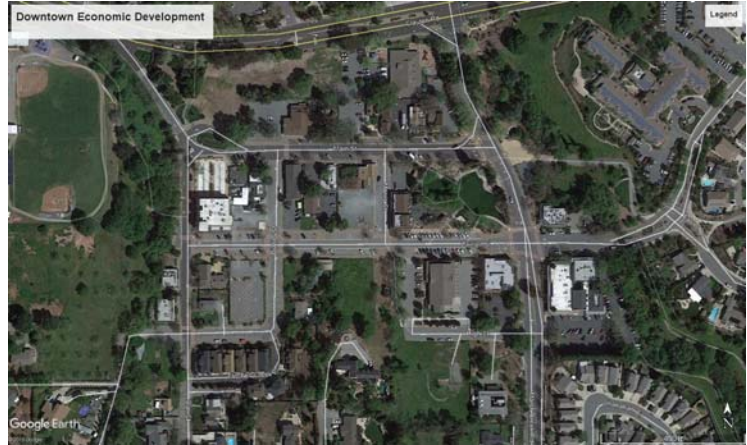
<b>Funding (Sources)</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
PG&E Rule 20A	\$445,072	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000		\$550,072
Unfunded							\$2,449,928	\$2,449,928
<b>TOTAL</b>	\$445,072	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$2,449,928	\$3,000,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Other	10400	Downtown Economic Development

DESCRIPTION - LOCATION

Provide funding for improving the economic viability of the downtown area.



COMMENTS

Transferred \$1,040,843. To CIP 10400A in FY 12/13 to purchase a 1.67 AC parcel in Town Center. Parcel purchased from Clayton Community Church.

Estimated Cost	Prior Yrs.	20018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design								
Construction/Execution								
Monitoring/Inspections								
Close-out/Punch List								
Other							\$1,382,000	\$1,382,000
<b>TOTAL</b>							\$1,382,000	\$1,382,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
CIP Const. Fund	\$1,382,000							\$1,382,000
<b>TOTAL</b>	\$1,382,000							\$1,382,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Parks	10419	Community Park Lighting & Resurfacing

DESCRIPTION - LOCATION

Install sports field lighting, remove and replace turf with synthetic surfacing at Clayton Community Park.



COMMENTS

Cost estimates per Cost-Benefit Analysis Prepared by PMC and dated August 31, 2009.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design								
Construction/Execution								
Monitoring/Inspections							\$4,084,000	\$4,084,000
Close-out/Punch List								
Other								
<b>TOTAL</b>							<b>\$4,084,000</b>	<b>\$4,084,000</b>

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$4,084,000	\$4,084,000
<b>TOTAL</b>							<b>\$4,084,000</b>	<b>\$4,084,000</b>

**2018/19-2022/23 Capital Improvement Program**

<b>Category</b>	<b>Project Number</b>	<b>Project</b>
Streets	10420	School Bridge Area Improvements

DESCRIPTION - LOCATION

Improve area at Mt. Diablo Elementary School Bridge and Mitchell Creek to enhance Town Center area.

COMMENTS

Includes decorative wall, landscaping and Riparian vegetation restoration; funding transferred from CIP No. 10400, Downtown Economic Development.

*No design or construction currently scheduled.*

<b>Estimated Cost</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
Planning/Design							\$20,000	\$20,000
Construction/Execution							\$165,000	\$165,000
Monitoring/Inspections							\$10,000	\$10,000
Close-out/Punch List							\$7,258	\$7,258
<b>TOTAL</b>							\$202,258	\$202,258

<b>Funding (Sources)</b>	<b>Prior Yrs.</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>Future</b>	<b>TOTAL</b>
CIP Const. Fund	\$202,258							\$202,258
<b>TOTAL</b>	\$202,258							\$202,258

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Streets	10422	El Molino Drive Sanitary Sewer Improvements

DESCRIPTION - LOCATION

Construct modifications to existing sanitary sewer mains to prevent potential sewer overflows in areas adjacent to Mt. Diablo Creek.



COMMENTS

Includes pipe enlargement and construction of a bypass line in El Molino Drive; funding from CIP 10400, Downtown Economic Development, returned as Concord has agreed to fund the bypass work (including preliminary design work) from annual sewer fees.

*Preliminary design costs totaling approximately \$64,000 to date (FY 2004-2009) were tracked in the Development Impact Fees fund (304), temporarily covered by a General Fund loan authorized by City Council in FY 2004-05.*

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design	\$40,000							\$40,000
Construction/Execution		\$500,000						\$500,000
Monitoring/Inspections		\$20,000						\$20,000
Close-out/Punch List								
<b>TOTAL</b>	\$40,000	\$520,000						\$560,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Concord Sewer Fund	\$40,000	\$520,000						\$560,000
<b>TOTAL</b>	\$40,000	\$520,000						\$560,000

**2018/19-2022/23 Capital Improvement Program**

Category	Project Number	Project
Facilities	10423	Library Upgrades

DESCRIPTION - LOCATION

Construct improvements to update Library including automatic checkout facilities, coffee/snack bar, etc.



