



**ANNUAL OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2012-2013**

**Adopted
June 26, 2012**





CITY MANAGER'S BUDGET MESSAGE

Fiscal Year 2012-2013

INTRODUCTION

It is my pleasure to present the Fiscal Year 2012-13 Recommended Budget for your consideration. As you well know, despite what appears to be the start of real recovery in the private sector, local agencies continue to experience the negative aspects of the recession. This economic "lag" is normal, as local agency revenues typically lag the general economy by 12-18 months. As a result, this year's Budget remains focused mostly on maintaining core services, and most of the new initiatives are in areas funded by special purpose revenues, grants and other one-time funds. Certainly, the number of new initiatives remains fewer than before the recession, but our collective efforts to remain fiscally prudent continue to result in a sound and stable budget; and it is truly amazing what has been accomplished despite the recession.

At present, the State Budget remains unresolved, and the Governor's May Revise includes the need to find nearly \$16 Billion in either new revenues or budget savings. While the City does not rely extensively on State revenues or allocations for funding, the State Budget has the potential to affect the City in many ways. We will be monitoring State budget discussions with great interest, and will report to you any adjustments to the City's Budget we believe are necessary. With that caveat in mind, the Recommended Budget presented here is balanced and remains true to the City's current strategic priorities.

ACCOMPLISHMENTS

As a team, the City Council and all City departments play a role in accomplishing the goals and objectives outlined in the Strategic Plan. Towards that end, just some of the accomplishments from this year include:

- Expanded the internal Economic Development Team, creating a new Economic Development Coordinator function and allocating a part time Administrative Assistant to assist with the efforts.

- Reduced City development impact fees by approximately 50% and encouraged other local agencies to do the same.
- Secured the passage of SB 536 to ensure the Redevelopment Agency receives an appropriate level of revenue from the Oakley Generating Station (power plant) project.
- Working with other elected officials and other agencies, secured funding for the Highway 160 connector ramps, as well as other State funding for the Highway 4 Bypass.
- Secured \$55,000 in grant funds to equip the Emergency Operations Center at the new Fire Station.
- Assisted in the location of a LaClinica Health Care Clinic in Oakley
- Facilitated the location of H.A.L.O. animal rescue at the old fire station.
- Successfully acquired Main Street from the State.
- Following the resolution to the East Cypress litigation, approved development plans and tentative maps for four of the developments contemplated in the area.
- Approved tentative maps for two of the three Dutch Slough area properties.
- Negotiated and approved development and disposition agreements for two restaurants Downtown as part of the Downtown Revitalization Project.
- Secured the City's fifth allocation of Vesper Society Grant funding, extending funding for Youth Development programs through December 2012.
- Initiated the You, Me, We = Oakley! Program and received over \$100,000 in grants to use in forwarding the program goal of welcoming people of different cultures into Oakley's community.
- Restructured the City Manager's Office, City Clerk and, Planning Divisions, and Parks Maintenance Division of Public Works.

Capital projects completed this year include:

- Complete installation of the new signal at the intersection of O'Hara and Cypress
- Installed new play equipment at O'Hara Park, Oakley Elementary and Vintage Parkway Elementary.
- Completed construction of the all-abilities playground at Crockett Park
- Completed phase 2 of Holly Creek Park
- Completed phase 2 of Creekside Park
- Installed new City way-finding signs on the City's major arterials.
- Completed construction of the new fire station on O'Hara Avenue, and in the process obtained title to the old station on 2nd Street previously owned by the County, and a vacant parcel on Live Oak previously owned by the Fire District.
- Completed several gap closure projects, providing safer pedestrian pathways to schools and shopping areas.
- Completed designs for downtown improvement projects
- Completed streetlight retrofit project, using ARRA Grant funds to convert more than 300 streetlights to LED (lower cost) lighting.

- Installed solar powered speed notification signs on several of the City's major arterials.

GENERAL FUND

This year's Recommended Budget reflects our continued commitment to keeping City operations lean and allocating funds to the City's highest priorities: public safety, economic development, completion of capital projects, and maintenance of the City's neighborhoods, parks and roadways.

The Recommended General Fund Budget is balanced, including estimated revenues totaling \$13,211,202, and proposed expenditures totaling \$12,679,773. Revenues are approximately \$775,000 more than currently projected Fiscal Year 2011-2012 revenues, primarily due to the inclusion of \$429,000 in State loan repayments from property taxes "borrowed" in Fiscal Year 2009-2010 pursuant to Proposition 1A, and \$500,000 in estimated proceeds from the sale of property (both of which are one-time type revenues). Without these two items, revenues would be \$154,000 less than projected for Fiscal Year 2011-2012. Excluding General Fund contingency savings in the current year, proposed expenditures are approximately \$432,000 more than currently those projected for Fiscal Year 2011-2012, primarily due to an increase of approximately \$350,000 in police service costs, and the addition of Staff costs related to the restructuring of parks maintenance operations totaling approximately \$100,000.

While the Recommended Budget does continue the current one day per month unpaid furlough program, and City Hall closures for the full week of Thanksgiving and two weeks during the end of December Holidays; it also includes a 3% planned increase in salaries to City employees. This offsets a portion of salary reductions and increased pension contributions that have been in effect for what will now be the fourth year.

Available Fund Balance is expected to be approximately \$4.5 million at June 30, 2012, 35% of Fiscal Year 2012-2013 proposed expenditures; and because we are not sure whether there will be any new State takeaways and we will not have final assessed valuations for the property tax until July, Staff recommends continuing a reserve above 20% of proposed expenditures. As noted in the 10-Year Plan, recurring revenues are projected to be less than recurring expenditures this year. While one-time revenues are more than sufficient to balance the budget, the 35% provides cushion against unexpected events, and/or

could provide potential resources for economic development opportunities, matching funds for grants, and/or to augment roadway maintenance expenditures, should existing funding continue to decline in the years ahead.

In total, the General Fund Recommended Budget is balanced, and we continue to make tactical adjustments each year, as necessary. As noted in prior years, until the local economy improves and the City's recurring discretionary revenues begin to recover, we expect the need for such adjustments will continue.

TRANSFERS

In pre-recession years, the Budget included larger recurring transfers for road maintenance and for the Main Street Fund. The Recommended Budget represents the fourth year of reductions in these otherwise recurring transfers. While the current amounts are relatively small, we continue to propose some transfer in order to ensure we maintain the discipline of setting something aside each year. The Recommended Budget includes the following transfers:

- \$25,000 to the General Capital Projects Fund for road maintenance, and
- \$25,000 to the Main Street Fund to beautify and improve Main Street.

CITY REDEVELOPMENT ACTIVITIES

One change this year is the absence of Redevelopment. The Redevelopment Agency was dissolved effective February 1, 2012, pursuant to State law, and the City, as its Successor Agency, is required to begin the process of paying off its debts and winding down its affairs. The Successor Agency's spending authority is granted not through the regular budget process, but through an entirely different one, which includes required approvals of its Board (the City Council), a separate local Oversight Board, and the State Department of Finance. As a result, other than the allowance the General Fund will receive for Successor Agency administration, redevelopment is not included in the this Recommended Budget.

GOALS AND OBJECTIVES FOR FISCAL YEAR 2012-2013

The Strategic Plan for 2012-2014 will include an extensive list of City goals and objectives with the following areas of focus:

- Economic Development
- Planned, Quality Growth
- Traffic Safety and Capacity
- Downtown Revitalization

- Public Safety
- Parks, Streetscapes and Recreational Opportunities
- Financial Stability
- Community Outreach, Communication and Participation
- Political Leadership and Stability
- Operational Excellence

While some of the individual goals may be revised following the current, and ongoing, update to the Strategic Plan, there is still much to do in the coming fiscal year. The Recommended Budget reflects allocations to the City Council's existing priorities, including completion of improvements in the Downtown, in particular the Oakley Plaza properties across from City Hall; financial stability; and public safety. In addition, the following are some of the more significant goals and objectives for Fiscal Year 2012-2013:

- Continue to implement the City's Economic Development Workplan
- Develop an Agricultural Preservation Program for the City Council's consideration
- Implement the aggressive Capital Improvement Program for FY 2012-2013.
- Work towards the development of a "Water and Wine" City brand that incorporates agriculture, viticulture and the Delta in Oakley's identity

LANDSCAPE MAINTENANCE CHALLENGE UPDATE

We continue to face the challenge of better ensuring the funding of our Lighting and Landscaping District maintenance costs. Current economic conditions still do not support additional assessments or taxes, and in a growing number of individual zones, existing revenues are insufficient to adequately fund reserves for capital asset replacement.

Until times are better, we will continue to do the best we can with the funds available; however, the current levels of service in some zones are not sustainable over the long run. Recently, a neighborhood group met with City staff to discuss maintenance and beautification efforts in their neighborhood, and this resulted in volunteers wanting to join the City in making things better. The goal is to make this a model for other neighborhoods, as well.

As currently presented, the Recommended Budget includes a new General Fund loan in 2012-2013 for zone 3-18 Country Place for \$26,765, bringing the total loans outstanding to the zone to \$59,243. This is in addition to loans currently outstanding to zone 1 (City-wide Park Zone) totaling \$155,374 and 3-11 Country

Fair (Meadow Glen) totaling \$6,661; both Zone 1 and 3-11 are in the process of repaying these amounts.

CAPITAL PROJECTS

Presented separately is the detailed proposed Capital Improvement Program (CIP); some of the highest priorities reflected in the CIP include:

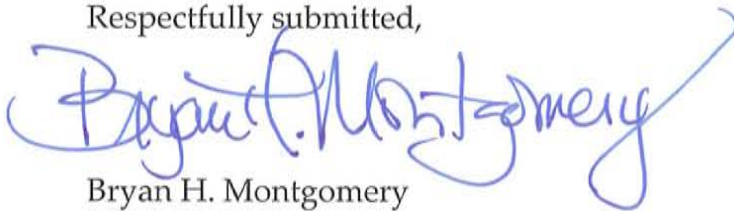
- Reconstruct and reconfigure existing Main Street in the Downtown area from roughly Vintage Parkway to Norcross. The project will include a center-landscaped median, one lane of traffic in each direction, and angled parking stalls on each side as well as enhanced landscaping and street furniture.
- Construct Laurel Road widening from O'Hara to Rose Avenue and complete the Laurel Road/Rose Avenue Signalization Project
- Improve and rehabilitate the Oakley Plaza properties
- Begin installing landscaped medians on Main Street from Bridgehead Road as far eastward as funds will allow.
- Begin the Main Street landscape rehabilitation project for existing Main Street medians
- Construct a bridge for the multi-use trail at Marsh Creek Glenn Park on Hill Avenue
- Complete construction to widen O'Hara Avenue as a four lane divided arterial from Laurel Road north across the CCWD canal and in front of the Moura parcel. The project will also complete frontage improvements on the west side of O'Hara just north of Chianti
- Complete the O'Hara Widening Projects (from Cypress to Laurel and Carpenter to Vintage Parkway)
- Complete the project to widen Marsh Creek and restore habitat at Creekside Park

Funding for these projects is carried forward from Fiscal Year 2011-2012, or included in the Recommended Budget.

CONCLUSION

We remain conservative with this Budget and cautiously optimistic about how fast the current recovery seen in the private sector will translate into favorable conditions for the City budget. Furthermore, there are still a significant number of unknown factors about the upcoming Fiscal Year. Nonetheless, the roadmap appears clear. We must continue to move forward, focus on maintaining core services, controlling costs, and monitoring new financial developments to avoid unnecessary surprises. It has not been easy these last several years, but despite the recession's challenges, we have made great progress. We must do more; and your support and political leadership will continue to be necessary to make this progress possible.

Respectfully submitted,

A handwritten signature in blue ink that reads "Bryan H. Montgomery". The signature is written in a cursive style with a large, sweeping flourish at the end.

Bryan H. Montgomery
City Manager



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COMMUNITY PROFILE



The City of Oakley, incorporated in July 1999, is one of California's youngest cities. Residents enjoy a charming area with an abundant housing supply, quality schools, and a friendly atmosphere that truly make Oakley, "A Place for Families in the Heart of the Delta."

Oakley is located in Eastern Contra Costa County, along Highway 4, in a corridor that also includes the cities of Pittsburg, Antioch and Brentwood, with proximity to the Mount Diablo State Recreation Area, California San Joaquin Delta, and access to the many amenities of the San Francisco Bay Area.

Today a landscape of gently rolling fields, orchards, and vineyards gives us a glimpse of Oakley's agricultural past. From a quiet Delta farming town, Oakley has blossomed into a growing community of landscaped parks, abundant recreational opportunities, shopping centers, and planned business and commercial development.

Oakley's 36,532 residents enjoy a progressive community that is rich in history, supports strong family values, and offers a high quality of life. Our residents take pride in being part of a City that is building a prosperous future for generations to come.



ELECTED OFFICIALS & CITY MANAGEMENT TEAM

- CITY COUNCIL -

Kevin Romick, Mayor

Carol Rios, Vice Mayor

Pat Anderson, Councilmember

Jim Frazier, Councilmember

Randy Pope, Councilmember

- MANAGEMENT TEAM -

Bryan Montgomery, City Manager

Bani Kollo, Chief of Police

Paul Abelson, Finance Director

Brent Smith, Building Official

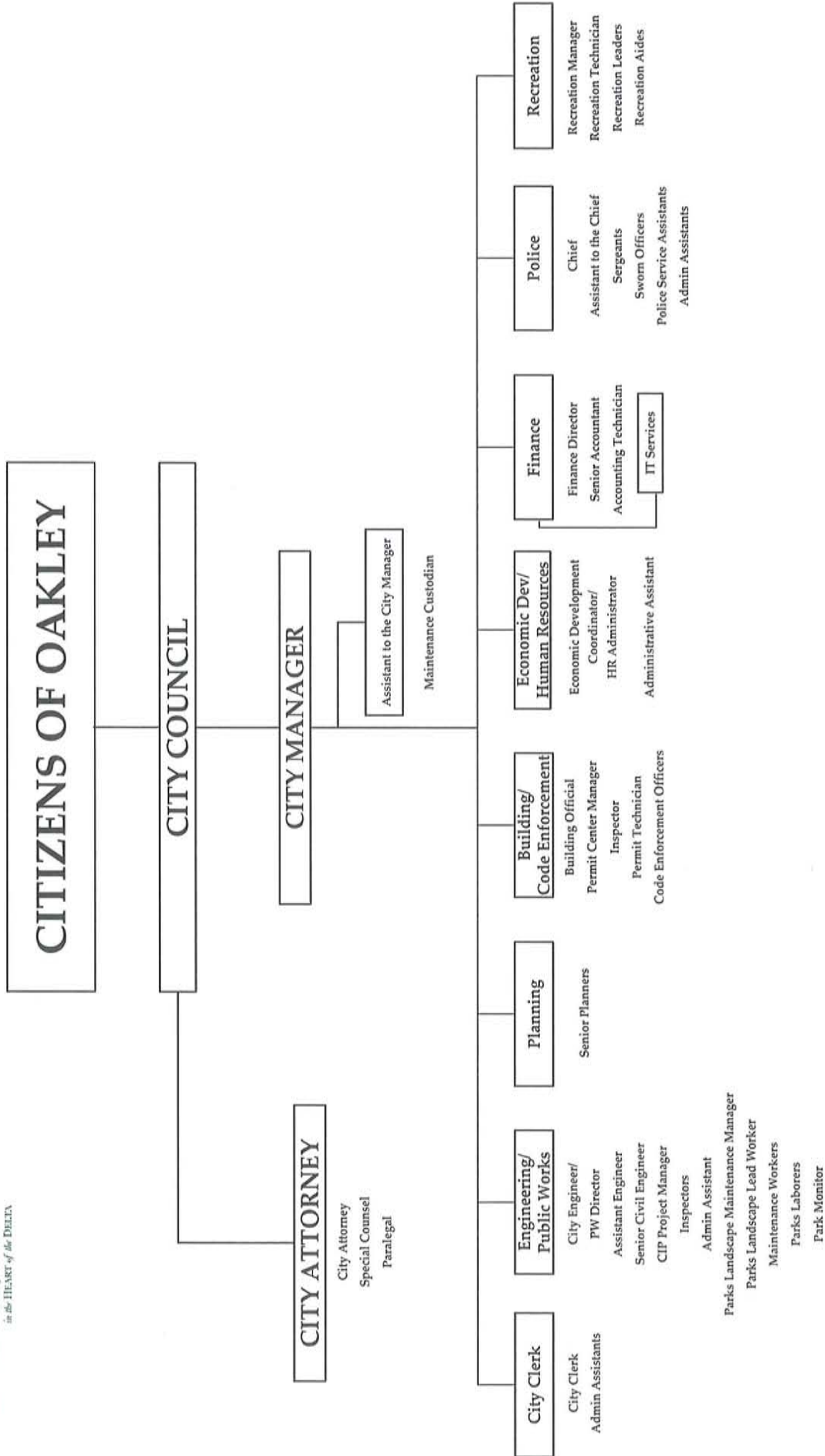
Jason Vogan, City Engineer

Libby Vreonis, City Clerk

Derek Cole, City Attorney



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BUDGET STRATEGIES AND FINANCIAL POLICIES

The City Council provides long-term policy guidance for conducting the City's financial activities through its Statement of Financial Policies. These strategies and policies are presented to the Council with the intent they be reviewed each year to meet the following strategic objectives:

BUDGET STRATEGIES

- **Strategic focus** – The City's financial management should be strategic, reflecting the Council's and the community's priorities for service while providing resources that realistically fund routine operations. The City Council and Staff participate in annual strategic planning sessions which results in an updated Strategic Planning Document. The Budget is intended to implement the City's Strategic Plan.
- **Fiscal control and accountability** – The City's financial activities should be fiscally sound and accountable to the City Council through the City Manager.
- **Clarity** – The City's financial planning and reporting should be clear and easy to understand so that all participants, the Council, the community and Staff can make informed decisions.
- **Long-term Planning** – The City's financial planning should emphasize multi-year horizons to promote long-term planning of resource use.
- **Flexible and cost effective responses** – The City's financial management practices should encourage a mission-driven organization that responds to community demands quickly and in a straight forward manner. The City's management should flexibly respond to opportunities for better service, proactively manage revenues and cost-effectively manage ongoing operating costs.
- **Staffing philosophy** – The City Council desires to retain a mix of contract and permanent staff in order to ensure a cost effective and flexible service delivery system. A core group of City employees create the oversight and administrative guidance necessary for contractual staff. Annually, the City Manager will review with the City Council his/her recommendations regarding the ratio for the number of contract employees to total Staff.



The following Statement of Financial Policies includes the City’s policies, an assessment of whether the City is in compliance with each one and space for any comments or recommended changes to the policies.

STATEMENT OF FINANCIAL POLICIES

GENERAL FINANCIAL GOALS

	In Compliance?	Comments
To maintain a financially viable City that can maintain an adequate level of municipal services.	Yes	
To maintain financial flexibility in order to be able to continually adapt to local and regional economic changes.	Yes	
To maintain and enhance the sound fiscal condition of the City.	Yes	

OPERATING BUDGET POLICIES

The City Council will adopt a balanced budget by June 30 of each year.	Yes	
The City Manager will submit a budget calendar to the City Council no later than January 15th of each year.	Yes	
An annual base operating budget will be developed by verifying or conservatively projecting revenues and expenditures for the current and forthcoming fiscal year.	Yes	
During the annual budget development process, the existing base budget will be thoroughly examined to assure removal or reduction of any services or programs that could be eliminated or reduced in cost.	Yes	



<p>Current revenues will be sufficient to support current operating expenditures (i.e. recurring expenditures will not exceed recurring revenues). One-time or unpredictable revenues will be used for one-time expenditures (including capital and reserves).</p>	<p>No</p>	<p>In Fiscal Year 20012-2013, the City will need to rely on the use of some one-time revenues to maintain current levels of service.</p>
<p>Annual operating budgets will provide for adequate design, construction, maintenance and replacement of the City's capital plant and equipment.</p>	<p>No</p>	<p>Several Lighting and Landscaping District Park zones do not have sufficient revenues to set aside enough to fund asset replacement when needed.</p>
<p>The purchase of new or replacement capital equipment with a value of \$25,000 or more and with a useful life of two years or more will require Council approval.</p>	<p>Yes</p>	
<p>The City will project its equipment replacement needs for the next three years and will update this projection each year. From this projection a replacement schedule will be developed, funded, and implemented.</p>	<p>Yes</p>	
<p>The City will avoid budgetary and accounting procedures which balance the current budget at the expense of future budgets.</p>	<p>Yes</p>	



<p>The budget will include the appropriation of available but <u>unassigned fund balances in special purpose funds. Prior approval of the City Manager will be required for the assignment and/or use of those appropriations.</u></p>	<p>Yes</p>	<p>New Policy for FY 2012-2013</p>
<p>All recommended increased appropriations of general purpose revenues, General Fund reserves, or that transfer appropriations between funds during the year shall be presented to the City Council for approval. Amendments to that are made to authorize spending of increased or new special purpose revenues may be approved by the City Manager.</p>	<p>Yes</p>	
<p>The City will forecast its General Fund expenditures and revenues for each of the next 10 years and will update this forecast at least annually.</p>	<p>Yes</p>	

REVENUE POLICIES

<p>The City will work to develop a diversified and stable revenue system to protect it from short-term fluctuations in any one revenue source.</p>	<p>Yes</p>	
<p>User fees will be adjusted <u>bi</u>-annually to recover the full cost of services provided, except when the City Council determines that a subsidy from the General Fund is in the public interest.</p>	<p>Yes</p>	<p>Staff proposes changing the policy to bi-annual updates. Hourly rates are updated annually, but from a cost/benefit perspective, full updates of the user fees are better suited to every other year.</p>



The City will seek, and with Council approval, apply for all possible Federal and State reimbursement for mandated projects and/or programs and Federal and State grant monies for City programs and projects.	Yes	
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Capital improvements will be financed primarily through user fees, service charges, impact fees, or developer agreements when benefits can be specifically attributed to users of the facility. For projects financed with debt, the fees, charges, and/or contractual payments shall be established at a level sufficient to fund the project in its entirety, including the repayment of principal and interest on amounts borrowed. The City will consider future operations and maintenance costs as part of each project's financing plan and ensure that funding sources are identified to properly operate and maintain the improvements when constructed.	Yes	
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EXPENDITURE POLICIES

The City will maintain a level of expenditures which will provide for the public well-being and safety of the residents of the community.	Yes	
<p>Purchases shall be approved as described in the City's Municipal Code; more specifically:</p> <p>Purchases for more than \$5,000 shall be supported by a Purchase Order approved by the Finance Director and City Manager, and;</p> <p>Purchases for more than \$25,000 shall be approved by City Council.</p>	Yes	

CAPITAL BUDGET IMPROVEMENT BUDGET POLICIES

The City will make all capital improvements in accordance with an adopted and funded capital improvement program.	Yes	
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<p>The City will develop an annual Five-Year Plan for Capital Improvements, including sections for CIP design, development, implementation, and operating and maintenance costs.</p>	<p>Yes</p>	
<p>The City will identify the estimated capital and ongoing operations and maintenance costs, potential funding sources and project schedule for each capital project proposal before it is submitted to the Council for approval.</p>	<p>Yes</p>	
<p>The City will coordinate development of the annual capital improvement budget with the development of the operating budget. All costs for internal professional services needed to implement the CIP will be included in the operating budget for the year the CIP is to be implemented.</p>	<p>Yes</p>	
<p>The Capital Budget will be based on the CIP, and each project's unused appropriations at each year-end will be automatically rolled over to the subsequent year, until the project is completed. Additions to project funding plans require Council approval. Changes that do not increase funding levels may be approved by the City Manager.</p>	<p>Yes</p>	
<p>Cost tracking for components of the CIP will be implemented and updated quarterly to ensure project completion within budget and established timelines.</p>	<p>Yes</p>	
<p>The Council will review the pavement management program each year at budget time and will seek to supplement Gas Tax and Measure J street maintenance funding and other resources to adequately fund the program.</p>	<p>Yes</p>	
<p>City Impact Fees shall be used to fund the direct and indirect costs associated with capital projects identified in the City's impact fee studies.</p>	<p>Yes</p>	



OTHER CAPITAL IMPROVEMENT POLICIES

Design of capital improvements shall consider long-term cost efficiency and be based on standards that minimize construction costs while assuring acceptable useful life and reduce maintenance requirements.	Yes	
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SHORT-TERM DEBT POLICIES