COMMENTS

Includes 3,500 sf building addition plus new equipment and furniture.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design								
Construction/Execution							\$850,000	\$850,000
Monitoring/Inspections								
Close-out/Punch List								
Other							\$150,000	\$150,000
<b>TOTAL</b>							\$1,000,000	\$1,000,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded							\$1,000,000	\$1,000,000
<b>TOTAL</b>							\$1,000,000	\$1,000,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Streets	10425	Collector Street Rehabilitation Project - Keller Ridge

DESCRIPTION - LOCATION

Pavement resurfacing and treatment on various collector streets throughout the City.



COMMENTS

Local Streets & Roads Shortfall (LS&RS) funding is federal requiring extensive processing for construction approval. Gas Tax amount covers City share as required by federal funding.

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/ Design	\$78,226							\$78,226
Construction/ Execution		\$885,206						\$885,206
Monitoring/ Inspections		\$35,000						\$35,000
Close-out/ Punch List		\$10,000						\$10,000
Other								
<b>TOTAL</b>	<b>\$78,226</b>	<b>\$930,206</b>						<b>\$1,008,432</b>

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Gas Tax (HUTA)	\$78,226	\$315,180						\$393,406
OBAG I (Federal)		\$385,000						\$385,000
Measure J (LSM)		\$241,443						\$241,443
Cal Recycle (Grant)		\$25,775						\$25,775
<b>TOTAL</b>	<b>\$78,226</b>	<b>\$930,206</b>						<b>\$1,008,432</b>



## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Streets	10436	2018 Neighborhood Street Project

DESCRIPTION - LOCATION

Pavement resurfacing and treatment on various neighborhood streets throughout the City.



COMMENTS

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design	\$50,000							\$50,000
Construction/Execution		\$899,007						\$899,007
Monitoring/Inspections		\$35,000						\$35,000
Close-out/Punch List		\$10,000						\$10,000
Other								
<b>TOTAL</b>	\$50,000	\$944,007						\$994,007

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Measure J LSM	\$50,000	\$572,793						\$622,793
Measure J Co-Op		\$86,419						\$86,419
Gas Tax (HUTA)		\$159,662						\$159,662
Gas Tax (RMRA)		\$64,355						\$64,355
Cal Recycle (Grant)		\$60,778						\$60,778
<b>TOTAL</b>	\$50,000	\$944,007						\$994,007

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Parks	10440	Clayton Community Park Field No. 1 Restoration

DESCRIPTION - LOCATION

Rehabilitation of lower baseball/softball field (field No. 1).



COMMENTS

Subgrade stabilization completed in FY 16-17  
 Remaining work completed in FY 18-19

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design								
Construction/Execution		\$100,000						\$100,000
Monitoring/Inspections								
Close-out/Punch List								
Other								
<b>TOTAL</b>		\$100,000						\$100,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Unfunded		\$50,000						\$50,000
Garbage Franchise Community Enhancement Fee	\$50,000							\$50,000
<b>TOTAL</b>	\$50,000	\$50,000						\$100,000

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Parks	10442	North Valley Park Playground Rehabilitation

DESCRIPTION - LOCATION

Install new playground equipment, shade structures and play surface.



COMMENTS

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design								
Construction/Execution		\$167,300						\$167,300
Monitoring/Inspections								
Close-out/Punch List								
Other								
<b>TOTAL</b>		\$167,300						\$167,300

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Open Space DIF	\$142,000							\$142,000
CIP Interest earnings	\$23,800							\$23,800
Project Interest	\$1,500							\$1,500
<b>TOTAL</b>	\$167,300							\$167,300

## 2018/19-2022/23 Capital Improvement Program

Category	Project Number	Project
Facilities	10443	ADA Accessibility - City Hall

DESCRIPTION - LOCATION

Install ADA accessibility improvements to the entry doorways of City Hall.



COMMENTS

Estimated Cost	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Planning/Design								
Construction/Execution		\$35,000						\$35,000
Monitoring/Inspections								
Close-out/Punch List								
Other								
<b>TOTAL</b>		\$35,000						\$35,000

Funding (Sources)	Prior Yrs.	2018-19	2019-20	2020-21	2021-22	2022-23	Future	TOTAL
Community Facilities DIF	\$19,000							\$19,000
General Fund Annual Excess	\$16,000							\$16,000
<b>TOTAL</b>	\$35,000							\$35,000