The City may use short-term debt to cover temporary or emergency cash flow shortages. All short-term borrowing will be subject to Council approval by ordinance or resolution.	Yes	
The City may issue interfund loans in lieu of outside debt instruments to meet short-term cash flow needs. Such loans will be permitted only if an analysis of the lending fund indicates excess funds are available and the use of these funds will not impact its current operations. The prevailing interest rate, as established by the Finance Director, will be paid to the lending fund, and such loan shall be approved by the City Council, documented by a memorandum signed by the City Manager and filed with the Finance Department and City Clerk.	Yes	

LONG-TERM DEBT POLICIES

The City will confine normal long-term borrowing to capital improvement projects it is unable to fund from current revenues in time to meet community needs or where a fiscal analysis shows that a significant benefit would accrue from building sooner at current prices and at current interest rates.	Yes	
When the City issues City long-term debt, it will employ a professional financial advisor to assist the City in obtaining the best possible outcomes in terms of planning, sizing, underwriting, insuring, and presentation of the City's plans and position to bond rating agencies and the public. The City will also employ the services of qualified	Yes	



bond counsel and, as appropriate, disclosure counsel.		
When the City issues assessment debt, it will work cooperatively with the project area Developers to identify an appropriate and acceptable financing team to obtain the best possible outcomes for the City and its citizens, and ensure compliance with all legal requirements.	Yes	
The City projects that the Community Parks assessment program will, over time, be sufficient to pay for ongoing costs and repay General Fund advances (loans); but that until further development occurs in the City, the General Fund may make such advances to the Community Parks program to cover operating shortfalls. All such advances will be approved by City Council.	Yes	
Where possible, the City will use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds.	Yes	
Proceeds of long-term debt will not be used for current ongoing operations.	Yes	
The City may pledge General Fund revenues to facilitate debt; however, all debt will be supported by a dedicated revenue source identified prior to issuance that is expected to be sufficient to make the required debt service payments.	Yes	

RESERVE POLICIES

The City will maintain General Fund Emergency reserves at a level at least equal to 20% of general fund operating expenditures. The primary purpose of this reserve is to protect the City's essential service programs and funding requirements during periods of economic downturn (defined as a recession lasting two or more years) or other unforeseen catastrophic costs not covered by the Contingency Reserve.	Yes	
A Contingency Reserve will be budgeted each year for non-recurring unanticipated expenditures or to set aside	Yes	



funds to cover known contingencies with unknown costs.		
The level of the Contingency Reserve will be established as needed but shall not be less than 2% of General Fund operating expenditures.	Yes	
The City will establish an account to accumulate funds to be used for payment of accrued employee benefits for terminated employees. At each fiscal year end, the accumulated amount in the reserve shall be adjusted to equal the projected payout of accumulated benefits requiring conversion to pay on retirement for employees then eligible for retirement. (This is so there are funds to pay out accumulated benefits requiring conversion to pay on termination).	Yes	.
Claims Reserves will be budgeted at a level which, together with purchased insurance, adequately protects the City. The City will maintain a reserve of two times its deductibles for those claims covered by the insurance pool of which the City is a member (currently the Municipal Pooling Authority of Northern California). In addition, the City will perform an annual analysis of past claims not covered by the pool, and reserve an appropriate amount to pay for uncovered claims.	Yes	
The City will establish a Vehicle and Equipment Replacement Reserve Fund for the accumulation of funds for the replacement of worn and obsolete vehicles and other capital equipment. The accumulated amount in the reserve will equal at least 50% of the accumulated depreciation on the City's books for these assets, plus any amounts necessary to ensure the City's ability to replace them when they reach the end of their useful lives. Network and Computer replacement will be gauged using a 3 year lifecycle.	Yes	



<p>The City will seek to build and maintain a Facilities Maintenance Capital Asset Reserve for capital costs associated with the maintenance of all City building facilities. The reserve will be maintained at a level at least equal to projected five year facilities maintenance capital costs.</p> <p>Park operating funds shall budget annual capital replacement costs and use them to fund reserves for future equipment replacement and resurfacing needs.</p>	Yes No	Some park zones do not have enough revenues to fund adequate reserves.
<p>The City will seek to build and maintain a Storm Drain Depreciation Reserve for costs associated with the major maintenance and capital improvement costs included in the Storm Drain program budget. The minimum reserve level will be 50% of the costs projected over the next five years.</p>	Yes	
<p>The City will establish a Reserve for Qualifying Expenditures and will transfer into it from current revenues all amounts necessary to ensure compliance with Gann Limit provisions. These funds will be used solely to pay for Gann Limit excludable capital expenditures. To qualify, they must be for assets having a value greater than \$100,000 and having a useful life of at least 10 years.</p>	Yes	

INVESTMENT POLICIES

<p>The City Manager and Finance Director will annually submit an investment policy to the City Council for review and adoption, and shall provide the Council with quarterly investment reports.</p>	Yes	
<p>The Finance Director will invest the City's monies in accordance with applicable laws and adopted investment policies and direct the investment of bond or note monies on deposit with a trustee or fiscal agent in accordance with the applicable indenture or issuance documents.</p>	Yes	



The City will maintain liquid assets at a level sufficient to pay at least six months operating expenses.	Yes	
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ACCOUNTING, AUDITING & FINANCIAL REPORTING POLICIES

The City's accounting and financial reporting systems will be maintained in accordance with generally accepted accounting principles and standards of the Governmental Accounting Standards Board.	Yes	
A capital asset system will be maintained to identify all City assets, their condition, historical and estimated replacement costs, and useful life. All equipment with a cost of \$5,000 or more and a useful life of more than two years, and all buildings, improvements and infrastructure with a cost of \$50,000 or more and a useful life of more than two years will be capitalized and included in the system. While asset purchases and disposals will be tracked and accounted for each year, unless otherwise needed, vehicles and office equipment will be inventoried and infrastructure assets will be subject to an internal audit, every 3 years on a rotating cycle, with each category reviewed in turn.	Yes	



<p>Fixed Assets shall be accounted for using the following useful lives:</p> <p>Buildings – 40 years Improvements – 5-15 years Machinery & Equipment – 5 years Vehicles – 5 years Roadways: Streets (Includes Pavement, Sidewalk, Curb & Gutters, Trees & Signs) – 40 years Traffic Signals – 25 years Street Lights – 40 years Bridges – 100 years Parks & Recreation: General Improvements – 25 years Specialty features – 10 years</p>	<p>Yes</p>	
<p>The Finance Department will prepare monthly reports for the City Manager and Department Heads so that they may effectively evaluate their financial performance.</p>	<p>Yes</p>	
<p>A Mid-Year Budget Review, assessing the status of both operating and capital activities and recommending appropriate mid-year adjustments, will be submitted to the City Council and made available to the public in February each year.</p>	<p>Yes</p>	
<p>An annual audit will be performed by an independent public accounting firm with the subsequent issue of an official Comprehensive Annual Financial Report, including an audit opinion.</p>	<p>Yes</p>	
<p>Full and continuing disclosure will be provided in the City’s financial statements and bond representations.</p>	<p>Yes</p>	
<p>The City will build and maintain a good credit rating in the financial community.</p>	<p>Yes</p>	



GRANT FUNDING POLICIES

<p>The City will remain current on available local, state, and federal grant funding and seek to make the most of grant opportunities for both operations and capital projects.</p>	<p>Yes</p>	
<p>The City will establish accounting procedures to support the tracking of grant funds and their use and for the timely administration of grant programs.</p>	<p>Yes</p>	
<p>Grants that the City makes to others will be such that the City retains control of funds sufficient to ensure their use is consistent with grant specifications. This is expected to be accomplished by limiting grant disbursements to reimbursements or for the City to pay agreed upon costs directly on behalf of the Grantee, all of which should be outlined in a grant agreement approved by the Council.</p>	<p>Yes</p>	

HUMAN CAPITAL INVESTMENT POLICIES

<p>The City will invest in its employees by maintaining a compensation structure that is based on market norms, considers internal alignment and equity among various groups of employees, supports and recognizes innovation and exceptional performance, and fosters teamwork within the organization.</p>	<p>Yes</p>	
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APPROPRIATIONS CONTROL

In addition to the Statement of Financial Policies above, the Council has established the following policy regarding Appropriations Control:

Appropriations requiring Council action are:

- Appropriation of reserves, except replacement reserves
- Transfers between funds
- Appropriations of any unassigned revenues (unassigned revenues are those revenues that are not associated with a particular business or service unit)

Appropriations requiring City Manager action are:

- Transfer within a fund or department
- Appropriation of unbudgeted assigned revenues – assigned revenues support a specific business or service unit and allow expansion or contraction of that unit in response to demand.
- Appropriation of replacement reserves and unassigned balances in special purpose funds.

Appropriations of fiscal resources are approved by the City Council and managed by the City Manager



BUDGET SCHEDULE FY 2012-2013 BUDGET

Date	Function
January 17	<i>2012-13 Budget Instructions Distributed</i>
February 14	<i>FY 2011-12 Midyear review with City Council</i>
Week of February 20	<i>Finance Available for Budget System Training to anyone needing assistance.</i>
February 27	<i>DH Strategic Planning Session</i>
Week of February 20	<i>Kickoff work on LLD Engineer's Report</i>
March 6	<i>City Council Strategic Planning Session (rescheduled to April 24, 2012)</i>
Week of March 12	<i>City Manager Discussions with DH's Individually, as needed</i>
March 23, noon	<i>2012-13 Department Goals due to City Manager & Finance Director 2012-13 Operating Budgets due to Finance Director 2012-13 Final CIP Requests due to City Engineer</i>
March 24-April 8	<i>Finance & Engineering Review Period</i>
April 8-9	<i>City Manager Review Period</i>
April 24	<i>Public Strategic Planning Session</i>
April 24	<i>2011-12 Departmental Accomplishments Due to City Manager & Finance Director</i>
April 25-30	<i>City Manager Reviews with DH's individually, as needed</i>
May 1-May11	<i>Preparation and Final City Manager Review of Proposed Budgets, CIP and Presentations</i>
May 14 & 15	<i>Production and Distribution of Proposed City, RDA and CIP Budgets to Council and Staff</i>
May 22	<i>Budget Work Session</i>
June 26	<i>2012-13 Budget Adoption</i>

**Proposed Budget
All Funds Summary**

<u>Fund #</u>	<u>Fund Name</u>	<u>Estimated Available Resources July 1, 2012</u>	<u>Estimated Revenues 2012/13</u>	<u>Recommended Expenditures 2012/13</u>	<u>Appropriation of Unassigned Balances*</u>	<u>Estimated Available Resources July 1, 2013</u>
100	General Fund**	4,452,000	13,211,202	12,679,773		\$ 4,983,429
110	Comm Facilities Dist #1 (Cypress Grove)	1,009,346	277,283	270,053	1,016,576	-
123	Youth Development Fund	-	28,500	28,500		-
125	You, Me, We = Oakley!	13,220	33,766	33,765	13,221	-
132	Park Landscaping Zn 1 (Comm Parks)	(150,739)	1,056,305	1,045,075		(139,509)
133	LLD Zone 2 (Streetlighting)	1,967	350,251	348,800	3,418	-
136	Agricultural Preservation	15,384		15,384	-	-
140	Gas Tax Fund	180,358	924,428	1,086,320	18,466	-
145	Stormwater NPDES	920,821	460,000	465,025	915,796	-
148	Measure J	(196,594)	943,507	646,409	100,504	-
150	Police P-6 Fund	-	2,566,500	2,566,500		-
151	Police SLESF Fund	-	100,000	100,000		-
170	LLD Vintage Parkway	62,486	73,771	73,771	62,486	-
171	LLD Oakley Ranch	51,114	26,246	26,246	51,114	-
172	LLD Empire	78,066	4,534	4,534	78,066	-
173	LLD Oakley Town Center	59,318	10,935	10,935	59,318	-
174	LLD Oak Grove	1,452	28,405	29,500	357	-
175	LLD Laurel Woods/Luna Estates	59,503	7,668	7,668	59,503	-
176	LLD South Forty	11,193	9,712	9,713	11,192	-
177	LLD Claremont	15,800	7,628	7,628	15,800	-
178	LLD Gateway	182,351	18,360	18,360	182,351	-
179	LLD Countryside (Village Green)	17,710	2,562	2,625	17,647	-
180	LLD Country Fair (Meadow Glen)	(6,661)	5,423	5,423	-	(6,661)
181	LLD California Sunrise	51,864	3,502	3,502	51,864	-
182	LLD California Visions (Laurel)	125,082	11,875	12,000	124,957	-
183	LLD Claremont Heritage	144,535	18,240	18,240	144,535	-
184	LLD Country Fair (Meadow Glen II)	1,242	121,026	121,026	1,242	-
185	LLD Sundance	16,381	8,910	8,910	16,381	-
186	LLD Calif Jamboree (Laurel Anne)	313,660	117,547	117,548	313,659	-
187	LLD Country Place	(32,488)	27,725	54,480		(59,243)
188	LLD Laurel Crest	146,393	87,000	111,824	121,569	-
189	LLD Marsh Creek Glen	263,212	80,403	80,408	263,207	-
190	LLD Quail Glen	107,268	25,257	25,257	107,268	-
191	Cypress Grove	120,250	229,686	229,688	120,248	-
192	South Oakley	124,055	328,655	328,655	124,055	-
193	Stone Creek	131,789	15,000	26,800	119,989	-
194	Magnolia Park	440,194	634,003	634,003	440,194	-
195	Summer Lakes	308,335	87,874	87,874	308,335	-
201	General Capital Projects	22,033	28,000	3,000	47,033	-
202	Traffic Impact Fee Fund	527,782	1,050,000	1,063,308	514,474	-
204	Park Impact Fee Fund	22,161	-	-	22,161	-
205	Childcare Impact Fee Fund	951,000	4,000		955,000	-
206	Public Facilities Impact Fee Fund	(42,000)	337,625	546,957	-	(251,332)
207	Reserve for Qualifying Expenditures	-	-	-	-	-
208	Fire Impact Fees Fund	20,097	20,000	2,000	38,097	-
209	Proposition 1B Fund	19,824	-	-	19,824	-
211	WW Parks Grant	2,500	-	-	2,500	-
231	Main Street Fund	715,000	25,000	302,500	437,500	-
301	Developer Deposits Fund	-	293,815	293,815		-
351	2006 COPs Debt Svc Fund	17,879	544,957	562,836		-
501	Equipment Replacement Fund	1,260,729	290,000	225,200	1,325,529	-
502	Capital Facilities Mtc and Replacement Fund	271,365	1,000	2,000	270,365	-
621	AD 2004-1 Debt Svc Fund	900,735	1,166,716	1,167,717		899,734
622	AD 2006-1 Debt Svc Fund	573,422	772,028	772,028		573,422
767	Successor Housing Agency	103,784	1,500	112,000		(6,716)

*The Budget includes the appropriation of unassigned balances in special purpose funds so they can be assigned if needed during the year.

**General Fund resources excludes the value of the Neroly Road property, which at June 30, 2012 is estimated at \$2.0 million. General Fund activity on this schedule excludes interfund loan activity - both interfund loans and interfund loan repayments.

2012-13 Position Allocation Summary					
	Position	Status	City of Oakley FTE	Contract FTE	Total FTE
City Council					
	Mayor	Elected	1.00		1.00
	Vice Mayor	Elected	1.00		1.00
	Councilmember	Elected	3.00		3.00
	Total City Council Staffing:		5.00		5.00
Building & Code Enforcement					
	Building Official	Contract		0.90	0.90
	Permit Center Manager	Contract		0.60	0.60
	Building Inspector	Contract		0.75	0.75
	Permit Technician	Contract		0.80	0.80
	Code Enforcement Officers	Employee/Contract	0.25	1.00	1.25
	Total Building/Code Enforcement Staffing:		0.25	4.05	4.30
City Attorney					
	City Attorney	Contract		0.25	0.25
	Special Counsel	Contract		0.25	0.25
	Paralegal	Employee	0.40		0.40
	Total City Attorney Staffing:		0.40	0.50	0.90
City Clerk					
	City Clerk	Employee	0.60		0.60
	Administrative Assistant	Employee	2.00		2.00
	Total City Clerk Staffing:		2.60		2.60
City Manager					
	City Manager	Employee	1.00		1.00
	Assistant to the City Manager	Contract		0.67	0.67
	Total City Manager Staffing:		1.00	0.67	1.67
Maintenance Custodian					
	Maintenance Custodian	Employee	0.75		0.75
	Total Maintenance Custodian Staffing:		0.75		0.75
Planning					
	Senior Planner	Employee	2.00		2.00
	Total Planning Staffing:		2.00		2.00
Community Outreach					
	Assistant to the City Manager	Contract		0.33	0.33
	You Me We Project Coordinator	Employee	0.20		0.20
	Total Community Outreach Staffing:		0.20	0.33	0.53
Economic Development/Human Resources					
	Economic Development Coordinator/Human Resources Administrator	Employee	1.00		1.00
	Administrative Assistant	Employee	0.50		0.50
	Total Economic Development/Human Resources Staffing:		1.50		1.50
Finance					
	Finance Director	Employee	1.00		1.00
	Senior Accountant	Employee	1.00		1.00
	Accounting Technician	Employee	1.00		1.00
	Total Finance Department Staffing:		3.00		3.00
Information Technology					
		Contract		0.50	0.50
	Total Information Technology Staffing:			0.50	0.50
Public Works and Engineering					
	City Engineer/Public Works Director	Contract		1.00	1.00
	Assistant Engineer	Contract		1.00	1.00
	CIP Project Manager	Contract		1.00	1.00
	Senior Civil Engineer	Contract		1.00	1.00
	Public Works Inspector	Contract		1.25	1.25
	Administrative Assistant	Contract		1.00	1.00
	Parks & Landscape Manager	Contract		0.63	0.63
	Total Public Works/Engineering Contract:			6.88	6.88
	Parks & Landscape Leadworker	Employee	1.00		1.00
	Public Works Maintenance Worker	Employee	1.00		1.00
	Landscape Maintenance Worker	Employee	1.00		1.00
	Parks Laborer	Employee	1.00		1.00
	Parks Monitor	Employee	0.25		0.25
	Parks Laborer (Seasonal)	Employee	2.00		2.00
	Total Public Works/Engineering Employees:		6.25		6.25
	Total All Public Works/Engineering Staffing:				13.13

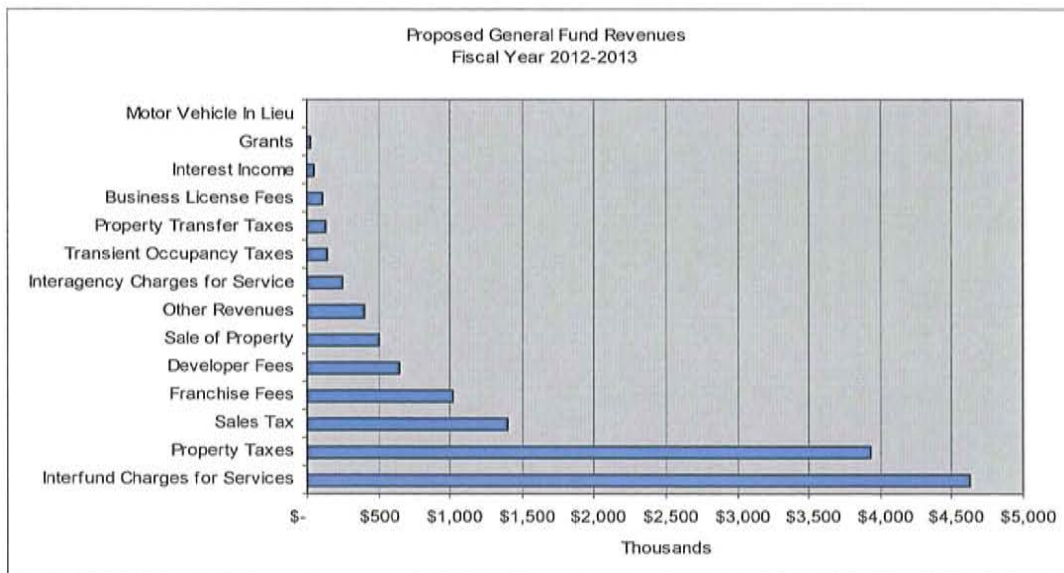


GENERAL FUND ESTIMATED REVENUES FY 2012-2013

Revenue	Actual 2009-2010 Revenues	Actual 2010-2011 Revenues	Projected 2011-2012 Revenues*	Recommended 2012-2013 Revenues*
Interfund Charges for Services	\$4,312,653	\$4,439,866	\$4,628,000	\$4,619,000
Property Taxes (1)	\$3,361,094	\$3,758,948	\$3,500,000	\$3,929,000
Sales Tax	\$1,342,654	\$1,412,503	\$1,500,000	\$1,400,000
Franchise Fees	\$618,270	\$939,829	\$977,000	\$1,022,000
Developer Fees	\$1,385,196	\$840,934	\$654,000	\$639,000
Sale of Property				\$500,000
Other Revenues	\$511,076	\$784,353	\$410,000	\$395,000
Interagency Charges for Services			\$250,000	\$250,000
Transient Occupancy Taxes	\$128,765	\$136,635	\$135,000	\$135,000
Property Transfer Taxes	\$162,023	\$118,633	\$125,000	\$125,000
Business License Fees	\$106,911	\$103,942	\$105,000	\$105,000
Interest Income	\$84,135	\$20,388	\$50,000	\$50,000
Grants	\$40,318	\$32,533	\$84,000	\$27,000
Motor Vehicle in Lieu	\$108,814	\$159,316	\$18,000	\$0

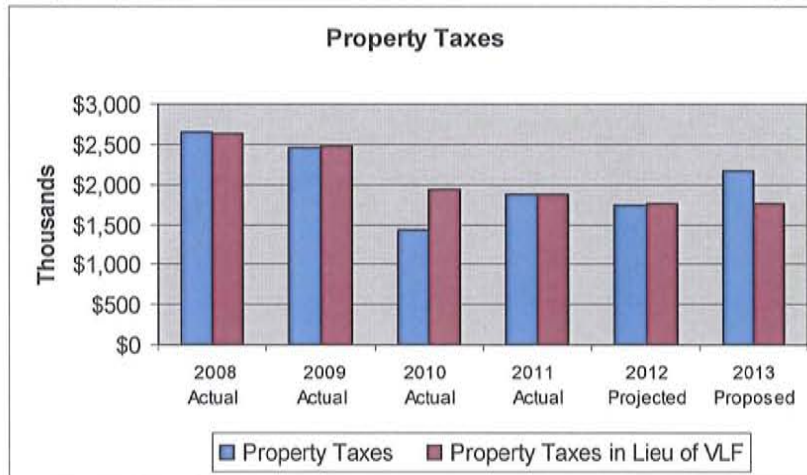
*2011-12 and 2012-13 data rounded to thousands

(1) 2009-10 Property Tax revenues were reduced for The State's Prop 1A "borrowing", which is anticipated to be repaid in 2012-2013.



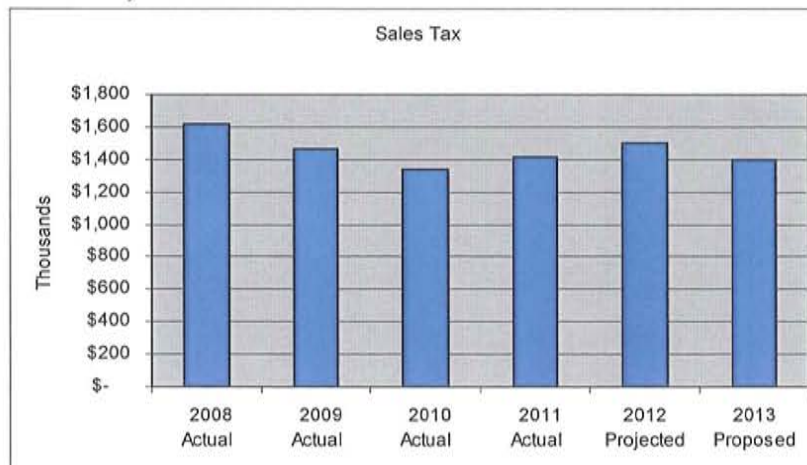
PROPERTY TAXES

The City receives two significant types of property taxes: 1) the City's share of 1% Property Taxes collected by the County; and, 2) Property Tax In Lieu Of Vehicle License Fees. Both are driven primarily by changes in assessed values. Estimates for fiscal year 2012-2013 anticipate citywide assessed values remaining unchanged from fiscal year 2011-2012; and the State's repayment of taxes "borrowed" pursuant to Proposition 1A in fiscal year 2009-2010. The budget includes estimated 1% Property Taxes totaling \$2,175,000 and Property Taxes In Lieu Of Vehicle License Fees totaling \$1,754,000.



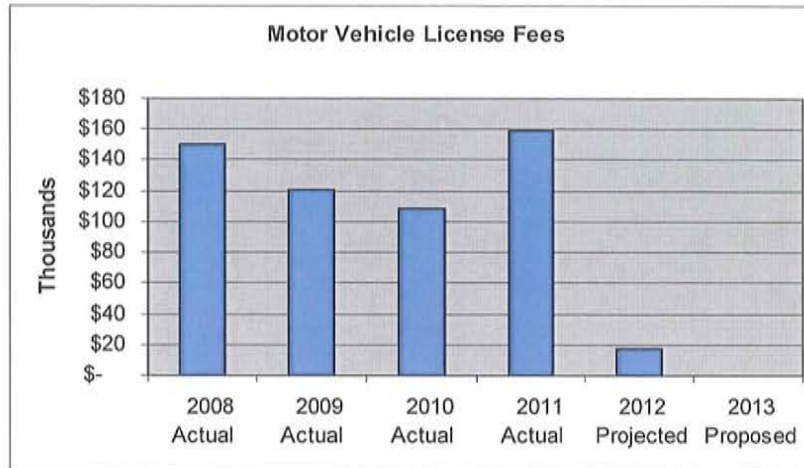
SALES TAX

The City receives a share of sales taxes where the point of sale is located in the City. While the City does not yet have a large commercial base, business activity is expected to grow over time and these revenues will increase. For fiscal year 2012-2013, the estimated sales taxes are \$1,400,000, slightly less than fiscal year 2011-2012 due to some anticipated one-time adjustments.



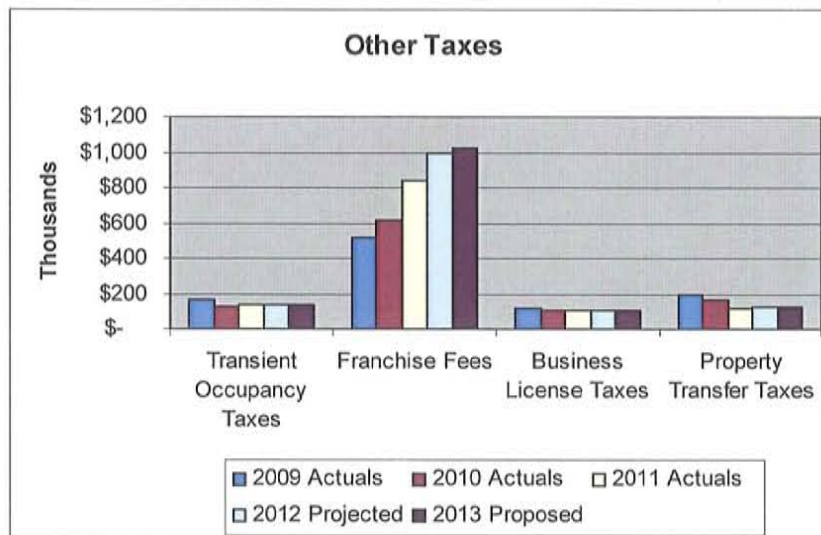
MOTOR VEHICLE IN LIEU FEES

The State ended allocations of Motor Vehicle in Lieu fees to local governments in fiscal year 2011-2012, and their reinstatement is not expected in fiscal year 2012-2013.



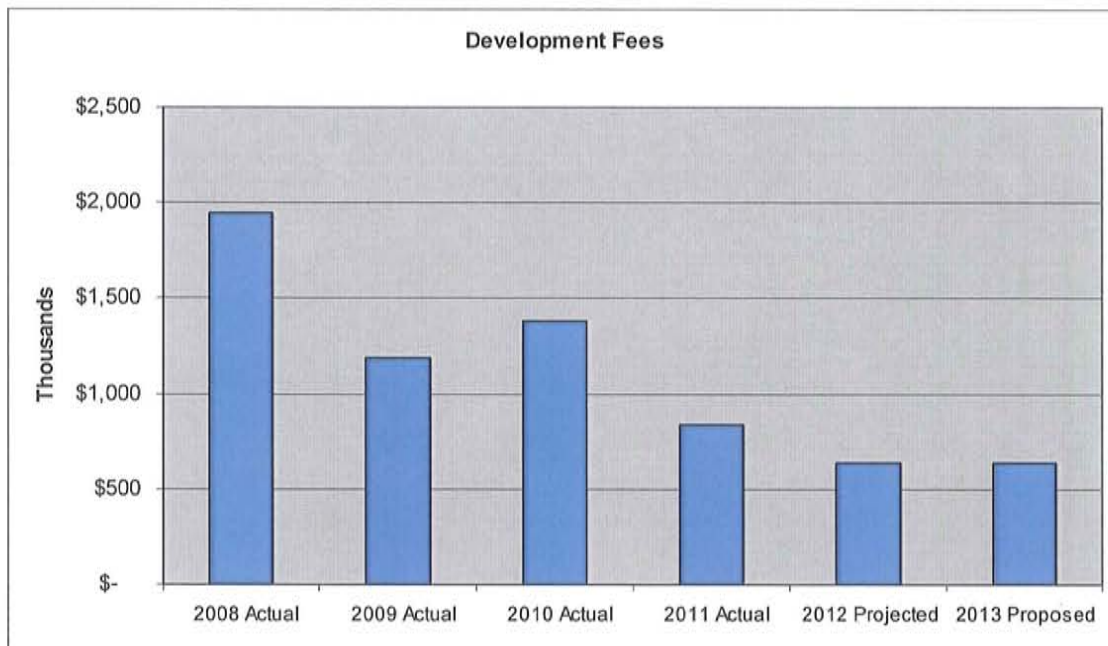
OTHER TAXES

In addition to the above Taxes, the City collects a Transient Occupancy (Hotel) Tax, Utility Franchise Fees, Property Transfer Taxes, and Business License Taxes. For fiscal year 2012-2013, estimated total Other Taxes are \$1,387,000, an increase of \$45,000 over fiscal year 2011-2012. The increase is predominantly due to increased franchise fee revenues.



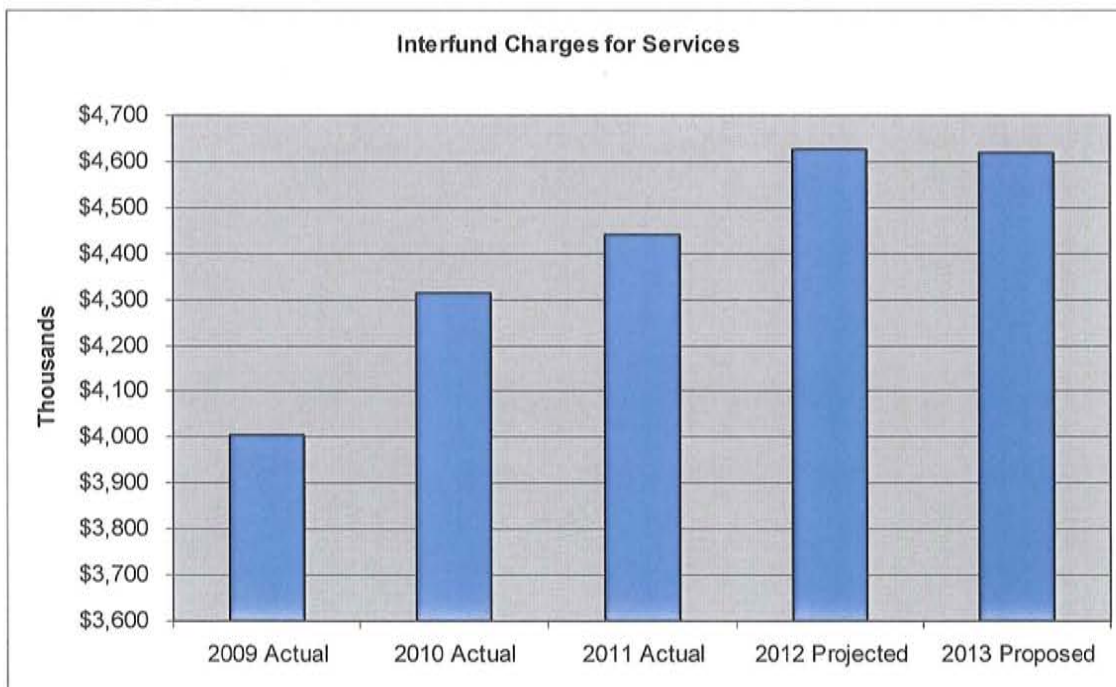
DEVELOPMENT FEES

Development Fees consist primarily of building permits, plan review, and administrative fees. For fiscal year 2012-2013, estimated Development Fees total is \$637,000, approximately the same as in fiscal year 2011-2012, continuing the conservative expectations regarding new development.



INTERFUND CHARGES FOR SERVICES

Interfund Charges for Services is the largest revenue of the City. More than one-third of the Fiscal Year 2012-2013 General Fund revenue categories are cost recoveries for activities funded by impact fees, developer application fees, special taxes, assessments and other special purpose revenues. For fiscal year 2012-2013, estimated Interfund Charges for Police Services total approximately \$2.75 million, for Engineering Services approximately \$1.1 million, for Public Works Maintenance \$145,000, for Planning Services \$30,000, for Legal Services \$30,000, for Parks Maintenance Services \$386,000, and for Other Services \$180,000.



OVERALL ANALYSIS OF GENERAL FUND REVENUES

Overall revenues continue to be stable although discretionary revenues remain less than prior to the recession. Clearly, the shift in the composition of City revenues have been most effected by lower property taxes and reduced development activity, both of which are expected to gradually increase again when the economy improves. (As a result, our focus must remain on controlling spending and ensuring that funds are used cost effectively on the City's highest priorities.)

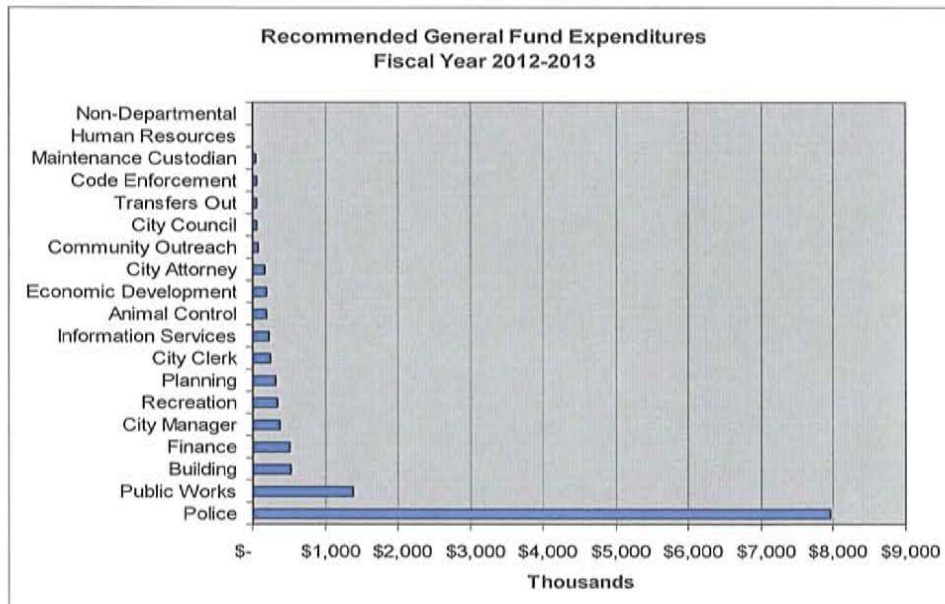


GENERAL FUND RECOMMENDED EXPENDITURES

FY 2012-2013

Department	Actual 2009-2010 Expenditures	Actual 2010-2011 Expenditures	Projected 2011-2012 Expenditures*	Recommended 2012-2013 Expenditures*
Police	\$7,043,740	\$7,047,391	\$7,608,000	\$7,959,000
Public Works	\$1,480,852	\$1,524,958	\$1,289,000	\$1,379,000
Building	\$772,404	\$583,032	\$526,000	\$526,000
Finance	\$652,810	\$472,093	\$456,000	\$512,000
City Manager	\$449,752	\$410,853	\$389,000	\$366,000
Recreation	\$323,305	\$248,585	\$309,000	\$335,000
Planning	\$450,986	\$504,077	\$351,000	\$309,000
City Clerk	\$243,058	\$255,290	\$182,000	\$234,000
Information Services	\$220,602	\$216,342	\$218,000	\$218,000
Animal Control	\$168,476	\$183,024	\$189,000	\$191,000
Economic Development	\$18,349	\$15,573	\$113,000	\$183,000
City Attorney	\$189,568	\$230,926	\$240,000	\$177,000
Community Outreach	\$64,158	\$57,262	\$59,000	\$72,000
City Council	\$46,373	\$59,983	\$67,000	\$59,000
Code Enforcement	\$5,894	\$6,140	\$38,000	\$51,000
Transfers Out	\$75,000	\$163,932	\$156,000	\$50,000
Maintenance Custodian	\$20,403	\$36,805	\$41,000	\$45,000
Human Resources	\$11,961	\$11,172	\$16,000	\$13,000
Non-Departmental	\$(404,555)	\$(242,777)	\$(161,000)	\$0

*2011-12 & 2012-13 data rounded to thousands





DEPARTMENT DETAIL

The following pages review each of the proposed Department budgets with a summary discussion of program description, staffing, and objectives for fiscal year 2012-2013:

ANIMAL CONTROL

Program Costs and Revenues

The City contracts with Contra Costa County for Animal Control services. The costs are funded entirely by General Fund revenues.

Program Description

Animal control services patrol the City's streets and respond to public health and safety calls concerning animals in the City. The County Animal Services Department provides the service and access to its animal shelter facility in Martinez.

Staffing Summary

The County Animal Services Department provides all staffing for an annual per capita charge. There is no City staff allocated to this function.

Program Changes

There are no significant program changes for fiscal year 2012-2013. The County charge per capita is unchanged at \$5.31 this year, so the entire increase is due to the City's increase in population.

ANIMAL CONTROL			
2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
\$168,478	\$183,024	\$189,281	\$191,145



CITY COUNCIL

Program Costs and Revenues

The City Council's costs are funded entirely by General Fund.

Program Description

The Council is the legislative body of the City, in essence the City's "Board of Directors." The Council establishes the City's laws and policies and provides direction to the City Manager to implement them.

Staffing Summary

The City Council is comprised of five elected members, each for a four-year term. The City Manager, who directs the day-to day operations of the City, and the City Attorney, are accountable directly to the Council.

Program Changes

None

CITY COUNCIL				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$27,329	\$33,740	\$35,448	\$33,324
Services	\$18,616	\$24,357	\$30,500	\$24,250
Supplies	\$428	\$1,886	\$1,500	\$1,500
Total	\$46,373	\$59,983	\$67,448	\$59,074

CITY COUNCIL MEMBERS	
Mayor	1
Vice-Mayor	1
Council members	3
Total City Council	5



CITY CLERK

Program Costs and Revenues

All City Clerk costs are part of City Administration. Revenue is generated for the General Fund through the passport acceptance program.

Program Description

The City Clerk's Office coordinates the distribution of meetings packets for the City Council, the City Council Acting as the Successor Agency to the Redevelopment Agency and Public Financing Authority, records the proceedings of those meetings and processes approved documents such as resolutions, ordinances, minutes and contracts; maintains the City Seal; coordinates municipal elections; advertises and coordinates City Council appointments; maintains and protects the official records of the City; coordinates the records management program; maintains the Municipal Code; administers the Fair Political Practices Commission's regulations; maintains Statements of Economic Interest and Campaign Disclosure Statements submitted by public officials and staff; processes claims against the City; receives and opens sealed bids for public projects; staffs the City Hall main reception area; and provides a passport acceptance agent and notary services.

Staffing Summary

The City Clerk is assigned to work in both the City Clerk and City Attorney Offices, with approximately 60% of her time serving as City Clerk. The City Clerk's Office also has two full-time Administrative Assistants.

Program Objectives

- Continue to participate in the State Department's Passport Acceptance Agents Program;
- Continue to coordinate implementation of records destruction procedures in accordance with the City's Records Retention Schedule, including at least one records "purging day";
- Continue to implement the citywide records scanning program;
- Continue to refine internal processes to improve the function of the City Clerk's office;



- Continue to deliver high-quality agenda packets for City Council, City Council Acting as the Successor Agency to the Redevelopment Agency and Public Financing Authority meetings and to accomplish all meeting follow-up activities in a timely manner;
- Continue to process claims for damages against the City;
- Continue to receive bids and participate in bid openings for public projects;
- Continue to process appeals for Administrative Citations;
- Continue to assist elected officials and staff with their filing obligations under the State's regulations and the City's Local Conflict of Interest Code;
- Continue to identify and implement cost-saving measures within the department;
- Make public information accessible through the City's website.
- Administer the upcoming November election.

Program Changes

None

CITY CLERK				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$215,467	\$218,178	\$161,131	\$189,901
Services	\$27,343	\$36,375	\$20,547	\$43,756
Supplies	\$248	\$737	\$500	\$700
Total	\$243,058	\$255,290	\$182,178	\$234,357

CITY CLERK STAFFING	
City Clerk/Paralegal	.6
Administrative Assistant	2
Total City Clerk Staffing	2.6



CITY ATTORNEY

Program Costs and Revenues

The City Attorney's costs shown in the General Fund are part of City Administration. A portion of the department costs are expected to be recovered through interfund charges to development services and redevelopment related funds.

Program Description

The City Attorney works closely with the City Manager and his staff to carry out the Council's goals. The City Attorney directs and manages the work of the City Attorney's Office. The City Attorney's Office provides legal services, advice, and representation to the Mayor, City Council, City Manager, and City departments.

The City Attorney's Office represents the City's interest in lawsuits filed against or on behalf of the City, its officers, employees, and agencies in administrative venues, before boards and commissions, and in the state and federal court system. The City Attorney's Office assists in the investigations of claims for damages filed against the City and defends the City's interests when necessary.

The City Attorney's Office similarly provides legal advice in the areas of land use, personnel, elections, conflicts of interest, and economic development, among others. Services include drafting and reviewing contracts, ordinances, resolutions, and other documents, as well as legal research. The City Attorney also provides counsel to and attends meetings of the City Council, and special committees (as required).

Staffing Summary

The City contracts for City Attorney services and employs a full time Paralegal. The Paralegal is assigned to work in both the City Attorney and City Clerk Offices, with approximately 40% of her time serving as a Paralegal.

Program Objectives

- Assist with code enforcement, amortization of nonconforming uses, and related redevelopment efforts.
- Assist with major public works projects and advising staff on acquisition of necessary right-of-ways.
- Manage the City's outside counsel and assist in various litigation matters.
- Review and update the Municipal Code, as needed.



- Assist staff on legal issues related to land use and development throughout the City.
- Promptly advise each department of legal implications of proposed actions and of permissible alternatives when legal restrictions arise.
- Administer the City Attorney’s Office in a cost-effective manner.
- Participate in existing and new City programs and assist in their successful completion.

Program Changes

None

CITY ATTORNEY				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$86,312	\$86,955	\$99,286	\$46,579
Services	\$103,256	\$143,971	\$140,906	\$130,725
Total	\$189,568	\$230,926	\$240,192	\$177,304

CITY ATTORNEY STAFFING	
City Attorney	.25
Special Counsel	.25
Paralegal	.40
Total City Attorney Staffing	.9



CITY MANAGER

Program Costs and Revenues

The City Manager's Office is comprised of City Administration with a portion of its budget attributable to the oversight and support of the Successor Agency to the dissolved Oakley Redevelopment Agency.

Program Description

The City Manager is responsible for the administration and oversight of Oakley's municipal operations, including the Successor Agency and Oversight Board. Activities include coordinating organizational programs; developing and general managing of operating and capital budgets, conducting fiscal planning, selecting personnel; disseminating public information, encouraging civic engagement and community participation; and facilitating the implementation of the City's short and long-term economic development strategies. The City Manager also provides direct administrative oversight for the City's Community Outreach, Economic Development, Human Resources, City Clerk, Planning, Facilities Maintenance and Recreation Divisions.

Under the policy direction of the City Council and through the implementation of the Council's policies and legislative actions, the City Manager is responsible for ensuring that the City Council is provided with information and recommendations regarding policies that are under consideration. The City Manager's office also provides administrative support to the City Council in their legislative role within the organization; as well as its activities with other agencies and organizations.

Staffing Summary

The recommended budget includes the City Manager and the Assistant to the City Manager.

Program Objectives

The City Manager's Office is directly responsible for the day-to-day operations of the City and for the successful implementation of the City Council's policy direction.

Program Changes

No program changes are recommended.



CITY MANAGER				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$407,847	\$371,427	\$326,038	\$281,209
Services	\$41,905	\$39,386	\$63,354	\$84,426
Supplies		\$40	\$50	\$50
Total	\$449,752	\$410,853	\$389,442	\$365,685

CITY MANAGER STAFFING	
City Manager	1
Assistant to the City Manager (Contract)	.67
Total City Manager Staffing	1.67



COMMUNITY OUTREACH

Program Description and Objectives

The City Manager's Office administers the activities of Community Outreach with direct assistance from the Assistant to the City Manager. Community Outreach aims to increase our residents' awareness of the City's on-going efforts to make Oakley a desirable place to live, by communicating via multiple communication channels including social media, local media and face-to-face contact. Additionally, the efforts are intentional and proactive in reaching out to residents, churches, service clubs and other stakeholders to further encourage public input and participation.

Community Outreach includes the development and communication of informational programs, a recycling grant program sponsorship, the contract with Contra Costa County for library services, and several community events, promotions and participation in marketing and advertising campaigns that promote City services. You, Me, We = Oakley is a grant-funded program working to promote welcoming and community building within Oakley.

Staffing Summary

Community Outreach includes one-third of the position cost for the Assistant to the City Manager. Additional assistance is provided by the Recreation Manager. The You, Me, We = Oakley grant provides funding for a part-time Project Coordinator. A part-time Project Coordinator is working to implement the program.

Program Changes

Staff reorganization will allow the position of Assistant to the City Manager to more directly focus on Community Outreach efforts.



COMMUNITY OUTREACH				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services		\$5,021		\$8,637
Services	\$64,158	\$52,241	\$58,530	\$62,920
Supplies				200
Total	\$64,158	\$57,262	\$58,530	\$71,757

COMMUNITY OUTREACH STAFFING	
Assistant to the City Manager (Contract)	.33
You, Me, We Project Coordinator	.20
Total Community Outreach Staff	.53



FINANCE

Program Costs and Revenues

Most Finance Department costs are part of City Administration. Some of the costs are recovered as direct charges and some are recovered as a part of the city overhead added to Parks, Planning, and Engineering staffs hourly rates charged to developers and special revenue funds. A small amount of Finance Department costs are recovered through impact fee program and bond administration fees.

Program Description

The Finance Department provides support services citywide, and for the Successor Agency to the Redevelopment Agency, with the goal of intelligent and prudent financial management. Department activities include Treasury and Debt Management; Accounting for Payroll; Accounts payable; General Ledger; Capital Projects and Grant Accounting; Financial Reporting, Budget Development and Management; Long-Term Planning; Purchasing; Billing and Collections; Business License Administration; and Risk Management.

Staffing Summary

The Finance Department consists of three full-time staff: The Finance Director, one Senior Accountant, and one Accounting Technician.

Program Objectives

The primary operating objectives for the department for fiscal year 2012-2013 are to maintain the financial and procedural infrastructure appropriate for performing the City and Successor Agency's financial functions, and support their many ongoing projects. There are no significant changes to the Department's objectives.

Program Changes

There are no increases in regular staffing levels or significant one-time costs proposed.



FINANCE				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$552,403	\$262,303	\$326,657	\$406,424
Services	\$100,196	\$209,607	\$129,081	\$105,227
Supplies	\$211	\$183	\$250	\$250
Total	\$652,810	\$472,093	\$455,988	\$511,901

FINANCE STAFFING	
Finance Director	1
Senior Accountant	1
Accounting Technician	1
Total Finance Staffing	3



HUMAN RESOURCES

Program Costs and Revenues

All costs are part of City Administration and come from the General Fund.

Program Description

The City Manager's Office administers the City's personnel merit system; employee benefits; employee relations, equal employment opportunity program, and classification and compensation programs. It provides diverse and skilled applicant pools; assures that the City's policies and procedures are uniformly interpreted and implemented; and ensures that all recruitment, hiring, placements, transfers and promotions are made on the basis of individual qualifications for the position filled.

Staffing Summary

The Economic Development Coordinator/Human Resources Administrator, with City Manager oversight, administers the City's Human Resources program.

Program Objectives

The Human Resources division will continue to seek the most cost-effective health insurance benefits for Staff; update job descriptions; maintain the compensation and classification plans; conduct mandatory training seminars; promote professional development opportunities; and continue partnering with the Municipal Pooling Authority in support of the City's Loss Control and Wellness Programs.

Program Changes

The Human Resources division will update the employment handbook and enhance its employee recognition program.



HUMAN RESOURCES				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$3,675	\$5,025	\$6,500	\$4,200
Services	\$7,926	\$6,071	\$9,538	\$8,850
Supplies	\$360	\$76		\$250
Total	\$11,961	\$11,172	\$16,038	\$13,300

HUMAN RESOURCES STAFFING	
None (Staff is budgeted in The City Manager's Office and Economic Development Division budgets.)	



INFORMATION TECHNOLOGY

Program Costs and Revenue

All Information Technology Department costs are part of City administration. Some of the costs are recovered as a part of the City overhead added to Parks, Planning, and Engineering staff hourly rates charged to developers and special revenue funds.

Program Description

The Information Technology Department provides support services citywide with the goal of providing on demand network availability for City Staff, and timely troubleshooting when problems arise. Department activities are primarily network maintenance and support, and strategic planning consulting related to managing and maintaining the City's network.

Staffing Summary

The Information Technology Department is managed by the Finance Director, and staffed by Antai Solutions, a private contractor. Antai has staff at the City Offices 16 hours per week, and manages the City's network 24/7.

Program Objectives

The primary operating objectives for the department for fiscal year 2012-2013 are unchanged: To provide outstanding network support, and assist the City in planning related to its networks.

Program Changes

There are no significant operating changes for fiscal year 2012-2013.



INFORMATION SYSTEMS				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Services	\$147,988	\$147,564	\$147,567	\$147,801
Supplies	\$514	\$577	\$873	\$1,000
Capital Outlay	\$72,100	\$68,201	\$69,609	\$69,300
Total	\$220,602	\$216,342	\$218,049	\$218,101

INFORMATION TECHNOLOGY DEPARTMENT STAFFING	
Total Contracted Staff – Antai Network Services	0.50



NON-DEPARTMENTAL

Program Costs and Revenues

All Non-Departmental costs are part of City Administration and are allocated to City departments. Some of the costs are recovered as a part of the city overhead added to Parks, Planning, and Engineering staff's hourly rates charged to developers and special revenue funds. The Non-Departmental budget includes central services and supplies, depreciation and replacement cost amounts transferred to the Equipment and Vehicle Replacement and Building Replacement and Maintenance Internal Service Funds, and a General Fund Contingency.

Program Description

There is no program in the Non-Departmental budget unit. This budget is for costs better managed on a citywide basis, such as office supplies, utilities, storage space rentals, copier costs, insurance, web page maintenance costs, telephone services and transfers to the City's internal service funds.

Staffing Summary

The Non-Departmental budget unit is managed by the Finance Director and City Manager.

Program Objectives

The objectives related to the Non-Departmental budget are unchanged: to monitor and manage these citywide costs, and seek out opportunities to get the best value for each public dollar spent.

Program Changes

There are no program changes.



NON-DEPARTMENTAL				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$80,737	\$34,401	\$30,489	\$36,123
Services*	\$224,545	\$335,612	\$359,383	\$541,065
Supplies	\$57,603	\$40,542	\$46,000	\$52,000
Capital Outlay				
Transfers Out	\$237,000	\$279,000	\$301,614	\$280,000
Interdepartmental Allocations	(\$1,004,440)	\$(934,332)	\$(898,890)	\$(909,188)
Total	\$(404,555)	\$(244,777)	\$(161,404)	\$0

* Recommended amount includes the 2% General Fund Contingency.

NON-DEPARTMENTAL STAFFING	
None	



MAINTENANCE CUSTODIAN

Program Costs and Revenues

The Maintenance Custodian is a part of City Administration and all costs are funded by the General Fund.

Program Description

The Maintenance Custodian is responsible for the cleanliness and general maintenance of City buildings.

Staffing Summary

The recommended budget includes one maintenance custodian at an average of 30 hours per week or .75 of full-time equivalency.

Program Objectives

- Keep assigned areas and City buildings in a clean, neat, and orderly condition; perform minor building maintenance work; and to perform related work as required.

Program Changes

There are no program changes.

Maintenance Custodian				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$20,403	\$34,537	\$38,092	\$41,638
Services		\$2,268	\$3,386	\$3,506
Total	\$20,403	\$36,805	\$41,478	\$45,144

MAINTENANCE CUSTODIAN STAFFING	
Maintenance Custodian	.75
Total Maintenance Custodian Staffing	.75



ECONOMIC DEVELOPMENT

Program Costs and Revenues

The Economic Development budget represents an investment of taxes and general fund resources in marketing activities and materials to attract businesses to the City and generate additional sales, property, and transient occupancy related tax revenue. The budget primarily relates to the City's marketing and property management activities.

Program Description

The Economic Development goals and objectives as outlined in the City's General Plan include:

- Retain existing businesses and expand Oakley's economic base
- Establish a diverse and balanced local economy
- Remove or reduce constraints to economic development
- Encourage local financial participation in the community as a means of facilitating economic development

Program Objectives

Economic Development was deemed as one of the Council's highest priorities during this year's Strategic Planning session; with specific emphasis on:

- Revitalization of the Main Street/Downtown area
- Facilitation of commercial development projects
- Attraction of retailers for the Empire/Neroly Commercial Center
- Attraction of retailers for the Laurel Plaza Commercial Center
- Participation in trade show and conferences such as the International Council of Shopping Centers (ICSC) and other activities to promote the City of Oakley's commercial and retail sites

Staffing Summary

The Economic Development Coordinator/Human Resources Administrator provides coordination of the Economic Development activities. Beginning in 2012-2013, additional staffing will be provided by a part-time Administrative Assistant.



Program Changes

The fiscal year budget includes a full year of staffing for the Economic Development Coordinator/ Human Resources Administrator; a position established in January 2012, and the addition of a portion of a part-time Administrative Assistant.

ECONOMIC DEVELOPMENT				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services			\$93,676	\$150,939
Services	\$15,898	\$15,573	\$18,681	\$27,295
Supplies	\$2,451			\$5,100
Total	\$18,349	\$15,573	\$112,357	\$183,334

ECONOMIC DEVELOPMENT STAFFING	
Economic Development Coordinator/ Human Resources Administrator	1
Administrative Assistant	.50
Total Economic Development Staffing	1.50



BUILDING & CODE ENFORCEMENT

Program Costs and Revenue

Revenues are comprised of building permit, plan check, inspection fees and the residential rental inspection fees.

Program Description

The Building & Code Enforcement Division is responsible for the administration and enforcement of building codes (California Building, Plumbing, Mechanical Codes and the National Electrical Code). To provide minimum standards to safeguard public health and welfare, and property, by regulating and controlling the design of structures through plan review, construction of structures through field inspection to monitor quality of materials, use and occupancy, location and maintenance of all buildings and structures within the City of Oakley, while maintaining an aggressive code enforcement program. The Building and Code Enforcement Department is also responsible for the City's residential rental inspection program (RRIP) and the property maintenance inspection programs.

Program Staffing

Staffing is provided by a contract with Delta Municipal Consulting (DMC). The contract provides for the firm to provide a Building Official, Permit Center Manager, Building Inspector, Permit Technician, and a Code Enforcement Officer, as needed to provide the contracted services. The City will augment Code enforcement staff part-time.

Program Objectives

- Continue to refine internal processes within Community Development functions.
- Continue to utilize the Administrative Citation process.
- Maintain standard fifteen-day plan review as a maximum turnaround time but in 98% of projects within five days.
- Provide inspections on next workday upon request and same day when needed and workload allows.
- When needed, provide furlough Friday, weekend or after hour inspections.



- Continue to work with Code Enforcement to respond to all code enforcement inquires within two working days.
- Issue over the counter type permits at a 95% rate, the same day.
- Continue to work with property owners, realtors and lending institutions whose buildings have fallen into disrepair.
- Work with Economic Development on Downtown Projects as well as other projects within the City.
- Continue to provide homeowner's code compliance direction from plan submittal to final inspection.
- Continually ensure the Building Division webpage is user-friendly.
- Continue to provide updated training to staff on the adopted codes.
- Work with homeowners and contractors to resolve issues in a professional, polite and progressive manner; prior to and during construction.
- Improve the Residential Rental Property Inspection Program.
- Continue to make a positive impact in the City by enforcing the Property Maintenance Ordinance.
- Continue to enforce the Foreclosed and Abandoned Property Ordinance.
- Work with all departments, outside agencies and the contractor to ensure that Oakley Plaza is constructed in the most efficient and cost effective way possible.

Program Changes

- A part-time Code Enforcement Officer is being added to augment existing services.



BUILDING & CODE ENFORCEMENT				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services				\$13,891
Services	\$775,689	\$585,124	\$559,113	\$558,409
Supplies	\$2,609	\$4,048	\$4,500	\$4,500
Capital Outlay				
Total	\$778,298	\$589,172	\$563,613	\$576,800

BUILDING AND CODE ENFORCEMENT STAFFING	
The following staff are provided by contract with DMC:	
Building Official	.9
Permit Center Manager	.6
Building Inspector	.75
Permit Technician	.8
Code Enforcement Officer	1
Total staff provided under DMC:	4.05
City Staff:	
Code Enforcement Officer	.25
Total City Staff	.25
Total Building and Code Enforcement Staffing	4.30



POLICE

Program Costs and Revenues

The costs of police services are driven primarily by the costs per officer charged by the Contra Costa County Sheriff's Office, although support costs, capital costs and administrative costs also contribute to the overall picture. Revenues to pay for these services include special taxes and fees, but are primarily paid for by the General Fund.

Program Description

The Oakley Police Department has the primary responsibility of protecting life and property and preserving the peace. These duties are accomplished within the framework of those freedoms guaranteed by the Constitutions of the United States of America and the State of California.

The Department investigates crime, arrests those responsible, seeks prosecution for criminal acts, and engages in crime prevention. Emphasis is placed on traffic safety, including education, preventing hazardous traffic violations, alleviating parking complaints and conducting traffic collision investigations. Community programs target youth in our schools to encourage positive behavior and community involvement. Detectives investigate missing persons, property crimes and other serious offenses. Uniformed officers provide proactive patrol and actively pursue those involved in illegal activity.

Department goals emphasize that each officer and staff person understands that daily activities and contacts with the community are an integral part of the Community Service effort. Each citizen contact is an opportunity to create a positive impression and enhance our community mission. Each officer's professional decorum and demeanor contribute to the public's sense of safety and confidence in the City's ability to provide professional services.



Program Staffing

The costs for fiscal year 2012-2013 are for a fully-staffed department with 28 officers, 1.75 FTE Police Services Assistants, 1.25 FTE Administrative Assistants and a .475 FTE Assistant to the Chief. For the fiscal year 2012-2013 the City's sworn officers per 1,000 citizens ratio will be approximately .8.

Program Objectives

- Protect life and property.
- Continue working with the engineering department on traffic calming solutions for neighborhoods with a focus on traffic safety.
- Expand the Emergency Preparedness program and operations by training and educating the city staff to be better prepared for man made or natural disaster. Continue ongoing training and scenario based exercises for city staff members.
- Complete the Emergency Operations Center Project
- Continue to focus on quality of life issues through the Problem Oriented Policing (POP) program, working with the Building Department and the Office of the Sheriff Narcotics Unit.
- Address increasing costs for law enforcement services by continuing to search for law enforcement grants and cost cutting reviews.
- Continue to work with all City departments to analyze future revenues for police services that are realized on an incremental basis. Use these revenues to continue the expansion of personnel and other resources to keep pace with growth

Program Changes

None



POLICE DEPARTMENT				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$199,896	\$175,388	\$211,013	\$215,559
Services	\$6,685,272	\$6,695,215	\$7,166,084	\$7,526,416
Supplies	\$158,572	\$176,788	\$220,399	\$216,750
Capital Outlay			\$80,650	
Total	\$7,043,740	\$7,047,391	\$7,678,146	\$7,958,725

POLICE DEPARTMENT STAFFING	
The following staff are provided under contract with the Contra Costa County Office of the Sheriff:	
Police Chief	1
Police Sergeants	5
Police Officers	22
Total staff provided under CCC Office of the Sheriff	28
City Staff:	
Administrative Assistant	1.25
Assistant to the Chief	.475
Police Services Assistant	1.75
Total City Staff	3.475
Total Police Department Staffing	31.475



PLANNING

Program Costs and Revenue

Planning Division costs are primarily related to long range planning projects and development activity. Long Range planning includes the City's strategic plan projects and City planning responsibilities that must be met whether there is development or not, and these are paid for by the General Fund. Division activity is funded by developer fees and the General Fund.

Program Description

The Planning Division provides land use, planning, redevelopment and economic development, and environmental services. The Division is responsible for implementation of policy pertaining to orderly development and balanced growth in the City. While private development in recent years has declined, the Division continues to focus on streamlining the development process for when the economy improves. The Division continues to focus on programs that assist the City in economic development and growth. Specifically, the division is assisting in the redevelopment of the core area of the downtown.

There are several planning projects that continue to have activity at this time. Several projects within the East Cypress Corridor Specific Plan have been entitled. The Dutch Slough Wetlands Restoration Project has a certified EIR, and the Department of Water Resources, in collaboration with the City, will start the project in 2012. Staff is looking at different options to implement a City-wide Agricultural Preservation Program/Viticulture Cultural Program. The Action Programs within the Housing Element continued to be implemented. Finally, Staff is working with representatives from DuPont and their consultants to develop a framework to facilitate development of that site.

Currently, there are several programs being developed for greenhouse gas reduction, and climate change in order to comply with State mandates. Last year the Oakley City Council adopted both a Municipal and Community Wide Greenhouse Gas Emissions Inventory. In looking to the near future, the Division may begin work on a Climate Action Plan that will have positive impacts on streamlining future development and improvements within the City of Oakley. Division Staff has also implemented several recycling and solid waste reduction programs and is continually looking at ways to expand the program. Staff is involved in Zoning Code amendments to ensure the City's zoning laws are consistent with State laws and to complete the remaining reserved sections of the Zoning Code. There is continued effort to identify areas for Zoning Code improvements and enhancements. The



Division serves as the in-house environmental Staff to prepare environmental documents for City projects.

Program Staffing

The Planning Division is made up of two Senior Planners.

Program Objectives

- Assist the City in economic development tasks, including the redevelopment of the City's downtown
- Develop an Agricultural Preservation Program and/or Viticulture Cultural Program for the City Council's consideration
- Initiate a kiosk program to coordinate offsite signage for new residential subdivisions
- Continue to work with DuPont and their consultants to develop a framework to facilitate the development of the Dupont site
- Complete the remaining reserved sections of the Zoning Code including Design Review.
- Continue to implement AB 939 to provide Oakley residents and businesses new and expanded recycling and waste reduction programs including a comprehensive commercial and multi-family recycling program
- SB 375 and AB 32 Implementation: Continue to participate in regional and local programs to reduce greenhouse gas emissions
- Develop a Climate Action Plan
- Develop a Shoreline Vision for the City's waterfront area
- Monitor the Policy Action Programs of the Certified Housing Element and initiate the 2014-2021 Housing Element Update
- Identify areas for improvement and enhance the zoning code
- Re-evaluate and update residential and commercial/industrial design guidelines
- Serve as the City's in-house environmental staff to prepare environmental documents for small to medium-sized City Capital Improvement and Park projects

Program Changes

None



PLANNING DIVISION				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$396,783	\$436,870	\$290,730	\$248,570
Services	\$54,088	\$66,363	\$57,540	\$59,236
Supplies	\$115	\$844	\$2,300	\$900
Total	\$450,986	\$504,077	\$350,570	\$308,706

PLANNING DIVISION STAFFING	
Senior Planner	2
Total Planning Division Staffing	2



PUBLIC WORKS/ ENGINEERING/MAINTENANCE & PARKS

Program Description

The Public Works and Engineering Department provides street, drainage, parks and landscape maintenance through a combination of staff and contractors. The Department also administers design, construction inspection, and contract management for most capital improvement projects within the City, implements the City's Clean Water Program to ensure compliance with current NPDES requirements, and reviews and inspects private development grading and infrastructure improvements for compliance with City standards.

Program Changes

Changes in the Public Works and Engineering Department this year will focus mainly on parks and landscape maintenance. A reorganization is underway that adds two seasonal maintenance workers and an intern to the existing three full time maintenance workers. In addition a part time landscape maintenance manager position is being added to supervise the employees, monitor workload and service levels and manage the maintenance contractors. In addition to changes in this area the Public Works Inspector position that was vacated last year due to lack of work remains unfilled and the Associate Engineer/Traffic Engineer position that was also vacated last year is being staffed on a part time basis. The reliance on new development fees and deposits continues to be reduced since development remains slow. With the relinquishment of Main Street to Oakley from the State in early 2012 the City has also added 11 traffic signals and nearly 6 miles of roadway to its inventory. Proper maintenance of this large facility will add a significant maintenance burden to the City's roadway program.

Revenues

The Public Works and Engineering budget relies on funds from a variety of sources, many of which restrict expenditures to specific categories.

- **Gas Tax-** Funds are restricted to "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 effects, the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes." Revenues for this year include a Proposition 42 makeup payment.
Anticipated Revenues-\$924,000

- **Measure C/J-** Measure C/J expenditures are restricted to the same uses as Gas Tax, but can also be applied to transit improvement and operation, growth management planning and compliance, pedestrian and bicycle trail construction/maintenance/operation, parking facility development, and transportation efficiency program development and operation (ridesharing, etc.). Since Measure C/J contains a growth management component, funds may not be used to replace developer obligations that would otherwise not be publicly funded under jurisdiction policy. In order to qualify for Measure J allocations a jurisdiction must submit a self certified program compliance checklist every other year. Due to the anticipated schedule for the checklist two allocations of Measure J funds are being budgeted this year, and the revenue will return back to normal levels in FY 13/14. *Anticipated Revenues-\$943,000*
- **Stormwater Utility Assessments-** The City has adopted a Storm Water Management Plan, and, based on the estimated maintenance, inspection, and administrative activities required to enact the plan, has established an annual parcel assessment. *Anticipated Revenues-\$460,000*
- **Traffic Impact Fee-** In 2003 the City adopted a traffic impact fee program to replace the prior area of benefit and median island fee programs. The program funds the improvement of major roadways and specific signalized intersections, including the design, staff support, and construction management activities associated with those projects. *Anticipated Revenues-\$1,050,000*
- **Development Deposits/Permit Applications-** Public Works and Engineering collects deposits for the review and inspection of final maps, grading plans, and improvements plans related to development applications. In addition fees are collected for encroachment permits, transportation permits, and documentation related to the FEMA Floodplain Management program. Actual staff expenditures are tracked and applied against a deposit, and refunds or additional deposits are made as necessary. *Anticipated Revenues-\$194,000*
- **Citywide Parks Assessments-** Zone 1 of the Oakley Lighting and Landscape Assessment District No. 1 provides for the maintenance and utilities for citywide parks and landscaping facilities. *Anticipated Revenues-\$1,056,000*
- **Streetlight Assessments-** Zone 2 of the Oakley Lighting and Landscape Assessment District No. 1 provides for the maintenance and utilities for citywide street lighting. *Anticipated Revenues - \$199,000*



- **Neighborhood Landscaping Assessments-** Zone 3 of the Oakley Lighting and Landscape Assessment District No. 1 provides for the maintenance and utilities for neighborhood landscaping improvements throughout the City. The Zone currently contains 26 sub-zones and revenues and expenditures are tracked at the sub-zone level. *Anticipated Revenues-\$1,920,000*
- **Community Facilities District No. 1-** This District was formed in 2006 to fund the operations and maintenance of the levee system, stormwater pond, and the associated pump, force main, and outfall for the Cypress Grove development. Landscape and lighting maintenance for the project are funded through a separate mechanism. *Anticipated Revenues-\$251,150*
- **General Fund-** Since the majority of the funding sources for Public Works and Engineering are restricted to specific expenditures, it is recognized that some staff time and activities will require other funding sources. Those activities will be kept to a minimum, and eligible funding sources will continually be sought out.

PROGRAM AND STAFFING SUMMARY

The mission of Public Works and Engineering is to steward Oakley's infrastructure utilizing a variety of maintenance, improvement, and service activities. Through a mix of contract and City staff the Department has nearly 13 FTE's and is supplemented through additional contract services. The Department is managed by the Public Works Director and has 7 primary functions. The Fiscal Year 2012-2013 Budget proposes the following operating areas and associated staff:

Operating Areas

- **Operations and Maintenance-** One of the most formidable tasks for Public Works and Engineering is to maintain existing improvements and amenities. City personnel will monitor and direct all maintenance activities, and maintenance services will be provided by both City staff and contract personnel. The individual maintenance elements are as follows:
 - **Roadway-** Routine maintenance is necessary to keep the City's road network operating in a safe and efficient manner. This includes signing and striping repair and replacement, pavement maintenance activities such as pothole patching, crack sealing, and shoulder repair, and keeping the roadways free of obstructions via street sweeping and debris cleanup. As a supplement to the regular patrols of maintenance

crews, staff will field and investigate citizen's requests to determine corrective action for conditions that may not be known or readily apparent. Since surface treatment projects like pavement overlays or chip seals tend to be extensive in nature, they are recognized as a capital improvement and not included in this element. Roadway maintenance will primarily be accomplished by the City's Street Maintenance Worker, although larger and specialized tasks will be completed through contracts with specialized contractors.

- **Signals & Lighting-** The City operates traffic signals at twenty nine separate intersections, as well as numerous safety flashers throughout Oakley. In years past Caltrans was responsible for the operation of eleven signals along Main Street, but now that the relinquishment has occurred the City is responsible for the operation of the Main Street signals. In addition to traffic signals the City maintains the decorative streetlights in most of the newer neighborhoods. The City also pays for PG&E to operate and maintain street lighting throughout Oakley. Signal and lighting maintenance will primarily be accomplished through a contract with Contra Costa County or other specialized contractors.
- **Drainage-** In order to minimize potential flooding and ensure that stormwater is collected and conveyed in the manner intended, crews will conduct routine maintenance on the storm drainage system. These activities include catch basin cleaning, ditch cleaning, culvert flushing and repair, and inlet maintenance. Water quality activities such as hazardous materials cleanup and runoff filter repair are also provided for. Drainage maintenance will primarily be accomplished by the City's Street Maintenance Worker, although larger and specialized tasks will be completed through contracts with specialized contractors.
- **Parks and Landscaping-** The City currently maintains 29 public parks. The City has partnered with the Oakley Union Elementary School District for the maintenance of another four joint use park facilities. In addition, the City maintains thousands of square feet of public right of way landscaping, street median landscaping, and public trail corridors. The maintenance is accomplished through a mix of in-house employees and contractor services. During Fiscal Year 2011-2012 the in-house staff was reorganized to include three full time maintenance workers, two part time temporary maintenance workers, and a maintenance intern, all managed and supervised by a landscape maintenance manager. Three primary landscape maintenance firms remain under contract while trash and litter pickup is performed by a separate contractor.

- **Engineering Services-** Engineering staff will supply technical services to assist with various City activities and address requests and concerns raised by the general public. The funding source will vary depending on the nature of the service provided, and activity levels will generally be dependent on the volume of requests. The typical services that may be provided include:
 - **City Surveyor-** Land surveying is a specialized field that requires a special license to practice. The bulk of the City's land surveying needs will be in the area of map review and will be funded by developer deposits, although on occasion the City will require some additional expertise. Examples may include citizen's request that can only be answered by a properly licensed professional, or establishment and preservation of survey monuments not associated with private developments. The City will utilize contract services on an as needed basis for these activities.
 - **Traffic Engineering-** Throughout the year the City will conduct a variety of exercises associated with traffic engineering. These tasks will include completing speed surveys to ensure that traffic citations are enforceable, coordinating activities with the Police Department, investigating citizen's requests for traffic control devices and speed limit changes, and developing policies to address traffic issues. This year's budget includes additional funds to provide more proactive studies and develop miscellaneous informational handouts. The City will utilize contract services on an as needed basis for these activities.
 - **Floodplain Management-** Certain areas within the City are subject to periodic flooding, and the Federal Emergency Management Agency (FEMA) requires Oakley to participate in the National Flood Insurance Program so that flood insurance can be provided to affected property owners. As a result of participating in the program, the City must keep Flood Insurance Rate Maps for viewing by the public, and must provide certain information upon request. Additionally, the City will review and process applications to modify known floodplain boundaries. When possible, the costs will be charged to developer deposits.
 - **Clean Water Program-** The City's joint municipal NPDES permit and its participation in the County Clean Water Program necessitate a number of expenditures. Maintenance related activities have been accounted for in both the roadway and drainage maintenance categories. Other tasks include contributions to the Clean Water Program for staff and resources, illicit discharge investigation, industrial and commercial site inspection, and public outreach.



- **Assessment District Engineering-** In order to collect the funds for the City's assessment district and community facilities district an annual engineer's report and associated budgets must be completed. The City will utilize contract services on an as needed basis for these activities.
- **Administration-** Staff costs to administer Public Works and Engineering have been separated from other expenditures. As mentioned above, the parks and landscape activities have been reorganized and a landscape maintenance manager position has been added. During Fiscal Year 2011-2012 the Assistant Engineer, Traffic Engineer position was vacated and is not being proposed to be filled at this time. Traffic engineering requests are proposed to be handled on an as needed basis through consultant services. It is anticipated that consultant and contract services will be utilized for special projects and extraordinary workload in other areas as well. The anticipated base level staffing is as follows:
 - **Public Works Director/City Engineer (1 FTE)**-Day to day operations in Public Works and Engineering will be managed by the Public Works Director/City Engineer. Duties will include coordination with other City departments and outside agencies, consultant/maintenance/construction contract management, development review and coordination, public outreach, and other various activities.
 - **Administrative Assistant (1 FTE)** – The full time Administrative Assistant assists with service requests, development processing, and general activities.
 - **Senior Civil Engineer (1 FTE)** – This full time position will coordinate and perform all development activities within the Department including entitlements, plan review, and inspections. The position will also coordinate the City's cleanwater activities and conduct and manage special projects and studies.
 - **Assistant Engineer, CIP (1 FTE)**-This full time Assistant Engineer position focuses on CIP project management duties.
 - **Project Manager, CIP (1 FTE)**- With the anticipated sale of the Redevelopment Agency bonds and the reduced amount of private development construction one of the existing Public Works Inspector positions was converted to a CIP Project Manager during FY 2007/2008. The position is proposed to be continued this fiscal year and will assist with project and construction management duties for the CIP. The cost for the Project Manager and Public Works Inspector are the same.



- **Public Works Inspectors (1.25 FTE)**- Similar to last year, inspections of work within the public right of way including CIP construction management will be done by a full time public works inspector. The cross-trained building inspector will conduct encroachment permit inspections on an as needed basis which is expected to be approximately 0.25 FTE.
- **Street Maintenance Worker (1 FTE)** - The street maintenance worker position completes the bulk of the routine maintenance activities for the City's roadway and drainage systems using assistance from other Department personnel and contract staff. The position also assists with park and landscaping maintenance when necessary.
- **Landscape Maintenance Manager (0.6 FTE)** - This City staff position manages the maintenance efforts for all publically maintained parks and landscape facilities within the City. The position monitors all water and utility uses associated with the facilities, schedules and manages the work of City and contract staff, and coordinates facility uses with the Recreation Department.
- **Landscape Maintenance Worker (5 FTE)** – These City staff positions perform park and landscape maintenance activities and assist with roadway and drainage maintenance as needed.
- **Student Intern**- A student intern is being proposed for this fiscal year to assist with various Department activities. Depending on workload the position may be shared with the City Manager's Office.

Program Objectives

In upcoming Fiscal Year 2012-2013, the Public Works and Engineering Department has set the following goals:

- Aggressively implement the planned Capital Improvement Program, including:
 - Complete the construction of the middle segment of the Main Street Downtown Realignment
 - Complete construction of the widening of O'Hara Avenue from Cypress Road south to Vineyard Drive including a traffic signal at Carpenter Road
 - Complete construction of the north side of Laurel Road from O'Hara to Rose
 - Constructing frontage improvements on the south side of Main Street from Public Storage to the Cypress Shopping Center
 - Constructing the Marsh Creek Restoration project adjacent to Creekside Park

- Continuing to eliminate gaps in frontage improvements by construction sidewalks on primary pedestrian routes
- Continuing a proactive street maintenance program by slurry sealing and overlaying public streets
- Eliminating known drainage problems
- Design and construct a traffic signal at the Rose and Laurel intersection
- Continue the LED streetlight replacement project in an effort to lower the City's energy costs
- Begin to retrofit the City's traffic signals to include LED streetlights, LED illuminated street name signs, audible pedestrian signals, and wiring to allow for generator backup in the case of power failures.
- Continuing to implement the Citywide Neighborhood Traffic Management Program
- Continuing to replacement street name signs with the current standard
- Continuing to implement a proactive street, drainage, parks and landscape maintenance program utilizing both in-house and contract personnel
- Continued transition to a graduated landscape maintenance program that establish level of service goals based on community use, aesthetic benefit, and available funding
- Continuing to enhance reporting practices for both construction inspection and maintenance activities to increase information sharing
- Continuing to conduct a proactive traffic engineering program
- Continuing to increase coordination with the Police Department regarding traffic enforcement issues
- Continuing to increase public outreach regarding water quality practices and requirements
- Participating in regional planning efforts such as Transplan, the City-County Engineering Advisory Committee, and the Contra Costa Clean Water Program to ensure that Oakley is recognized as a contributor
- Processing maintenance requests in a timely and efficient manner
- Processing development plans and permits in a timely and efficient manner
- Aggressively pursuing grants to enhance the City's infrastructure
- Continue to implement maintenance management and inventory programs to better track and maintain the City's street, storm drain, parks, and landscaping assets
- Research information managements systems and resources including geographical information systems to identify economically viable ways to manage and share information such as maps and infrastructure information
- Coordinate and collaborate with other City Departments to provide exemplary and proactive service to potential developers to enhance Oakley's economic development opportunities



PUBLIC WORKS /ENGINEERING/MAINTENANCE & PARKS				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$309,779	\$339,468	\$339,555	\$350,343
Services	\$1,164,661	\$1,177,302	\$1,031,031	\$1,011,985
Supplies	\$6,412	\$7,420	\$12,500	\$12,000
Capital Outlay		\$768	\$5,500	\$5,000
Total	\$1,480,852	\$1,524,958	\$1,388,586	\$1,379,328

PUBLIC WORKS/ENGINEERING/MAINTENANCE & PARKS DEPARTMENT STAFFING	
The following staff are provided under a contract with DMC:	
City Engineer/Public Works Director	1
Assistant Engineer	1
CIP Project Manager	1
Public Works Inspectors	1.25
Administrative Assistant	1
Senior Civil Engineer	1
Park & Landscape Maintenance Manager	.63
Total Public Works Staff Provided by DMC	6.88
City Staff:	
Public Works Maintenance Worker	1
Parks and Landscape Leadworker	1
Landscape Maintenance Worker	1
Parks Laborer	1
Parks Monitor	.25
Seasonal Parks Laborer	2
Total City Staff	6.25
Total Public Works and Engineering Department Staffing	13.13



RECREATION

Programs for the fiscal year 2012-2013 budget are funded in part by the following revenues: Parks and facility rental fees, program fees, grants, and sponsorships. While the Recreation Division continues looking toward an increase in revenue generated through programming fees and increased sponsorship contributions, the majority of costs will still be paid for with general purpose revenues.

Program Description

Recreation focuses on creating community through people, parks and programs. The Recreation Division provides diverse and innovative programming, offering programs and activities to citizens of all ages through out the year. The programs promote physical health and wellness, improve community image and community pride, and foster youth development. The Recreation Division works in partnership with community organizations, non profits and commercial businesses to ensure quality recreation services for Oakley residents.

Staffing Summary

The Recreation Division consists of one Recreation Manager, one Recreation Technician, and seasonal Recreation Leaders and Aides.

Recreation Manager- The Recreation Manager is responsible for day to day operations of the Recreation Division, including After Youth School Programs, Youth CORE, Youth Council, Facility Rentals, the Community Pool, Community Classes and various other assignments.

Recreation Technician- The full-time Recreation Technician is responsible for the Kids and Tots Programs, classes and Special Events.

Recreation Leaders and Aides- The City hires temporary and seasonal Recreation Leaders and Aides to assist with After School Programs, Summer Camps, Facility Rentals, Special Events and other assignments. Recreation Leaders and Aides total 3.36 FTE.

Program Objectives

The mission of The Recreation Division is to provide the residents of Oakley with quality programming meeting the following FY 2012-2013 objectives:



- **Special Events-** Continuing in 2012-2013 the Special Events facilitated by the Recreation Division will include the Science Week Program, increased number of Movies in the Plaza, Kids Fishing Derby, Marsh Creek Coastal Clean Up, Harvest Festival and Christmas Tree Lighting and Cityhood Celebration. In 2012-2013 staff will also evaluate partnership with the Oakley Chamber of Commerce for a signature downtown event.
- **Kids and Tots-** The objective of kids and tots programs is to provide safe and fun activities for kids during the summer as well as on their breaks from school.
- **Sports Programming-** Sports programs will be operated by the use of independent contracts.
- **Recreation Classes-** The Recreation Division offers over 30 classes through the use of independent instructor contracts. Independent instructors also provide a number of seasonal camp programs designed to provide opportunities for kids and youth during school breaks. As space permits the Recreation Division will continue to increase these programs which reflect no change in budget expenditures.
- **Park and Facility Rentals-** Parks and Facility rentals offer an untapped focus of additional revenue. Scheduling parks for private rentals as well as team rentals, as well as rentals for the White House and Oakley Recreation Buildings as well as the Oakley Recreation Buildings are reflected in the 2012-2013 budget.

Program Changes

The Recreation Division proposed budget incorporates changes made from last year's budget. New facility rentals and revised program fees are expected to provide increased revenues while a continued scholarship program will provide a means for families otherwise unable to afford the program fees to participate. New and innovative advertising for the Recreation Guide and other media materials also provided ways to reduce City costs.



RECREATION				
USE OF FUNDS	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Personnel Services	\$240,733	\$193,207	\$198,084	\$209,315
Services	\$47,892	\$38,588	\$65,606	\$56,597
Supplies	\$34,680	\$16,790	\$45,650	\$68,800
Total	\$323,305	\$248,585	\$309,340	\$334,712

RECREATION DEPARTMENT STAFFING	
Recreation Manager	1
Recreation Technician	1
Seasonal Recreation Leader-Seasonal (FTE)	2.4
Seasonal Recreation Aides-Seasonal (FTE)	.96
Total Recreation Department Staffing	5.37



TRANSFERS

Staff proposes the following transfers from the General Fund in fiscal year 2012-2013.

\$25,000 To the General Capital Projects Fund for capital projects and administration.

\$25,000 To the Main Street Fund for capital projects and administration.

	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Transfers Out	\$75,000	\$163,931	\$156,000	\$50,000

CAPITAL OUTLAY

There are no appropriations for fiscal year 2012-2013 for direct Capital Outlay by the General Fund.

	2009-2010 Actual	2010-2011 Actual*	2011-2012 Projected	2012-2013 Recommended
Capital Outlay		\$1,998,435		

* Acquired property at Empire and Neroly Road.



SPECIAL REVENUE FUNDS

COMMUNITY FACILITIES DISTRICT #1 (CYPRESS GROVE)

In October 2005, the City formed CFD #1 (Cypress Grove) to account for drainage maintenance activities in this new development. This is the first such district formed in the City and serves as a model for future developments. These activities are funded entirely by assessments on property owners.

FUND 110- COMMUNITY FACILITIES DISTRICT #1 (CYPRESS GROVE)				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$266,516	\$271,854	\$250,000	\$277,283
Interest	\$5,029	\$4,249	\$5,000	
Total Revenues	\$271,545	\$276,103	\$255,000	\$277,283
Services	\$65,227	\$85,001	\$35,733	\$89,303
Capital Outlay				\$30,000
Supplies	\$49,446	\$84,374	\$170,750	\$150,750
Total Expenditures	\$114,673	\$169,375	\$206,483	\$270,053
Unassigned Balances				\$1,016,576
Total Budgeted	\$114,673	\$169,375	\$206,483	\$1,286,629



YOUTH DEVELOPMENT GRANT FUND

The City began a partnership with the Vesper Society and was awarded grants beginning FY 2005-2006 to fund youth development programs beginning late FY 2005-2006 early FY 2006-2007. This partnership continued with additional grants awarded during FY 2008-2009, 2009-2010, 2010-2011 and FY 2011-2012 to continue the youth development programs to December 2012. A separate fund is utilized to account for these activities.

FUND 123- YOUTH DEVELOPMENT GRANTS				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Grant Proceeds	\$18,893	\$17,360	\$54,000	\$28,500
Interest	\$601	\$501		
Total Revenues	\$19,494	\$17,861	\$54,000	\$28,500
Services	\$18,946	\$14,485	\$39,000	\$18,500
Capital Outlay				
Supplies	\$548	\$3,376	\$15,000	\$10,000
Total Expenditures	\$19,494	\$17,861	\$54,000	\$28,500



YOU, ME, WE = OAKLEY!

The City has begun a partnership with the Welcoming America program to operate a Welcoming Oakley Program, focused on promoting mutual respect and cooperation between foreign-born and U.S.-born Americans. Because funding for the program is provided through grants, a separate fund is utilized to account for these activities; and unless renewed, the program is expected to be completed in October 2012.

FUND 125- YOU, ME, WE = OAKLEY!				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Grant Proceeds		\$8,650	\$98,459	\$33,766
Interest				
Total Revenues		\$8,650	\$98,459	\$33,766
Services		\$5,400	\$79,139	\$32,534
Capital Outlay		\$3,250	\$3,000	
Supplies			\$3,100	\$1,231
Total Expenditures		\$8,650	\$85,239	\$33,765

AGRICULTURAL PRESERVATION

The City is working to develop an agricultural preservation program funded with development mitigation fees. While the parameters of the program are being formalized, all of the program activities are expected to be funded by development fees, so the City has established this separate fund to account for program activities.

FUND 136- AGRICULTURAL PRESERVATION				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Developer Fees		\$15,384		
Interest				
Total Revenues		\$15,384	\$0	\$0
Services				\$15,384
Capital Outlay				
Supplies				
Total Expenditures			\$0	\$15,384



LIGHTING AND LANDSCAPING DISTRICT

The City has a Lighting and Landscaping District with 3 zones:

Zone 1 – Fund 132 Community Parks

This zone is citywide and maintains the City's larger parks (3 acres or larger). It is funded primarily by assessments.

Zone 2 – Fund 133 Street Lighting

This zone provides street lighting for the entire City. It is funded primarily by assessments but does not generate sufficient revenues to be self-supporting. The Gas Tax Fund has been and is expected to continue to subsidize its operations. For fiscal year 2012-2013, the subsidy is estimated to be \$150,746

Zone 3 – Funds 170-195 Neighborhood Parks (made up of 26 sub-zones)

This zone maintains the City's smaller neighborhood parks. Each sub-zone generally represents a park or neighborhood with several parks and/or roadway landscaping. Each sub-zone is funded by assessments.

Several Park Zones have not had sufficient revenues to fully fund their Capital Asset Replacement and Resurfacing Reserves. The table below shows the funds, the amount of reserves that should have accumulated through June 30, 2012, the amount accumulated, and the shortfall. While no existing need is going unaddressed at present, Staff is working to find ways to ensure these future needs are addressed.



Zone	Name	Amount that Should have Accumulated	Projected Balance of June 30, 2012	Shortfall to date, if any
1	132-Community Parks	\$898,331	\$606,558	\$291,776
2	133-Street Lights	\$345,800	\$133,015	\$212,785
3-5	174-Oak Grove	\$101,600	\$38,067	\$63,533
3-8	177-Claremont	\$6,650	\$2,415	\$4,145
3-15	184-Country Fair	\$274,375	\$146,109	\$128,266
3-17	186-Ca Jamboree	\$131,830	\$103,625	\$28,205
3-18	187-Country Place	\$116,875	\$6	\$116,869
3-19	188-Laurel Crest	\$88,810	\$44,030	\$44,780
3-22	191-Cypress Grove	\$259,880	\$228,806	\$31,074
3-25	194-Magnolia Park	\$403,080	\$401,831	\$1,249

Below are a series of tables showing the revenues and expenditures for each fund. For those funds with revenues in excess of expenditures, balances are originally established for capital asset replacement and resurfacing, to ensure funds are available to maintain the landscape as assets wear out, and then to an operating reserve, if possible, to ensure cash is available to fund services until tax revenues are received during the year.

FUND 132 – ZONE 1 (COMMUNITY PARKS)				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$1,013,442	\$954,914	\$960,000	\$1,056,305
Interest	\$3,461	\$2,753	\$2,000	
Other	\$4,855	\$19,611		
Transfer in/Loans				
Total Revenues	\$1,021,758	\$977,278	\$962,000	\$1,056,305
Services	\$673,823	\$688,376	\$877,246	\$841,148
Loan Repayments	\$193,153			
Capital Outlay				
Transfers Out	\$59,642	\$54,525	\$55,000	\$57,275
Transfer to Capital Reserve	\$91,267		\$29,655	\$146,652
Interest	\$3,235	\$1,470		
Total Expenditures	\$1,021,120	\$744,371	\$961,901	\$1,045,075



FUND 133 – ZONE 2 (STREET LIGHTING)				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$191,920	\$195,129	\$195,000	\$199,505
Interest	\$753	\$574		
Transfer in/Loans	\$149,163	\$207,443	\$174,400	\$150,746
Total Revenues	\$341,836	\$403,146	\$369,400	\$350,251
Services	\$327,759	\$368,673	\$342,800	\$331,800
Transfer to Capital Reserve	\$14,077		\$26,600	\$17,000
Total Expenditures	\$341,836	\$368,673	\$369,400	\$348,800
Unassigned Balances				\$3,672
Total Budgeted	\$341,836	\$368,673	\$369,400	\$352,472

FUND 170 – VINTAGE PARKWAY				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$73,772	\$73,772	\$73,772	\$73,771
Grant Proceeds	\$113			
Interest	\$268	\$273	\$200	
Total Revenues	\$74,153	\$74,045	\$73,972	\$73,771
Services	\$62,241	\$51,126	\$80,916	\$73,771
Total Expenditures	\$62,241	\$51,126	\$80,916	\$73,771
Unassigned Balances				\$62,486
Total Budgeted	\$62,241	\$51,126	\$80,916	\$136,257



FUND 171 – OAKLEY RANCH				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$26,446	\$26,446	\$26,446	\$26,246
Grant Proceeds	\$113			
Interest	\$455	\$336	\$250	
Total Revenues	\$27,014	\$26,782	\$26,696	\$26,246
Services	\$24,976	\$24,944	\$39,143	\$26,246
Supplies		\$25		
Total Expenditures	\$24,976	\$24,969	\$39,143	\$26,246
Unassigned Balances				\$51,114
Total Budgeted	\$24,976	\$24,969	\$39,143	\$77,360

FUND 172 – EMPIRE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$4,534	\$4,534	\$4,534	\$4,534
Grant Proceeds	\$113			
Interest	\$527	\$378	\$250	
Total Revenues	\$5,174	\$4,912	\$4,784	\$4,534
Services	\$8,265	\$3,998	\$5,374	\$4,534
Total Expenditures	\$8,265	\$3,988	\$5,374	\$4,534
Unassigned Balances				\$78,066
Total Budgeted	\$8,265	\$3,988	\$5,374	\$82,600

FUND 173 – OAKLEY TOWN CENTER				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$10,935	\$10,935	\$10,941	\$10,935
Grant Proceeds	\$113			
Interest	\$320	\$264	\$250	
Total Revenues	\$11,368	\$11,199	\$11,191	\$10,935
Services	\$5,721	\$5,185	\$9,740	\$10,935
Total Expenditures	\$5,721	\$5,185	\$9,740	\$10,935
Unassigned Balances				\$59,318
Total Budgeted	\$5,721	\$5,185	\$9,740	\$70,253



FUND 174 – OAK GROVE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$28,500	\$28,500	\$28,500	\$28,405
Grant Proceeds	\$113			
Interest	\$211	\$169		
Total Revenues	\$28,824	\$28,669	\$28,500	\$28,405
Services	\$20,069	\$23,124	\$27,048	\$29,500
Transfer to Capital Reserve	\$77,96			
Total Expenditures	\$27,865	\$23,124	\$27,048	\$29,500
Unassigned Balances				\$357
Total Budgeted	\$27,865	\$23,124	\$27,048	\$29,857

FUND 175 – LAUREL WOODS/LUNA ESTATES				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$7,668	\$7,668	\$7,668	\$7,668
Grants Proceeds	\$113			
Interest	\$306	\$256	\$250	
Total Revenues	\$8,087	\$7,924	\$7,918	\$7,668
Services	\$1,184	\$3,044	\$4,878	\$7,668
Total Expenditures	\$1,184	\$3,044	\$4,878	\$7,668
Unassigned Balances				\$59,503
Total Budgeted	\$1,184	\$3,044	\$4,878	\$67,171

FUND 176 – SOUTH FORTY				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$9,805	\$9,805	\$9,805	\$9,712
Grants Proceed	\$113			
Interest	\$158	\$131		
Total Revenues	\$10,076	\$9,936	\$9,805	\$9,712
Services	\$8,504	\$3,261	\$29,805	\$9,713
Total Expenditures	\$5,504	\$3,261	\$29,805	\$9,713
Unassigned Balances				\$11,192
Total Budgeted	\$5,504	\$3,261	\$29,805	\$20,905



FUND 177 – CLAREMONT				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$7,628	\$7,628	\$7,628	\$7,628
Grant Proceeds	\$113			
Interest	\$79	\$78		
Other				
Total Revenues	\$7,820	\$7,706	\$7,628	\$7,628
Capital Outlay				
Services	\$5,313	\$5,291	\$7,605	\$7,628
Total Expenditures	\$5,313	\$5,291	\$7,605	\$7,628
Unassigned Balances				\$15,800
Total Budgeted	\$5,313	\$5,291	\$7,605	\$23,428

FUND 178 – GATEWAY				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$18,360	\$18,360	\$18,360	\$18,360
Grant Proceeds	\$113			
Interest	\$1,381	\$895	\$750	
Total Revenues	\$19,854	\$19,255	\$19,110	\$18,360
Capital Outlay		\$3,564		
Services	\$60,482	\$12,308	\$17,846	\$18,360
Total Expenditures	\$60,482	\$15,872	\$17,846	\$18,360
Unassigned Balances				\$182,351
Total Budgeted	\$60,482	\$12,308	\$17,846	\$200,711



FUND 179 – COUNTRYSIDE (VILLAGE GREEN)				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$2,625	\$2,625	\$2,625	\$2,562
Grant Proceeds	\$113			
Interest	\$112	\$82		
Total Revenues	\$2,850	\$2,707	\$2,625	\$2,562
Services	\$2,639	\$2,092	\$3,150	\$2,625
Total Expenditures	\$2,639	\$2,092	\$3,150	\$2,625
Unassigned Balances				\$17,647
Total Budgeted	\$2,639	\$2,092	\$3,150	\$20,272

FUND 180 – COUNTRY FAIR (MEADOW GLEN)				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$5,421	\$5,423	\$5,423	\$5,423
Interest		\$13		
Total Revenues	\$5,421	\$5,436	\$5,423	\$5,423
Interest	\$74	\$54		
Loan Repayments	\$290			
Services	\$4,188	\$3,677	\$4,578	\$5,423
Total Expenditures	\$4,552	\$3,731	\$4,578	\$5,423
Unassigned Balances				
Total Budgeted	\$4,552	\$3,731	\$4,578	\$5,423



FUND 181 – CALIFORNIA SUNRISE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$3,502	\$3,502	\$3,502	\$3,502
Grant Proceeds	\$113			
Interest	\$163	\$220	\$250	
Other				
Total Revenues	\$3,778	\$3,722	\$3,752	\$3,502
Capital Outlay				
Services	\$1,988	\$639	\$2,120	\$3,502
Total Expenditures	\$1,988	\$639	\$2,120	\$3,502
Unassigned Balances				\$51,864
Total Budgeted	\$1,988	\$639	\$2,120	\$55,366

FUND 182 – CALIFORNIA VISIONS (LAUREL)				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$12,000	\$12,000	\$12,000	\$11,875
Grant Proceeds	\$113			
Interest	\$720	\$565	\$500	
Total Revenues	\$12,833	\$12,565	\$12,500	\$11,875
Services	\$6,238	\$6,311	\$7,271	\$8,868
Transfer to Capital Reserve				\$3,312
Total Expenditures	\$6,238	\$6,311	\$7,271	\$12,000
Unassigned Balances				\$124,957
Total Budgeted	\$6,238	\$6,311	\$7,271	\$136,957

FUND 183 – CLAREMONT HERITAGE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$18,240	\$18,240	\$18,240	\$18,240
Grant Proceeds	\$113			
Interest	\$747	\$609	\$500	
Total Revenues	\$19,100	\$18,849	\$18,740	\$18,240
Transfer to Capital Reserve				\$9,630
Services	\$6,333	\$6,088	\$7,772	\$8,610
Total Expenditures	\$6,333	\$6,088	\$7,772	\$18,240
Unassigned Balances				\$144,535
Total Budgeted	\$6,333	\$6,088	\$7,772	\$162,775

FUND 184 – COUNTRY FAIR (MEADOW GLEN II)				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$119,715	\$120,267	\$120,060	\$121,026
Grant Proceeds	\$113			
Interest	\$500	\$505		
Total Revenues	\$120,328	\$120,772	\$120,060	\$121,026
Capital Outlay				
Transfer to Capital Reserve	\$40,046		\$21,964	
Services	\$80,281	\$86,153	\$98,096	\$121,026
Total Expenditures	\$120,327	\$86,153	\$120,060	\$121,026
Unassigned Balances				\$1,242
Total Budgeted	\$120,327	\$86,153	\$120,060	\$122,268



FUND 185 – SUNDANCE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$8,910	\$8,910	\$8,910	\$8,910
Grant Proceeds	\$113			
Interest	\$132	\$87		
Total Revenues	\$9,155	\$8,997	\$8,910	\$8,910
Services	\$6,882	\$10,738	\$11,703	\$8,910
Total Expenditures	\$6,882	\$10,738	\$11,703	\$8,910
Unassigned Balances				\$16,381
Total Budgeted	\$6,882	\$10,738	\$11,703	\$25,291

FUND 186 – CALIFORNIA JAMBOREE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$87,684	\$87,684	\$87,684	\$87,547
Grant Proceeds	\$113			
Interest	\$2,438	\$1,957	\$1,500	
Other	\$450	\$187		
Transfers In	\$9,367	\$27,250	\$30,000	\$30,000
Total Revenues	\$100,052	\$117,078	\$119,184	\$117,547
Capital Outlay				
Transfer to Capital Reserve	\$27,075		\$35,000	
Services	\$70,660	\$83,682	\$120,856	\$117,548
Total Expenditures	\$97,735	\$83,682	\$155,856	\$117,548
Unassigned Balances				\$313,659
Total Budgeted	\$97,735	\$83,682	\$155,856	\$431,207



FUND 187 – COUNTRY PLACE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$23,400	\$23,400	\$23,400	\$23,400
Grant Proceeds	\$113			
Interest	\$83	\$15		
Transfers In	\$4,325	\$4,325	\$4,325	\$4,325
Total Revenues	\$27,921	\$27,740	\$27,725	\$27,725
Transfer to Capital Reserve				
Services	\$36,749	\$41,298	\$57,087	\$54,480
Total Expenditures	\$36,749	\$41,298	\$57,087	\$54,480
Unassigned Balances				
Total Budgeted	\$36,749	\$41,298	\$57,087	\$54,480

FUND 188 – LAUREL CREST				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$87,600	\$87,600	\$87,600	\$87,000
Grant Proceeds	\$113			
Interest	\$1,526	\$1,076	\$1,000	
Total Revenues	\$89,239	\$88,676	\$88,600	\$87,000
Services	\$84,661	\$96,702	\$98,657	\$111,824
Total Expenditures	\$84,661	\$96,702	\$98,657	\$111,824
Unassigned Balances				\$121,569
Total Budgeted	\$84,661	\$96,702	\$98,657	\$233,393



FUND 189 – MARSH CREEK GLEN				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$75,410	\$76,764	\$77,000	\$80,403
Grant Proceeds	\$338			
Interest	\$2,460	\$2,042	\$1,250	
Total Revenues	\$78,208	\$78,806	\$78,250	\$80,403
Capital Outlay			\$170,000	
Transfer to Capital Reserve	\$5,090		\$33,796	\$34,170
Services	\$29,960	\$31,756	\$33,734	\$46,238
Total Expenditures	\$35,050	\$31,756	\$237,530	\$80,408
Unassigned Balances				\$263,207
Total Budgeted	\$35,050	\$31,756	\$237,530	\$343,615

FUND 190 – QUAIL GLEN				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$23,688	\$24,112	\$25,000	\$25,257
Grant Proceeds	\$113			
Interest	\$589	\$512	\$500	
Total Revenues	\$24,390	\$24,624	\$25,500	\$25,257
Services	\$9,764	\$4,186	\$24,113	\$25,257
Total Expenditures	\$9,764	\$4,186	\$24,113	\$25,257
Unassigned Balances				\$107,268
Total Budgeted	\$9,764	\$4,186	\$24,113	\$132,525



FUND 191 – CYPRESS GROVE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$215,421	\$219,273	\$220,000	\$229,686
Grant Proceeds	\$113			
Interest	\$1,629	\$1,274	\$500	
Total Revenues	\$217,163	\$220,547	\$220,500	\$229,686
Transfer to Capital Reserve	\$62,140		\$56,913	\$50,339
Services	\$192,940	\$184,174	\$163,577	\$179,349
Total Expenditures	\$255,080	\$184,174	\$220,490	\$229,688
Unassigned Balances				\$120,248
Total Budgeted	\$255,080	\$184,174	\$220,490	\$349,936

FUND 192 – SOUTH OAKLEY				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$291,434	\$300,327	\$300,000	\$315,705
Grant Proceeds	\$225			
Interest	\$1,214	\$1,148	\$750	
Other		\$1,317		
Transfers In	\$12,950	\$12,950	\$12,950	\$12,950
Total Revenues	\$305,823	\$315,742	\$313,700	\$328,655
Capital Outlay				
Transfer to Capital Reserve	\$41,690		\$38,819	\$28,170
Services	\$236,784	\$261,218	\$280,957	\$300,485
Total Expenditures	\$278,474	\$261,218	\$319,776	\$328,655
Unassigned Balances				\$124,055
Total Budgeted	\$278,474	\$261,218	\$319,776	\$452,710



FUND 193 – STONE CREEK				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments				\$15,000
Grant Proceeds	\$113			
Interest	\$840	\$638	\$500	
Other		\$798		
Total Revenues	\$953	\$1,436	\$500	\$15,000
Transfer to Capital Reserve				
Services				\$26,800
Total Expenditures	\$0	\$0	\$0	\$26,800
Unassigned Balances				\$119,989
Total Budgeted	\$0	\$0	\$0	\$146,789

FUND 194 – MAGNOLIA PARK (NEW IN 2007-2008)				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$442,217	\$471,830	\$470,000	\$624,003
Grant Proceeds	\$330			
Interest	\$2,062	\$2,508	\$1,500	
Other	\$201	\$1,740		
Transfer In	\$33,000	\$10,000	\$10,000	\$10,000
Total Revenues	\$477,810	\$486,078	\$481,500	\$634,003
Transfer to Capital Reserve	\$100,458		\$100,458	\$314,201
Services	\$244,645	\$274,179	\$280,713	\$319,804
Total Expenditures	\$345,103	\$274,179	\$381,171	\$634,005
Unassigned Balances				\$440,194
Total Budgeted	\$345,103	\$274,179	\$381,171	\$1,074,199



FUND 195 – SUMMER LAKE				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$196,948	\$102,074	\$100,000	\$87,874
Grant Proceeds	\$338			
Interest	\$2,717	\$2,500	\$1,500	
Total Revenues	\$200,003	\$104,574	\$101,500	\$87,874
Capital Outlay				
Transfer to Capital Reserve	\$78,190	\$175	\$75,190	\$29,187
Services	\$46,870	\$47,567	\$53,208	\$58,687
Total Expenditures	\$125,060	\$47,742	\$128,398	\$87,874
Unassigned Balances				\$308,335
Total Budgeted	\$125,060	\$47,742	\$128,398	\$396,209



ROAD MAINTENANCE FUNDS

The City has two Special Revenue funds used mostly for Road Maintenance: the Gas Tax Fund, and the Measure J Fund.

The Gas Tax Fund is used to account for the City's share of local gas tax revenues and congestion management funds received from the State. These revenues are for 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 effects, the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes. The City uses them for local roadway maintenance, roadway projects, and to subsidize the Street Lighting Fund.

The Measure J Fund is used to account for the City's share of the voter approved 1/2% sales tax for transportation projects. Measure J was passed by the voters as a successor tax to Measure C. Both are restricted to the same uses as Gas Tax revenues, but can also be applied to transit improvement and operations, growth management planning and compliance, pedestrian and bicycle trail construction/maintenance/operations, parking facility development, and transportation efficiency program development and operations (ridesharing, etc). The City uses its Measure J tax revenues for local roadway maintenance and roadway projects.



FUND 140 – GAS TAX				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Gas Taxes	\$572,994	\$894,276	\$571,000	\$924,428
Grant Proceeds	\$21,850			
Interest	\$6,245	\$4,596	\$4,000	
Other	\$129	\$17,145		
Congestion Management Funds	\$314,648		\$395,000	
Total Revenues	\$915,866	\$916,017	\$970,000	\$924,428
Services	\$389,906	\$284,289	\$217,204	\$190,917
Supplies	\$90,754	\$67,984	\$156,000	\$213,500
Capital Outlay	\$380,150	\$548,096	\$1,160,285	\$531,157
Transfers Out	\$149,163	\$207,443	\$174,400	\$150,746
Total Expenditures	\$1,009,973	\$1,107,812	\$1,708,316	\$1,086,320
Unassigned Balances				\$18,446
Total Budgeted	\$1,009,973	\$1,107,812	\$1,707,889	\$1,104,786

FUND 148 – MEASURE J (with Measure C information shown for comparison)				
	2009-2010 Actual*	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Grants	\$21,850			
Measure J Allocations	\$913,800		\$485,515	\$943,507
Interest	\$16,271	\$6,169	\$5,000	
Total Revenues	\$951,921	\$6,169	\$490,515	\$943,507
Personnel Services				
Services	\$66,631	\$84,105	\$152,104	\$125,917
Supplies				
Capital Outlay**	\$611,186	\$377,752	\$1,915,239	\$520,492
Total Expenditures	\$677,817	\$461,857	\$2,067,343	\$646,409
Unassigned Balances				\$100,504
Total Budgeted	\$677,817	\$461,857	\$2,067,343	\$746,913

* Fiscal Year 2009-2010 includes Measure C activities as well as Measure J revenues.



STORM WATER PROGRAM FUND

The City has a separate fund to account for its Storm Water Program activities. The program is funded by assessments on property owners, and pays for storm water and pollution runoff management activities mandated by the Federal Government.

FUND 145 – STORM WATER PROGRAM				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$523,295	\$474,038	\$460,000	\$460,000
Interest	\$5,184	\$3,833	\$4,000	
Other		\$1,980		
Total Revenues	\$528,479	\$479,851	\$464,000	\$460,000
Services	\$247,525	\$255,733	\$336,440	\$276,025
Supplies	\$80,397	\$91,118	\$116,500	\$159,000
Capital Outlay	\$304,027	\$4,575	\$11,250	\$30,000
Total Expenditures	\$631,949	\$351,426	\$464,190	\$465,025
Unassigned Balances				\$915,796
Total Budgeted	\$631,949	\$351,426	\$464,190	\$1,380,050



POLICE SERVICE FUNDS

The City has two police service funds: The P-6 Fund and the Supplemental Law Enforcement Services Fund (SLESF). The P-6 Fund is where the City accounts for the City's police services special tax, all of which are budgeted to augment general fund resources in funding the Police Department budget. The SLESF is where the City accounts for Supplemental Law Enforcement Grants from the State. The fiscal year 2012-2013 budget reflects the use of the grant from the State to supplement Police Department costs.

FUND 150 – P-6 POLICE SERVICES				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Assessments	\$2,128,840	\$2,264,302	\$2,447,000	\$2,566,500
Interest	\$(485)	\$269	\$500	
Total Revenues	\$2,128,355	\$2,264,571	\$2,447,500	\$2,566,500
Services	\$2,128,355	\$2,264,571	\$2,447,500	\$2,566,500
Total Expenditures	\$2,128,355	\$2,264,571	\$2,447,500	\$2,566,500

FUND 151 – SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Grant Revenues	\$99,809	\$103,126	\$206,514	\$100,000
Interest	\$627	\$445	\$500	
Total Revenues	\$100,436	\$103,571	\$207,014	\$100,000
Services	\$100,436	\$474	\$200,000	\$100,000
Supplies				
Capital Outlay		\$103,097	\$6,514	
Total Expenditures	\$100,436	\$103,571	\$206,514	\$100,000



DEVELOPER DEPOSITS FUNDS

The City has a separate fund to account for developer deposits and related development application processing costs. The revenues are earned only as work is performed and costs incurred. All deposits that are unused in the application review process are returned to the applicant when the review is completed.

FUND 301 – DEVELOPER DEPOSITS				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Developer Fees	\$929,644	\$533,217	\$297,783	\$293,815
Total Revenues	\$929,644	\$533,217	\$297,783	\$293,815
Services	\$929,644	\$533,217	\$250,000	\$293,815
Operating Transfers Out			\$47,783	
Total Expenditures	\$929,644	\$533,217	\$297,783	\$293,815



DEBT SERVICE FUNDS

Program Costs and Revenues

Debt Service Funds are where we account for the Principal, Interest, and administrative costs associated with the City's debt.

Program Description

The City currently has one debt outstanding:

- The 2006 Certificate of Participation issued by the City's Financing Authority to purchase 3221 Main Street and pay for the City Hall improvements on the Downtown Civic Center site. It is being repaid with Public Facilities Impact Fees

Staffing Summary

No staffing is permanently allocated to debt management, however the Finance Department ensures the City complies with financial reporting requirements and interfaces with contracted administrators. The City hires NBS Financial as its dissemination agent, and Wells Fargo as trustee and Fiscal Agent.

Program Objectives

The primary operating objectives for the City remain unchanged for fiscal year 2012-2013: to make the debt service payments, to oversee the services provided by the contractors, and to ensure the preparation of all required public reporting.

Program Changes

None



**Debt Service 2006 Certificates of Participation
Fund 351**

ESTIMATED REVENUES		
Transfers In	Interest Income	Total Revenues
\$544,957		\$544,957

RECOMMENDED EXPENDITURES			
Principal	Interest	Administration	Total Expenditures
\$240,000	\$306,836	\$16,000	\$562,836

DEBT LISTING:

2006 Certificates	Civic Center Project	\$8,500,000
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REMAINING DEBT SERVICE:

Fiscal Year	Principal	Interest	Total Debt Service
2012-13	\$240,000	\$316,436	\$556,436
2013-14	\$255,000	\$306,836	\$561,836
2014-15	\$265,000	\$296,636	\$561,636
2015-16	\$275,000	\$286,036	\$561,036
2016-17	\$285,000	\$275,035	\$560,035
Other Years	\$6,130,000	\$2,372,387	\$8,502,387
Totals	\$7,450,000	\$3,853,366	\$11,303,366



CAPITAL PROJECTS FUNDS

Capital Improvement Programs

Each year, the City Council updates the Five Year Capital Improvement Program (CIP) as part of its annual budget process. The timeframe for the update this year covers FY 2012/13 through 2016/17. Throughout the year Staff has provided the City Council with project updates and a number of projects have progressed through the design, right of way, and construction phases. In addition, the Redevelopment Agency/Successor Agency has had separate discussions on the priorities and progress of projects being funded by the 2008 bond proceeds. Those discussions have been incorporated into the draft update that is being presented for consideration.

Over the last several years the City's CIP has been very aggressive in both design and construction projects. The project pipeline has been relatively full and there has been a backlog of projects waiting to be implemented once utility and right of way issues were resolved. While the downturn in the building cycle has been evident for several years now, the shrinking revenue stream is finally catching up to the CIP. The construction activity for FY 2012/13 is still expected to be brisk, but projections for future year construction are relatively weak in the near term. Of the new projects that have been added, only one is a relatively significant expenditure.

The CIP now totals 143 current or past projects. Of those 22 projects are proposed to be either under design or construction during the year. The three new projects added include one to enhance the landscaping and street trees along Main Street now that the Caltrans planting requirements are no longer in effect, an annual project to incrementally modernize the City's traffic signals with LED lighting and signage, audible pedestrian signals, and wiring for generator backup, and one to signalize the Laurel and Rose intersection to complement the investment being made through CIP 124 which is installing medians and frontage improvements on Laurel.

The scope, budget, and schedule for each project has been reviewed by staff and updated based on the most current information. Since many of the projects remain unchanged from last year, only the project sheets that have been added or changed materially are being provided. The project sheets indicate proposed changes from the prior year program as the last item in the comment section. A summary of the anticipated revenues, capital expenditures by fund, and significant program modifications is provided below. Since CIP projects can be complex and cover multiple years, City policies allow for funds budgeted in years past to be rolled over for expenditure in the current year. All FY 12/13 budget requests are for new or additional monies.



Available Funds

Funding Source (Fund #)	Estimated FYE Fund Balance	Estimated FY 12/13 Revenues	Recommended FY 12/13 Operational Expenses	Amount Available for New CIP Appropriations
Traffic Impact Fees (202)	\$527,782	\$1,050,000	\$13,308	\$1,564,474
Public Facilities Fees (206)	\$(42,000)	\$337,625	\$546,957	\$(251,331)
Park Impact Fees (204)	\$22,161			\$22,161
Measure J (148)	\$(196,594)	\$943,507	\$125,917	\$620,996
Gas Tax (140)	\$180,358	\$924,428	\$555,163	\$549,623
General Capital Projects (201)	\$22,033	\$28,000	\$3,000	\$47,033
Main Street Fund	\$718,948	\$25,000	\$2,500	\$741,448

Note 1: There are no material operations in the Public Facilities Impact Fee Fund; expenses are for debt service related to the 2006 Certificates of Participation that were issued to finance a portion of the construction of City Hall. The General Fund will loan the Impact Fee Fund the \$129,030 necessary to cover this year's projected shortfall.

2012-2013 Recommended Project Expenditures

Funding Source	Expenditures	Unassigned Balances
Traffic Impact Fees (202)	\$1,312,867	\$251,607
Measure J (148)	\$520,492	\$100,504
General Capital Projects (201)		\$47,033
Gas Tax (140)	\$531,157	\$18,466
Main Street Fund	\$300,000	\$441,408
Total	\$2,664,516	\$859,018

**The expenditures listed above are directly related to specific projects as described in the following sections. Available revenues not directly related to specific projects are budgeted to unassigned balances categories in the various funds and are obligated to projects throughout the year through further City Council action or are carried through to FYE Fund Balance for use in the following year.*



Recommended New Activities for 2012-2013

The following projects are either new to the CIP this year or have new money being budgeted to them this year:

Project 12, Citywide Safety and Traffic Management Improvements- This annual project implements spot transportation safety improvements such as the Neighborhood Traffic Management Program (NTMP). The funding level for the project has been reduced from past years. Total FY 12/13 Budget- \$50,000 (\$25,000 Gas Tax, \$25,000 Measure J)

Project 13, Citywide Frontage Improvement Gap Closures- This annual project is used to fill in gaps in sidewalks throughout the City. Past projects include Empire Avenue and Cypress Road. The relinquishment of Main Street has added a number of new gaps that can now be addressed through this project. The budget for this year remains the same as last year. Total FY 12/13 Budget- \$150,000 (\$75,000 Gas Tax, \$75,000 Measure J)

Project 14, Citywide Pavement Management- This annual project is used to perform preventative maintenance on streets throughout the City. Past projects include Oakley Road, Delta Road, Empire Avenue, and the Charles Way and Miguel neighborhood which included Sierra-Crete. The project proposed for this year includes the Heather Parc neighborhood and Big Break Road. Total FY 12/13 Budget- \$350,000 (\$175,000 Gas Tax, \$175,000 Measure J)

Project 15, Citywide Drainage Improvements- This annual project has been used in years past to install drainage improvements on Cypress Road, Norcross Lane, Mercedes Lane, and Thomas Drive. A project for FY 12/13 has not yet been identified. Total FY 12/13 Budget- \$25,000 (\$12,500 Gas Tax, \$12,500 Measure J)

Project 50, Thoroughfare Street Tree Planting- This project repairs and enhances the treescapes along major City roadways. Past projects have included substantial renovation on Vintage Parkway and trees in the new medians on Neroly and O'Hara. No specific projects have been identified at this time. Total FY 12/13 Budget- \$25,000 (\$12,500 Gas Tax, \$12,500 Measure J)

Project 77, Citywide Street Name Signs- This is the seventh installment of this project to replace all street name signs in Oakley with the current decorative standard. The project has replaced all arterial and collector street signs and will continue to transition into neighborhoods. Total FY 12/13 Budget- \$100,000 (\$50,000 Gas Tax, \$50,000 Measure J)



Project 125, LED Streetlight Replacement- This project replaced several hundred high pressure sodium streetlights with LED technology and was funded through an ARRA grant. Since the replacement results in a significant energy savings and the streetlight assessment does not adequately fund the energy costs the project is being transitioned into an annual one using local funds. Total FY 12/13 Budget- \$100,000 (\$50,000 Gas Tax, \$50,000 Measure J)

Project 141, Main Street Landscape Rehabilitation- Caltrans has stringent guidelines for right of way landscaping and as such the Main Street corridor does not have landscaping consistent with the other arterials in the City. With the relinquishment now complete the landscaping can be enhanced to a more current standard. Funds have been budgeted in past years to the Main Street account, but this is the first year that any expenditures will be made. Design of the project began late in FY 11/12 so construction should commence in FY 12/13. Total FY 12/13 Budget- \$300,000 (\$300,000 Main Street)

Project 142, Traffic Signal Modernization- With the relinquishment of Main Street and the continuous improvement of the City's roadway network there are now nearly 30 traffic signals in Oakley. The signals have been built over time using different standards, so a project is being added to incrementally upgrade all intersection lighting to LED, replace the street names signs on the signal poles and arms with LED illuminated signage, add accessible pedestrian technology to the signals, and wire the signals so that they can use a generator as a backup power source. Total FY 12/13 Budget- \$150,000 (\$50,000 Gas Tax, \$50,000 Measure J, \$50,000 TIF)

Project 143, Laurel/Rose Signalization- During FY 12/13 CIP 124, Laurel Road Widening, O'Hara to Rose is planned to be constructed. That project will widen and improve the north side of Laurel Road to include curb, gutter, sidewalk and landscaping and will also construct a landscaped median separating eastbound and westbound traffic. To compliment this investment a project is being added to widen and signalize the Laurel and Rose intersection to its ultimate configuration. Once this project is complete only the south side of the road remains to be improved in this segment. Total FY 12/13 Budget- \$1,000,000 (\$1,000,000 TIF)

Ongoing Activities from 2011/12

The following projects were started during FY 11/12 or earlier and will continue to be pursued in FY 12/13:

Project 23, Main Street Medians- This project will add landscaped medians from the Bridgehead/Neroly intersection to as far east as the funding will allow. The geometry of the medians has been finalized and the landscape design is nearing completion. Once the plans are



complete enough to illustrate the scope of the project the public outreach phase will begin. While no right of way is necessary the medians will alter the access patterns for many existing businesses so an exhaustive outreach plan is necessary so that the project will be well received by the community. Construction is expected this winter.

Project 39, Hill Avenue Multi-Use Trail- This project will add a pedestrian bridge across Marsh Creek at Marsh Creek Glen Park. The design contract was approved in May of this year. While the project is relatively uncomplicated, Resource Agency permitting can be very cumbersome. Construction is not expected until 2013.

Project 69, Main Street Widening- During FY 08/09 the City Council and Redevelopment Agency approved contract amendments to complete the preliminary engineering, environmental documentation, and phase one plans (Hwy 160 through the Bridgehead/Neroly intersection) for this project. Even with relinquishment Caltrans is the lead agency for the environmental review for the overall project and construction approvals within the interchange. Environmental clearance is expected this summer. Since the interchange work includes structures under the freeway bridges construction is not expected until next year. The project also includes an entryway sign and landscaping within the interchange, and that project is expected to be completed this summer.

Project 96, O'Hara Widening, Cypress to Laurel- This project will widen O'Hara Avenue as a four lane divided arterial from Laurel Road north across the CCWD canal and in front of the Moura parcel. The project will also complete frontage improvements on the west side of O'Hara just north of Chianti. Design and property acquisition are nearing completion and utility relocation is underway. Staff is coordinating access modifications with Oakley Union Elementary School District. Since the scope of the project is similar to CIP 113, the projects are expected to be bid together early this summer.

Project 103, Main Street Realignment, Vintage to Norcross- This project will widen Main Street between Vintage and Norcross, add on-street angled parking, and construct a landscaped median to enhance the look and feel of Downtown Oakley and compliment the investments being made in the buildings and plaza. A construction contracted is planned to be awarded by the end of May and construction is scheduled to be completed by the end of the year.

Project 105, Main Street Frontage Improvements- This project will install frontage improvements and the poles for a future traffic signal on the south side of Main between the Public Storage center and the Raley's Shopping Center. Final design is being coordinated with the property owner and construction is planned for later this year.



Project 113, O'Hara Widening, Carpenter to Vintage- This project will add frontage improvements along the west side of O'Hara and signalize the Carpenter intersection. Design is complete and utility relocation is scheduled to begin in the next month or so. The project will be advertised for construction as soon as the utility relocation is underway. The project is planned to be constructed along with CIP 96 since the scope of the improvements is similar and both projects must be coordinated and integrated with the school schedule.

Project 116, Marsh Creek Restoration- Design of this project to widen Marsh Creek and restore habitat is 100% complete and Resource Agency permits are being acquired. Pursuant to the grant requirements all funds must be expended by May of next year. Since construction adjacent to creeks is limited to the summer months the project must go to construction this summer to meet the grant requirements.

Project 124, Laurel Road Widening, O'Hara to Rose- This project to widen the north side of Laurel from O'Hara to Rose Avenue and add a landscaped median is currently under design and right of way acquisition is underway. The project will realign the entrance of the parking lot to Laurel Ballfields with Cloverbrook and add additional parking for the park. Utility relocation is underway and construction is planned for the fall of 2012.



SUCCESSOR AGENCY FUNDS

City Redevelopment Programs

In fiscal year 2010-2011, the City established new City Redevelopment Funds. In prior years, there had been, in effect, an informal agreement that the City was the Project Lead on redevelopment related work. The Redevelopment Agency's funds were kept separately and with little exception City Staff provided the necessary services to run the Agency, from administration to project planning, engineering and construction management, where appropriate. With the Governor's then preliminary proposal to eliminate redevelopment agencies, Counsel suggested those agencies, like Oakley, who had not comprehensively formalized their interagency relationship do so in the form of a Cooperation Agreement, which we did. The result of that Agreement was the establishment of new, City Redevelopment Funds to account for the resources used in carrying out the City's redevelopment activities. The Redevelopment Agency was to continue to receiving all of its tax increment and meet all of its legal obligations as before; however, redevelopment activities carried out by the City under the Agreement were accounted for in the City Redevelopment Funds.

A little over a year later, the Redevelopment Agency was dissolved pursuant to new law, and the City has become both the Successor Agency to the Redevelopment Agency for non-housing activities, responsible for winding down the affairs of the Agency; and the Successor Housing Agency, taking over the assets, liabilities and obligations of the Redevelopment Agency's housing related operations.

The Successor Agency's authority to spend funds is governed by processes defined in the new law, so it is not included in this budget document. The Successor Agency's spending authority is limited to satisfying the obligations on its Reorganized Obligations Payment Schedules, which are now prepared every six months, and require the approval of the Successor Agency Board (which is the City Council); an Oversight Board, whose makeup includes representatives of the School Districts, Community College District, Special Districts, the County, the City, the Public and the prior Redevelopment Agency's employees, and the State Department of Finance. The Reorganized Obligations Payments Schedules are posted to the City's web site, as they are approved.



The Successor Housing Agency is simply a new agency of the City. It is not subject to the same administrative processes described above. Accordingly, the budget for the Successor Housing Agency is included below as part of the City Budget.

FUND 767 – SUCCESSOR HOUSING AGENCY FUND				
	2009-2010 Actual	2010-2011 Actual	2011-2012 Projected	2012-2013 Recommended
Interest Income		\$29,168		
Loan Repayments		\$1,133	\$2,000	\$1,500
Rents		\$478		
Sale of Property			\$183,000	
Transfers In	-	\$666,020		
Interfund Charges for Svc	-	\$9,000		
Total Revenues	-	\$705,799	\$185,000	\$1,500
Personnel	-	\$29,415		
Supplies				
Services		\$14,604	\$172,000	\$112,000
Total Expenditures	-	\$44,019	\$172,000	\$112,000
Unassigned Balances				
Total Budgeted		\$44,019	\$172,000	\$112,000

Note: The above fund was established in February 2011 to implement the Cooperation Agreement, so FY 2010-2011 activity reflects its initial funding and operating activities from February 2011 through June 30, 2011.



INTERNAL SERVICE FUNDS

Program Costs and Revenues

The City's Internal Service Funds are used to establish reserves for equipment and vehicle replacement, and for capital facilities maintenance and replacement. All of the revenues recommended in the Budget are transfers in from the General Fund. The funds transferred are partially from taxes, and partially from fees and other revenues.

Program Description

The City charges all of its departments for depreciation (or as necessary, asset replacement costs) on capital assets, the proceeds of which are transferred to the Internal Service Funds. Asset replacement and significant facilities maintenance costs are then paid for by these funds.

Staffing Summary

Staff time related to asset replacement activities and accounting for these funds is charged to the funds.

Program Objectives

The Equipment and Vehicle Replacement Fund contains budgeted expenditures to replace 2 patrol cars, and 2 motorcycles, up to 11 network workstations, and the City Hall network servers; and to upgrade capitalized network applications that due to their age will no longer be supported by their vendors.

Program Changes

None



FUND 501 EQUIPMENT REPLACEMENT FUND

Revenues

Transfers in	\$280,000
Salvage Values	\$ 5,000
Interest	<u>\$ 5,000</u>
Total Revenues	<u>\$290,000</u>

Expenditures

Patrol Cars (2) and Motorcycles (2)	\$125,000
Workstations	11,000
City Hall (VM) Servers	51,500
Update to Exchange 2010	12,700
Update to MS Office 2010	15,000
Interfund Charges	<u>10,000</u>
Total Expenditures	<u>\$225,200</u>

PLANNED REPLACEMENTS FOR 2012-2013			
Description	Quantity	Estimated Cost/Unit	Total Estimated Cost
Patrol Cars and Motorcycles	2 each	\$40,000 each patrol car, \$22,500 each motorcycle	\$125,000
Workstations (CPUs)	11	\$1,000	\$11,000
City Hall (VM) Servers	2	\$18,000+labor	\$41,200
City Hall VM Manager	1	\$9,000+labor	\$10,300
Software Replacements:			
MS Exchange 2010 and Active Directory	1	\$4,700+labor	\$12,700
MS Office 2010	55 users	\$272/user	\$15,000
Totals			\$215,200

**Amounts shown include equipment and installation/implementation costs.*



EQUIP AND VEHICLE RESERVE DEVELOPMENT (AMOUNTS IN THOUSANDS)						
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Est. Accum Depr BOY	\$1,961	\$2,253	\$2,418	\$2,655	\$2,898	\$3,149
Est. New Depreciation	437	445	452	459	465	470
Est. Deletions (Replaced assets)	(145)	(280)	(215)	(215)	(250)	(280)
Est. Accum Depr EOY	\$2,253	\$2,418	\$2,655	\$2,898	\$3,149	\$3,339
Net additions to reserve (including interest, asset sales, and insurance recoveries)	\$294	\$318	\$290	\$302	\$325	\$366
Reserve Bal BOY	988	1,163	1,272	1,327	1,449	1,574
Equipment Replacements and Interfund Charges	(119)	(209)	(225)	(180)	(200)	(270)
Reserve Bal EOY	\$1,163	\$1,272	\$1,337	\$1,449	\$1,574	\$1,670
Target @ 50% Accum Depr.	\$1,126	\$1,209	\$1,337	\$1,449	\$1,574	\$1,670

BOY= Beginning of the year

EOY=End of the year



**FUND 502 CAPITAL FACILITIES MAINTENANCE &
REPLACEMENT FUND**

Revenues

Transfers in	\$0
Interest	\$1,000

Expenditures

Interfund Charges	\$3,000
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Fund balances in Fund 502 are projected to be \$268,000 at July 1, 2012; and staff believes that amount is sufficient to meet the policy target of enough to pay for 5 years' estimated costs. As a result, no additional transfers-in have been budgeted for FY 2012-2013.



AGENCY FUNDS

Program Costs and Revenues

The Agency Funds included below contain the Principal, Interest, and administrative costs associated with debt issued by City Assessment Districts. All of these costs are supported by special assessments. No General Fund support is required or anticipated, and they are not backed by the full faith and credit of the City. They are secured only by the assessments.

Program Description

The City currently has two such debts outstanding:

- The 2004-1 Assessment District Bond. It was issued to acquire infrastructure assets in the Cypress Grove and Live Oak Ranch areas, and is being repaid from special assessments levied on property owners in the two developments.
- The 2006-1 Assessment District Bond. It was issued to acquire infrastructure assets in the Magnolia Park and Riata areas, and is being repaid from special assessments levied on property owners in the two developments.

Staffing Summary

No staffing is permanently allocated to managing these funds, however the Finance Department ensures the City complies with financial reporting requirements and interfaces with contracted administrators, and the City Engineer insures the infrastructure assets meets specifications prior to acquisition. The City hires NBS Financial to administer its assessments and Wells Fargo as trustee and Fiscal Agent.

Program Objective

The primary operating objectives for the City remain unchanged for fiscal year 2012-2013: to ensure the assessment and collection of the assessments, to make the debt service payments, oversee the services provided by the contractors, and ensure the preparation of all required public reporting.

Program Changes

None



2004-1 ASSESSMENT DISTRICT DEBT

Fund 621

ESTIMATED REVENUES		
Assessment Revenues	Interest Income	Total Revenues
\$1,166,216	\$500	\$1,166,716

RECOMMENDED EXPENDITURES			
Principal	Interest	Administration	Total Expenditures
\$315,000	\$818,717	\$33,000	\$1,166,717

DEBT LISTING:

2004-1 AD	Cypress Grove/Live Oak	17,150,000
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REMAINING DEBT SERVICE:

Fiscal Year	Principal	Interest	Total Debt Service
2012-13	\$315,000	\$818,717	\$1,133,717
2013-14	\$330,000	\$803,192	\$1,133,192
2014-15	\$350,000	\$786,179	\$1,136,179
2015-16	\$370,000	\$767,498	\$1,137,498
2016-17	\$390,000	\$747,304	\$1,137,304
Other Years	\$12,420,000	\$7,818,907	\$20,238,907
Totals	\$14,175,000	\$11,741,797	\$25,916,797



**2006-1 ASSESSMENT DISTRICT DEBT
FUND 622**

ESTIMATED REVENUES		
Assessment Revenues	Interest Income	Total Revenues
\$771,528	\$500	\$772,028

RECOMMENDED EXPENDITURES			
Principal	Interest	Administration	Total Expenditures
\$215,000	\$523,728	\$33,300	\$772,028

DEBT LISTING:

2006-1 AD	Magnolia Park/Riata	\$11,460,000
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REMAINING DEBT SERVICE:

Fiscal Year	Principal	Interest	Total Debt Service
2012-13	\$215,000	\$523,728	\$738,728
2013-14	\$225,000	\$513,633	\$738,633
2014-15	\$235,000	\$502,790	\$737,790
2015-16	\$245,000	\$491,025	\$736,025
2016-17	\$260,000	\$478,400	\$738,400
Other Years	\$9,065,000	\$5,539,588	\$14,604,588
Totals	\$10,245,000	\$8,049,073	\$18,294,073



10 YEAR PLAN

The 10 Year Plan is the City's tool for evaluating our success in ensuring service sustainability. It is organized by revenue type and function; and includes an indication of the general character of the revenues and expenditures shown as either recurring or one-time in nature. It also now includes information that reflects the State's Prop 1A borrowing and when we anticipate repayment.

For purposes of the 10 Year Plan, if a revenue class is likely to be recurring for a period of 5 years or more, we treat it as recurring. This includes certain development related fees that can be, as current times prove, less predictable. For instance, building permit revenue will always exist, but it is more sensitive to economic changes than property taxes. In light of the recession, we continue to include more conservative assumptions today and going forward for several years. Although the estimates are conservative, it may take that long for activity levels to return to a more normal level. The same holds true for excess revenues available to augment Gas Tax and Measure C/J revenues that are largely dedicated to roadway maintenance.

Also, since we include both general purpose and special purpose (assigned) revenues in the Plan, it's important that we reiterate that while the City may fund eligible programs with both restricted and unrestricted funds, its policy is to apply restricted funds to such programs first, followed by general purpose revenues if necessary. Reviewing this is important in order to establish in general the reason the reserves for assigned revenues are smaller in the Plan.

As the Plan is intended to help us see where we are succeeding in achieving service sustainability and where we must improve, it should be reviewed with this goal in mind. In particular, loans, transfers, and subsidies are shown separately and should be examined to determine and consider why they are necessary or desirable, if they should continue over the long-term, or whether these funds are better allocated to higher priorities.



Staff's Conclusions and Recommendations

The Plan included in this Budget confirms that we must remain disciplined and vigilant in controlling costs. Beginning in fiscal year 2012-2013, we see recurring revenues that are less than recurring expenses; and while the shortfall appears to normalize in the range of \$100,000-\$150,000 in the long term, the near term challenge is accommodated by anticipated one-time revenues. This is not a condition we can or should support long-term, and if current conditions do not improve, we will need to make adjustments to put the budget on more solid footing. Building activity has been increasing recently, and the bay area economy in general is recovering, so it is reasonable to expect Oakley will see some improvement, as well. However until those improvements are more tangible, we must continue to be disciplined and attentive to successfully navigating the challenges presented.

(10 Year Plan attached.)

City of Oakley
10 Year Plan
For Inclusion in the
FY 2012-13 Preliminary Budget

(Dollars in Thousands)																	
Description	General Character	Actual		Actual		Projected		Proposed								Total	
		07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21		21/22
General Purpose Revenues																	
Property Taxes	Recurring	\$2,659	\$2,465	\$1,835	\$1,882	\$1,746	\$1,746	\$1,833	\$1,925	\$2,021	\$2,122	\$2,228	\$2,340	\$2,457	\$2,580	\$2,709	21,961
PT in Lieu of VLF	Recurring	2,624	2,474	1,932	\$1,877	1,754	1,754	1,842	1,934	2,030	2,132	2,239	2,351	\$2,468	\$2,591	\$2,721	22,062
Less State Prop 1A Loan/Repayment w/2% int.	On Occasion			(405)			429										429
Sales & Use Tax	Recurring	1,617	1,465	1,343	1,412	1,500	1,400	1,470	1,544	1,621	1,702	1,787	1,876	\$1,970	\$2,068	\$2,172	17,609
Motor Vehicle In-Lieu Fees	Recurring	150	121	109	159	18	0	0	0	0	0	0	0	\$0	\$0	\$0	0
Trans. Occupancy Tax (TOT)	Recurring	217	164	129	137	135	135	142	149	156	164	172	181	\$190	\$199	\$209	1,698
Real Property Transfer Tax	Recurring	190	195	162	119	125	125	131	138	145	152	160	168	\$176	\$185	\$194	1,572
Franchise Fees	Recurring	472	518	618	940	977	1,022	1,073	1,127	1,183	1,242	1,304	1,370	\$1,438	\$1,510	\$1,585	12,855
Business License Tax	Recurring	112	117	107	104	105	105	110	116	122	128	134	141	\$148	\$155	\$163	1,321
Traffic Fines	Recurring	98	70	134	125	92	95	100	105	110	115	121	127	\$134	\$140	\$147	1,195
Interest Income	Recurring	601	280	84	28	56	50	150	150	150	150	150	150	\$158	\$165	\$174	1,447
Subtotal General Purpose		8,740	7,869	6,048	6,783	6,508	6,861	6,851	7,186	7,538	7,907	8,295	8,702	9,138	9,594	10,074	82,148
Fee/Reimbursement Revenues																	
Building Permits/Plan Check/Rental Inspections	Recurring	1,375	898	987	585	523	515	637	787	810	927	955	1,230	1,267	1,305	1,344	9,777
Engineering Fees	Recurring	97	39	18	27	10	29	30	32	34	35	37	39	41	43	45	365
Planning Fees	Recurring	40	31	41	30	13	12	13	13	14	15	15	16	17	18	19	151
Law Enforcement Fees/Reimbursement Revenues	Recurring	45	88	65	64	49	54	56	57	59	61	63	64	66	68	70	619
Recreation Fees	Recurring	52	60	48	53	44	39	41	43	45	47	50	52	55	58	61	491
City Admin Fees	Recurring	451	252	374	216	416	407	444	490	497	533	541	625	636	648	660	5,480
Interfund Cost Recoveries (operations)	Recurring	3,760	4,004	4,313	4,441	4,503	4,619	4,993	5,241	5,682	6,175	6,707	7,330	8,004	8,733	9,520	67,005
Interfund Cost Recoveries (charging grant funds)	one-time	22	43	18	14	27	14										14
Other Miscellaneous Fees & Charges	Rec & one-time	169	186	183	430	151	96	101	106	111	117	123	129	135	142	149	1,207
Subtotal Fee/Reimbursement Revenues		6,011	5,601	6,047	5,860	5,736	5,785	6,314	6,769	7,253	7,910	8,491	9,485	10,221	11,014	11,868	85,109
Total General Operating Revenues		14,751	13,470	12,095	12,643	12,244	12,646	13,165	13,955	14,790	15,818	16,786	18,188	19,359	20,608	21,942	167,257
Release of Dutch Slough Fund Balance Reserves	one-time	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from the Sale of Property	one-time				20		500	1,000	500								2,000
Total Sources of Funds		14,751	13,470	12,095	12,663	12,244	13,146	14,165	14,455	14,790	15,818	16,786	18,188	19,359	20,608	21,942	169,257

City of Oakley
10 Year Plan
For Inclusion in the
FY 2012-13 Preliminary Budget

Description	General Character	(Dollars in Thousands)															Total 12/13-21/22
		Actual 07/08	Actual 08/09	Actual 09/10	Actual 10/11	Projected 11/12	Proposed 12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	
Department Expenses																	
City Council	Recurring	67	50	46	60	68	59	71	61	74	64	76	66	80	69	83	703
Elections	Recurring	0	23	2	14	0	20	0	22	0	24	0	27	0	29	0	122
City Manager	Recurring	421	462	450	411	389	366	381	396	412	428	445	463	482	501	521	4,394
Economic Development	Recurring	32	30	18	16	112	183	190	198	206	214	223	232	241	250	260	2,197
Community Outreach	Recurring	104	164	64	47	32	64	67	69	72	75	78	81	84	88	91	768
Human Resources	Recurring	39	11	12	11	16	13	14	14	15	15	16	16	17	18	19	156
Maintenance Custodial	Recurring			20	37	42	45	47	49	51	53	55	57	59	62	64	540
City Clerk	Recurring	263	267	241	241	182	218	227	236	245	255	265	276	287	298	310	2,617
Finance	Recurring	632	615	653	472	456	512	532	554	576	599	623	648	674	701	729	6,147
Information Technology	Recurring	210	245	221	216	218	219	228	237	246	256	266	277	288	300	312	2,629
Public Safety	Recurring	6,642	6,977	6,981	7,047	7,543	7,894	8,485	8,626	9,292	10,026	10,813	11,709	12,673	13,711	14,828	108,057
City Attorney	Recurring	307	487	190	231	240	177	184	191	199	207	215	224	233	242	252	2,125
Animal Control	Recurring	122	152	168	183	189	191	199	207	215	223	232	242	251	261	272	2,293
Planning	Recurring	655	580	451	504	351	309	321	334	348	361	376	391	407	423	440	3,710
Building Inspection	Recurring	1,198	749	772	583	526	526	611	656	656	686	686	761	761	761	761	6,865
Code Enforcement/Rental Inspections	Recurring	24	12	6	6	38	51	53	55	57	60	62	65	67	70	73	612
Public Works/Engineering	Recurring	1,296	1,196	1,135	1,142	974	879	914	951	989	1,028	1,069	1,112	1,157	1,203	1,251	10,553
Public Works Maintenance	Recurring	97	97	88	88	102	105	109	114	118	123	128	133	138	144	149	1,261
Recreation	Rec & one-time	410	444	322	240	299	330	343	357	371	386	401	418	434	452	470	3,962
Parks	Recurring	198	197	258	296	313	396	412	428	445	463	482	501	521	542	564	4,754
Department Expenditures:		12,717	12,758	12,098	11,845	12,090	12,557	13,387	13,754	14,587	15,547	16,513	17,698	18,854	20,124	21,447	159,713
Non-Departmental Expenses																	
Other Non-Departmental Expenses	Recurring	434	476	424	362	308	379	394	410	426	443	461	480	499	519	539	4,550
Equipment Replacement (exp & reserve)	Recurring	350	350	237	279	302	280	332	319	329	339	349	359	369	379	389	3,444
Capital Facilities Mtc & Replacement (exp & reserve)	Recurring	160	14	0	0	0	0	30	30	50	50	50	50	50	50	50	410
County Transition Payment	one-time																0
Interim Needs/Contingency	Recurring	17	4	(60)	50	80	250	288	295	312	331	350	374	397	422	449	3,468
Amount charged to Departments	Recurring	(1,354)	(1,290)	(1,005)	(934)	(899)	(909)	(1,044)	(1,054)	(1,117)	(1,163)	(1,210)	(1,263)	(1,315)	(1,370)	(1,427)	(11,873)
Total Non-Department Expend.		(393)	(446)	(404)	(243)	(209)	0	0	0	0	0	0	0	0	0	0	0
Total Expenditures		12,324	12,312	11,694	11,602	11,881	12,557	13,387	13,754	14,587	15,547	16,513	17,698	18,854	20,124	21,447	159,713
Net General Operating Revenue (Expense)		2,427	1,158	401	1,041	363	589	778	701	204	271	273	490	505	484	495	9,544
Transfers and Loans																	
Transfer to Reserve for Qualifying Capital Projects	recurring	(1,157)	(115)														0
Transfers to Roadway Maintenance Programs	recurring		(200)	(38)	(50)	(25)	(25)	(25)	(100)	(150)	(150)	(200)	(200)	(250)	(250)	(250)	(1,600)
Transfers to Main Street Fund	recurring	(300)	(300)	(37)	(50)	(28)	(25)	(25)	(100)	(150)	(150)	(200)	(200)	(250)	(250)	(250)	(1,600)
Tfrs to General Capital Projects Fund (for other than mtc projects)	recurring	(23)			(3)	(3)	0	0	0	0	0	0	0	0	0	0	0
Loans to Community Parks for current operations	one-time					(42)	(209)	(180)	(99)	(99)	(45)	(45)	90	90	90	90	(317)
Loans to Public Facilities Fee Fund/Repayments	one-time																0
Total Transfers		(1,480)	(615)	(75)	(103)	(98)	(259)	(230)	(299)	(399)	(345)	(445)	(310)	(410)	(410)	(410)	(3,517)
Use of Fund Balance																	
For General Fund One Time uses	one-time				(61)												
Transfer to General Capital Projects Fund	one-time	(3,000)	(1,600)			(100)											
Dutch Slough Investment	one-time																
Loan to Community Parks for Prior Deficits	one-time																
Housing Assistance Loan	one-time	(100)															
Total Net Sources (Uses) of Funds		(2,153)	(1,057)	326	897	165	330	548	402	(195)	(74)	(172)	180	95	74	85	

City of Oakley
10 Year Plan
For Inclusion in the
FY 2012-13 Preliminary Budget

Description	General Character	(Dollars in Thousands)															
		Actual 07/08	Actual 08/09	Actual 09/10	Actual 10/11	Projected 11/12	Proposed 12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	
Summary of Recurring and One-Time Amounts																	
Recurring Activities Summary																	
Revenues		14,729	13,427	12,333	12,480	12,217	12,203	13,165	13,955	14,790	15,818	16,786	18,188	19,359	20,608	21,942	
Expenditures/ Including Transfers* and Loans		12,302	12,469	11,751	11,691	11,910	12,593	13,437	13,954	14,887	15,847	16,913	18,098	19,354	20,624	21,947	
Revenues over (under) Expenditures		2,427	958	582	789	307	(390)	(272)	1	(96)	(29)	(127)	90	5	(16)	(5)	
One-Time Activities Summary																	
Revenues		22	43	(238)	163	27	943	1,000	500	0	0	0	0	0	0	0	
Expenditures/ Including Transfers and Loans		3,122	1,643	18	14	169	223	180	99	99	45	45	(90)	(90)	(90)	(90)	
Revenues over (under) Expenditures		(3,100)	(1,600)	(256)	149	(142)	720	820	401	(99)	(45)	(45)	90	90	90	90	
Total Recurring and One-Time		(673)	(642)	326	938	165	330	548	402	(195)	(74)	(172)	180	95	74	85	
* Recurring Transfers for Roadway Maintenance could be funded by available fund balance on occasion, if necessary.																	
Note: fiscal year 2009-2010 one time amounts include the State "borrowing" of \$405,000 of property tax. The amount will be repaid in fiscal year 2012-2013, but because the funds are not currently "available", they are not counted in the City's revenues until then. As a result, the Plan shows a deficit in fiscal year 2009-2010 and a spike up in surplus in fiscal year 2012-2013.																	
Assigned Revenues/Police																	
State COPS Grant (SLESF)	Recurring	105	36	100	104	207	100	100	100	100	100	100	100	100	100	100	Total 12/13-21/22 1,000
P-6 Police Services Assessments	Recurring	1,926	2,075	2,128	2,265	2,448	2,567	2,838	2,979	3,307	3,681	4,088	4,580	5,117	5,701	6,337	41,196
School Resource Officer Grant	Recurring	68	63	63	65	65	65	65	65	65	65	65	65	65	65	65	650
Police Equip./Traffic Grants	one-time																0
Subtotal Assigned Police Revenues		2,099	2,174	2,291	2,434	2,720	2,732	3,003	3,144	3,472	3,846	4,253	4,745	5,282	5,866	6,502	42,846
							125	150	180	180	200	200	250	250	250	250	
<i>Est new homes added to base</i>																	
Restricted Police Expenditures																	
State COPS Grant (SLESF)	Recurring	105	36	100	104	207	100	100	100	100	100	100	100	100	100	100	1,000
P-6 Supported Police Services	Recurring	1,926	2,075	2,128	2,265	2,448	2,567	2,838	2,979	3,307	3,681	4,088	4,580	5,117	5,701	6,337	41,196
School Resource Officer Grant	Recurring	68	63	63	65	65	65	65	65	65	65	65	65	65	65	65	650
Police Equip./Traffic Grants	one-time																0
Subtotal Restricted Police Expenditures		2,099	2,174	2,291	2,434	2,720	2,732	3,003	3,144	3,472	3,846	4,253	4,745	5,282	5,866	6,502	42,846
Rollover Balances*		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

City of Oakley
10 Year Plan
For Inclusion in the
FY 2012-13 Preliminary Budget

Description	General Character	(Dollars in Thousands)															
		Actual 07/08	Actual 08/09	Actual 09/10	Actual 10/11	Projected 11/12	Proposed 12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	Total 12/13-21/22
Parks, Landscaping & Lighting Revenues																	
Community Parks	Recurring	833	970	1,022	977	962	1,056	1,149	1,233	1,319	1,408	1,500	1,595	1,694	1,795	1,900	14,650
<i>Loan from General Fund, if necessary</i>	<i>one-time</i>																0
Street Lighting	Recurring	184	190	193	195	195	200	209	220	230	241	251	262	272	283	293	2,463
<i>Transfer in from Gas Tax Fund</i>	<i>one-time</i>	65	91	149	207	174	151	168	175	183	192	202	213	225	238	252	1,998
Neighborhood Parks	Recurring	1,602	1,774	1,886	1,817	1,830	1,993	2,130	2,279	2,435	2,599	2,771	2,951	3,141	3,340	3,549	27,187
Total Parks, Landscaping & Lighting Revenues		2,684	3,025	3,250	3,196	3,161	3,400	3,657	3,907	4,168	4,440	4,724	5,021	5,331	5,655	5,994	46,297
Parks, Landscaping & Lighting Expenditures																	
Community Parks	Recurring	528	678	737	743	932	898	943	990	1,040	1,092	1,146	1,203	1,264	1,327	1,393	11,295
<i>Repay General Fund Loans</i>	<i>one-time</i>	76	207	193	141	7	37	52	61	6							155
Street Lighting	Recurring	230	251	328	368	342	334	351	368	387	406	426	448	470	493	518	4,201
Neighborhood Parks	Recurring	1,022	1,344	1,265	1,256	1,637	1,588	1,767	1,956	2,361	2,579	2,808	3,049	3,301	3,566	3,566	25,129
Total Parks, Landscaping & Lighting Expenditures		1,856	2,480	2,523	2,508	2,918	2,857	3,113	3,375	3,586	3,859	4,152	4,459	4,782	5,121	5,477	40,781
Rollover Balances																	
Community Parks (Including Loans & Reserves)		(384)	(92)	193	286	309	430	585	767	1,040	1,357	1,711	2,103	2,533	3,001	3,508	
Street Lighting		29	59	73	107	134	151	178	205	232	259	286	313	340	367	394	
Neighborhood Parks (Including Reserves)		2,349	2,779	3,400	3,961	4,154	4,559	4,922	5,245	5,527	5,764	5,955	6,098	6,190	6,229	6,211	
Roadway Maintenance Revenues																	
Gas Tax Revenues	Recurring	622	848	916	916	970	924	970	1,019	1,070	1,123	1,179	1,238	1,300	1,365	1,433	11,622
Measure C/J Revenues	Recurring	510	515	952	6	491	884	928	975	1,023	1,075	1,128	1,185	1,244	1,306	1,371	11,119
Transfers in from the General Fund		400	500	75	103	204	50	50	200	300	300	400	400	500	500	500	3,200
Total Roadway Maintenance Revenues		1,532	1,863	1,943	1,025	1,665	1,858	1,948	2,193	2,393	2,498	2,708	2,823	3,044	3,171	3,305	25,941
Roadway Maintenance Expenditures																	
Gas Tax Expenditures for roadway repairs & maintenance	Recurring	242	688	1,010	352	373	404	502	479	536	931	977	1,026	1,076	1,128	1,182	8,241
<i>Transfer to Street Lighting Fund</i>	<i>one-time</i>	(65)	(91)	(149)	(207)	(174)	(151)	(168)	(175)	(183)	(192)	(202)	(213)	(225)	(238)	(252)	(1,998)
<i>Used for Capital Projects (for new or expanded roadways)</i>	<i>one-time</i>	(265)	(93)	(493)	(548)	(1,160)	(531)	(300)	(364)	(350)							(1,545)
Measure C/J Expenditures for roadway repairs & maintenance	Recurring	37	30	678	84	152	126	680	686	798	1,075	1,128	1,185	1,244	1,306	1,371	9,599
<i>Used for Capital Projects (for new or expanded roadways)</i>	<i>one-time</i>	(102)	(76)	(611)	(378)	(1,620)	(520)	(248)	(289)	(225)							(1,282)
Use of General Fund Transfers	<i>one-time</i>	0	200	39	100	147	50	50	200	300	300	400	400	500	500	500	3,200
Total Roadway Maintenance Expenditures & Transfers		711	1,178	2,980	1,669	3,626	1,782	1,948	2,193	2,393	2,498	2,708	2,823	3,044	3,171	3,305	25,865
Rollover Balances																	
		2,881	3,566	2,529	1,885	(76)	0	0	0	0	0	0	0	0	0	0	0

City of Oakley
10 Year Plan
For Inclusion in the
FY 2012-13 Preliminary Budget

Description	General																(Dollars in Thousands)
	Character	Actual 07/08	Actual 08/09	Actual 09/10	Actual 10/11	Projected 11/12	Proposed 12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	Total 12/13-21/22
Drainage and Stormwater Revenues																	
Community Facilities District Assessments	Recurring	270	273	272	276	255	277	285	294	303	312	321	331	341	351	361	3,175
Stormwater Assessments	Recurring	491	553	528	480	464	460	474	488	503	518	533	549	566	583	600	5,273
Total Drainage and Stormwater Revenues		761	826	800	756	719	737	759	782	805	829	854	880	906	934	962	8,449
Drainage and Stormwater Expenditures																	
Community Facilities District Drainage Maintenance	Recurring	23	76	115	169	184	238	285	294	303	312	321	331	341	351	361	3,136
Stormwater Program Expenditures	Recurring	291	542	632	351	464	465	474	488	503	518	533	549	566	583	600	5,278
Total Drainage and Stormwater Expenditures		314	618	747	520	648	703	759	782	805	829	854	880	906	934	962	8,415
Rollover Balances		1,387	1,595	1,648	1,884	1,955	1,989	1,989	1,989	1,989	1,989	1,989	1,989	1,989	1,989	1,989	
Other Grant Revenues																	
Recycling Grant	one-time	0	0	1	10	27	8	0	0	0	0	0	0	0	0	0	8
Recreation Grants (Misc)	one-time	7	3	1	9	10	5	0	0	0	0	0	0	0	0	0	5
Vesper Grant	one-time	22	43	17	18	54	29	0	0	0	0	0	0	0	0	0	29
Conservancy Grant	one-time	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Grant Revenues		29	46	19	37	91	42	0	0	0	0	0	0	0	0	0	42
Other Grant Expenditures																	
Recycling Grant	one-time	0	0	1	10	27	4	0	0	0	0	0	0	0	0	0	4
Recreation Grants (Misc)	one-time	7	3	1	9	10	5	0	0	0	0	0	0	0	0	0	5
Vesper Grant	one-time	22	43	17	18	54	29	0	0	0	0	0	0	0	0	0	29
Conservancy Grant	one-time	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Grant Expenditures		29	46	19	37	91	38	0	0	0	0	0	0	0	0	0	38
Rollover Balances																	
Recycling Grant		0	0	0	0	0	4	4	4	4	4	4	4	4	4	4	4
Recreation Grants		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vesper Grant		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conservancy Grant		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qualifying Capital Projects	recurring	(1,157)	(115)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Long-Term Analysis of General Fund Fund Balances

Restricted Fund Balances:

For Dutch Slough	559	559	559	559	559	559	559	559	559	559	559	559	559	559	559	559
For Loans/Advances Receivable	1,325	1,100	906	765	800	957	1,070	1,094	1,172	1,202	1,232	1,127	1,022	917	812	
Receivable for State Prop 1A Loan			405	405	405	0										
For Termination Payouts	75	75	75	75	75	75	75	75	75	75	75	75	75	75	75	
Land Held for Resale				2,000	2,000	1,500	500	0	0	0	0	0	0	0	0	
Unrestricted Fund Balances	5,608	4,677	5,242	4,280	4,452	4,834	5,449	5,926	5,752	5,693	5,536	5,731	5,841	5,930	6,030	
as a % of the Next Year's General Fund Expenditures				36%	35%	36%	39%	40%	36%	34%	31%	30%	28%	27%		

- (1) Fund balances are affected by both operations as shown in the 10 Year Plan Projections above and from the repayment of interfund and other loans.
(2) For the purposes of this analysis, the repayment of interfund loans is planned to occur as soon as practicable.

Definition of Changes and Assumptions for 12/13 and thereafter

General Purpose Revenues

Property tax and Property Tax in Lieu reflects an increase of 0% in 12/13 and 5% thereafter.

Transfer taxes reflect 0% growth in 12/13, and 5% thereafter.

Sales Tax reflects near 0% annual growth in 12/13, and 5% thereafter.

Motor Vehicle in Lieu reflects its discontinuance in 11/12. (The State now keeps all the revenues rather than sending them to local agencies).

TOT and Business License Tax reflect 0% growth in 12/13, and 5% thereafter.

Franchise Fees reflect increases anticipated from the new Solid Waste Franchise Agreement and annual growth of 5%.

Traffic Fines reflect a small increase in 12/13 and annual growth of 5% thereafter.

Interest Income is expected to rise as interest rates rise, but are estimated at low levels to maintain conservatism.

P-6 revenue growth is based on projected subdivision activity and annual growth in per Officer costs charged by the County. Revenue growth is projected at just under 5% in 12/13 and 6% in each year thereafter.

Fee/Reimbursement Revenues based on projected activity; Interfund Cost Recoveries are projected to grow approximately 2.4% in 12/13 and 5% per year thereafter.

Departmental Expenditures

Administrative Departmental expenses include growth of 4% for 12/13 and each year thereafter.

Police expenses include expected cost increases of 5% for 12/13; and 6% each year thereafter except for 2014/15, which due to the final repayment of a county pension bond, is expected to have no increase. The 6% in other years is to keep up with anticipated growth in County per officer costs plus amounts supported by new development.

Recreation expenses include growth of 5% in 12/13, & 4% per year thereafter.

Public Works/Engineering and Planning are projected to decline slightly in 12/13; but to increase 4% per year thereafter.

Building/Plan Check is projected based on estimates of new construction.

Non-Departmental Expenditures

Other Non-Departmental Expenses will increase a small amount in 12/13, principally from the absence of one time credits received in 11/12; and are estimated to grow approximately 4% each year thereafter.

Equipment Replacement (exp & reserve) costs are based on expected depreciation of equipment so that equipment can be replaced at the end of their useful lives.

The Facilities Maintenance and Replacement (exp & reserve) costs are included to provide for unfunded expenses anticipated in the upcoming 5 years, as needed.

The General Fund Contingency is approximately 2% of General Fund proposed operating expenses.

The General Fund Contingency is intended to be used for special projects/demands and remains separate from Fund Balances that act as reserves for economic uncertainties.

The amount charged to Departments accounts for the fact that non-departmental costs are allocated and thus already included in the departmental expenditures.

Transfers and Loans

Where included, transfers to Roadway Maintenance Programs reflect the ongoing need to augment street maintenance with General Fund transfers.

Where included, transfers to the Main Street Fund reflect the ongoing need to fund the maintenance and enhancement of its major gateways and arterials.

(The actual amounts needed in the long-term to augment street and arterials maintenance is currently being studied in more detail and may be greater than shown above in the Plan.

The amounts above focus only on restoring the annual recurring transfers to levels in place prior to the recession.)

Loans to Community Parks for current operations are included as necessary to cover community park shortfalls until assessments are sufficient to balance the budget.

Use of Fund Balance Reserves

Release and use of Dutch Slough Reserves. The City has reserves of approximately \$559,000 for Dutch Slough parks. This line shows when amounts are thought to be appropriated.

Assigned Revenues

P-6 revenues are projected to grow with development and per officer costs: New Development is now projected at 125 for 12/13, 150 for 13/14, B278180 for 14/15 and 15/16, and 200 per year thereafter.

The growth in officer costs is being projected at 7% for 12/13 and 6% per year thereafter.

Parks revenues are estimated to grow with development and include adjustments of 3% in 2012/13 and 5% thereafter for inflation on those portions subject to inflation factors.

Roadway Maintenance revenues are estimated to grow with development, and when possible will include additional transfers from the General Fund.

Transfers of Gas Tax funds to Street Lighting are shown to continue, even with development. This largely is a reflection of the expectation that utility costs will grow faster than the assessment.

Transfers of Gas Tax and Measure C/J revenues to capital projects are shown only to the extent reflected in the current Capital Improvement Plan, and afterwards are discontinued. This reflects the expectation that 5 years from now, more funds will need to be available for street maintenance and less for capital improvements.

Drainage and Stormwater assessment revenues are projected to grow 3% per year.

Assigned Expenditures

Community Parks expenditures are expected to actually be slightly less in 12/13 and increases are projected at 5% thereafter.

Street Lighting expenditures are estimated to grow at 5% annually to reflect increased costs from CPI and development.

Neighborhood Parks and Landscape Maintenance revenues are projected to be spent in the year received, after funding replacement reserves, as appropriate.

Other than maintaining a small fund balance for cash flow purposes, Gas Tax and Measure C funds are projected to be spent in full in the year received.

Other than maintaining a small fund balance for cash flow purposes, Drainage and Stormwater funds are projected to be spent in full in the year received.

Grants

Grants are not included in the budget until actually approved by the Grantor, and accordingly are not projected beyond the current year.



CONTRACTS ANALYSIS

Contractor	Services		Funding Summary	
Delta Municipal Consulting	Building Inspection & Permits	\$480,000	Permit Fees	\$444,000
			Rental Inspection Program Fees	\$31,000
	Engineering Services	\$808,768	General Fund –Taxes	\$149,432
	Total	\$1,288,768	Traffic Impact Fees	\$152,303
			Park Assessments	\$15,628
			Landscape Assessments	\$4,338
			Street Lighting Assessments	\$6,179
			Redevelopment Bonds	\$154,490
			CFD No.1	\$35,488
			Gas Tax	\$69,830
			Measure J Taxes	\$63,905
			Developer Fees	\$107,675
			Stormwater Assessments	\$54,500
			Total Contract	\$1,288,768



Contractor		Services		Funding Summary	
Contra Costa County Sheriff	Police Staffing	\$6,515,821	General Fund – Taxes	\$4,054,196	
	Forensics and Other Support Services	\$286,375	P-6 Special Taxes	\$2,549,000	
			Successor Housing Fund	\$100,000	
			Grants	\$99,000	
	Total	\$6,802,196	Total Contract	\$6,802,196	
County Public Works	Drainage Maintenance	\$11,500	Stormwater Assessments	\$11,500	
	Road Maintenance	\$60,500	Gas Tax	\$60,500	
	Total	\$72,000	Total Contract	\$72,000	
County Animal Services	Animal Control	\$191,145	General Fund-Taxes	\$191,145	
County Library	Augmented Library Services	\$17,861	General Fund- Taxes	\$17,861	
Antai Network Services	Information Services	\$135,000	General Fund-Taxes 60%	\$81,000	
			Cost Recoveries 40%	\$54,000	
			Total Contract	\$135,000	
Universal Building Services	Street Sweeping	\$100,000	Stormwater Assessments	\$100,000	
MCE	Parks & Landscaping Maintenance	\$269,243	Landscape Assessments	\$269,243	



Contractor	Services		Funding Summary	
East Bay Construction Co.	Parks and Landscaping Maintenance	\$374,325	Landscape Assessments	\$374,325
TerraCare Landscape Co.	Parks and Landscaping Maintenance	\$230,444	Landscape Assessments	\$230,444
Commercial Support Services	Park Maintenance Services	\$30,720	Landscape Assessments	\$30,720
Cota Cole & Associates	Legal Services	\$111,000	General Fund Taxes	\$86,000
			Successor Agency/Other Funds	\$25,000
			Total Contract	\$111,000
Municipal Pooling Authority of Northern California	Insurance and Claims Administration	\$118,388	General Fund Taxes	\$71,033
			60%	
			Cost Recoveries 40%	\$47,355
			Total Contract	\$118,388
Paychex	Payroll Processing	\$14,000	General Fund Taxes	\$8,400
			60%	
			Cost Recoveries 40%	\$5,600
			Total Contract	\$14,000



APPROPRIATIONS LIMIT

The passage of Propositions 4 and 111 defined the basis for an annual appropriation limit for state and local entities. The limit is applicable to the spending of taxes, as defined in the Constitution and in State Proposition 4/111 implementation Guidelines. Fees and voter approved special taxes are exempted. The Limit is recalculated each year and applied to appropriations subject to the limit. The calculation of the Limit allows for increases proportional to increases in population and growth in the State per capita income, and/or growth in commercial and industrial assessed values. The City's Limit for fiscal year 2012-2013 is \$8,213,562.

**CITY OF OAKLEY
APPROPRIATIONS LIMIT CALCULATION
FOR FISCAL YEAR 2012-2013**

<i>Beginning Limit (FY 2011-2012):</i>	\$7,799,725
<i>Per Capita Income Growth Factor</i>	X1.0377
<i>Higher of:</i>	
<i>County Population Growth Factor or City Population Growth Factor</i>	<u>X1.0148</u>
<i>Limit (FY 2012-2013):</i>	<u>\$8,213,562</u>

This year the City population factor was higher than the County population factor. By adopting the calculated limit above, the Council is taking action as required under the constitution to select the City Population Growth Factor for the FY 2012-2013 calculation.



GLOSSARY OF BUDGET TERMINOLOGY

Appropriation:	An authorization by the City Council to make expenditures and to incur obligations for a specific purpose within a specific time frame.
Assessed Value:	The value placed on real estate or other property by the County Assessor as a basis for levying ad valorem (rate based) property tax.
Assessment District:	A defined area of land that is benefited by the acquisition, construction or maintenance of a public improvement. An assessment is levied and collected on the regular property tax bill to fund the improvements.
Audit:	Scrutiny of the City's accounts by an independent auditing firm to determine whether the City's financial statements are fairly presented in conformity with generally accepted accounting principles. An independent audit is performed annually.
Beginning Fund Balance:	Unencumbered resources available in a fund from the prior fiscal year after payment of prior fiscal year expenditures.
Bond:	Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principal amount, with interest at predetermined intervals.
Budget:	A financial plan, usually for a one or two year period, listing an estimate of recommended expenditures and the recommended means of financing them.
Capital Improvement Plan (CIP):	The five-year financial plan for capital improvements, including considerations for related debt service and future ongoing maintenance. The CIP is adopted in a separate document and updated annually.
Deficit:	An excess of expenditures over revenues (resources).



Department:	An organizational unit comprised of divisions or functions. It is the basic unit of service responsibility encompassing a broad mandate of related activities.
Expenditure:	The actual payment for goods and services.
Fiscal Year (FY):	The period designed by the City for the beginning and ending of financial transactions. The City of Oakley fiscal year begins July 1st and ends June 30th of the following year.
Full-Time Equivalent (FTE):	The amount of time a regular full or part-time position has been budgeted for in terms of the amount of time an employee works in a year.
Gas Tax:	Administered by the State Board of Equalization, this is an 18-cent per gallon tax on fuel used to propel a motor vehicle or aircraft. Use of the revenue is for research, planning, construction, improvement, maintenance and operation of public streets and highways or public mass transit.
General Fund:	The fund used to account for all financial resources except those required to be accounted for in another fund.
General Fund Taxes:	This is the term in the Budget to describe the City's use of general purpose tax revenue, including primarily: Property Taxes, Property Taxes in lieu of VLF, and Sales Tax.
General Plan:	A policy document that serves as a guideline for future development. California State law requires each city to adopt a General Plan.
Infrastructure:	Facilities on which the continuance and growth of the community depend on such roads, water lines, sewers, public buildings, etc.



Internal Service Fund (ISF)

Internal service funds account for the financing of goods and services provided by one department to another department on a cost-reimbursement basis. In Oakley, we have ISF's that serve as sinking funds for the future replacement of vehicles and equipment; and for repairs and replacements for facilities. In each case, the costs are supported by charges to departmental operating budgets.

Lighting and Landscaping District:

The City has established a separate District to manage and fund Community Parks, Street Lighting, and Neighborhood Parks. Each activity is accounted for in a separate fund and budgets are established yearly as part of the District's activities. Detailed breakdowns of estimated revenues and expenditures are provided in a required engineer's report. Costs are funded by landscape assessments levied in each zone, and as necessary, subsidies or loans from other eligible funds.

Measure C & Measure J:

In 1988 voters approved this Countywide ½ cent sales tax measure, which includes a provision that 18% of the funds are returned to the local agencies based on a minimum allocation, relative population and relative maintained street miles. Measure C expenditures are restricted to the same uses as Gas Tax, but can also be applied to transit improvement and operation, growth management planning and compliance, pedestrian and bicycle trail construction, maintenance and operation parking facility development and transportation efficiency program development and operation (ridesharing, etc.). Since Measure C contains a growth management component, funds may not be used to replace developer obligations that would otherwise not be publicly funded under jurisdiction policy. Measure C expired in March of 2009 and was in effect "extended" until March 2034 by the voters' approval of Measure J in 2004.

Motor Vehicle License Fee:

A State vehicle license fee imposed on motorists for the privilege of operating a motor vehicle on the public highways.



Police Services Tax:	A voter approved special tax levied by the City and collected at the same time and in the same manner as property taxes, that is used exclusively for Public Safety.
Property Tax:	Property Tax is imposed on real property (land and permanently attached improvements) and tangible personal property located within the City. The tax comprises one percent of the assessed value of the property.
Property Tax in Lieu of VLF:	In the early 1990's the State levied a local tax on vehicles, in the form of a 2% Motor Vehicle License Fee (see above). The then Governor successfully lobbied the legislature and passed a law allowing a temporary discount on the fee, if the State could afford it. A provision of that law was that the State backfill the lost revenue to the local agencies that resulted (since it was a local tax being reduced). Since then, the State has permanently lowered the Fee, and permanently backfilled it by shifting additional property taxes from their control to each local agency. This separate revenue is referred to as Property Taxes in Lieu of Vehicle License Fees (VLF).
Reserved Fund Balance:	Accounts used to record a portion of the fund balance as legally segregated for a specific use or not available for appropriation.
Resolution:	A special order of the City Council, requiring a majority vote, which has a lower legal standing than an ordinance.
Revenue:	Income received by the City.
Salaries and Benefits:	A budget category, which generally accounts for full time and temporary employees, overtime and all employee benefits, such as medical, dental and pension costs



Successor Agency:	With the dissolution of the Oakley Redevelopment Agency on February 1, 2012, the City elected to become the Successor Agency, responsible for preserving and administering its non-housing related assets, paying and ensuring performance of its obligations, and for complying with the new law that requires the unimpeded winding down of the prior Redevelopment Agency's affairs.
Successor Housing Agency:	With the dissolution of the Oakley Redevelopment Agency on February 1, 2012, the City elected to become the Successor Housing Agency, accepting the prior Redevelopment Agency's housing related assets and obligations; and the Agency's related housing responsibilities.
Taxes:	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.
Transient Occupancy Tax (TOT):	A 10% tax imposed on travelers who stay in temporary lodging facilities within the City. Also referred to as a Hotel/Motel Tax.