

CITY OF CLAYTON

ADOPTED BUDGET

FOR THE FISCAL YEAR ENDING
JUNE 30, 2021



Clayton, California
www.ci.clayton.ca.us

ADOPTED BUDGET

2020 – 2021

THE CITY COUNCIL

JULIE K. PIERCE, MAYOR,
JEFF WAN, VICE MAYOR,
TUIJA CATALANO, COUNCILMEMBER
JIM DIAZ, COUNCILMEMBER
CARL “CW” WOLFE, COUNCILMEMBER

* * *

RECOMMENDED BY:

LAURA HOFFMEISTER, ACTING CITY MANAGER

* * * * *

PREPARED AND PRESENTED BY:

PAUL RODRIGUES, FINANCE DIRECTOR, CPA
LAURA HOFFMEISTER, ACTING CITY MANAGER

CITY OF CLAYTON, CALIFORNIA

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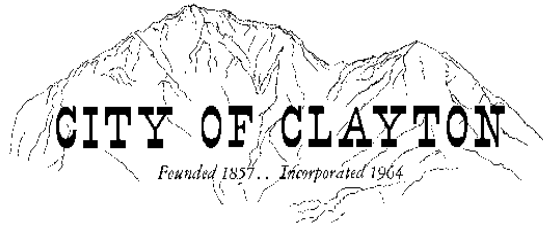


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**BACKGROUND
INFORMATION
2020-21**

OUR MISSION

Enhance Clayton by providing quality of service through:

- Responsible Stewardship
- Effective Collaboration
- Continuous Progress

OUR VALUES

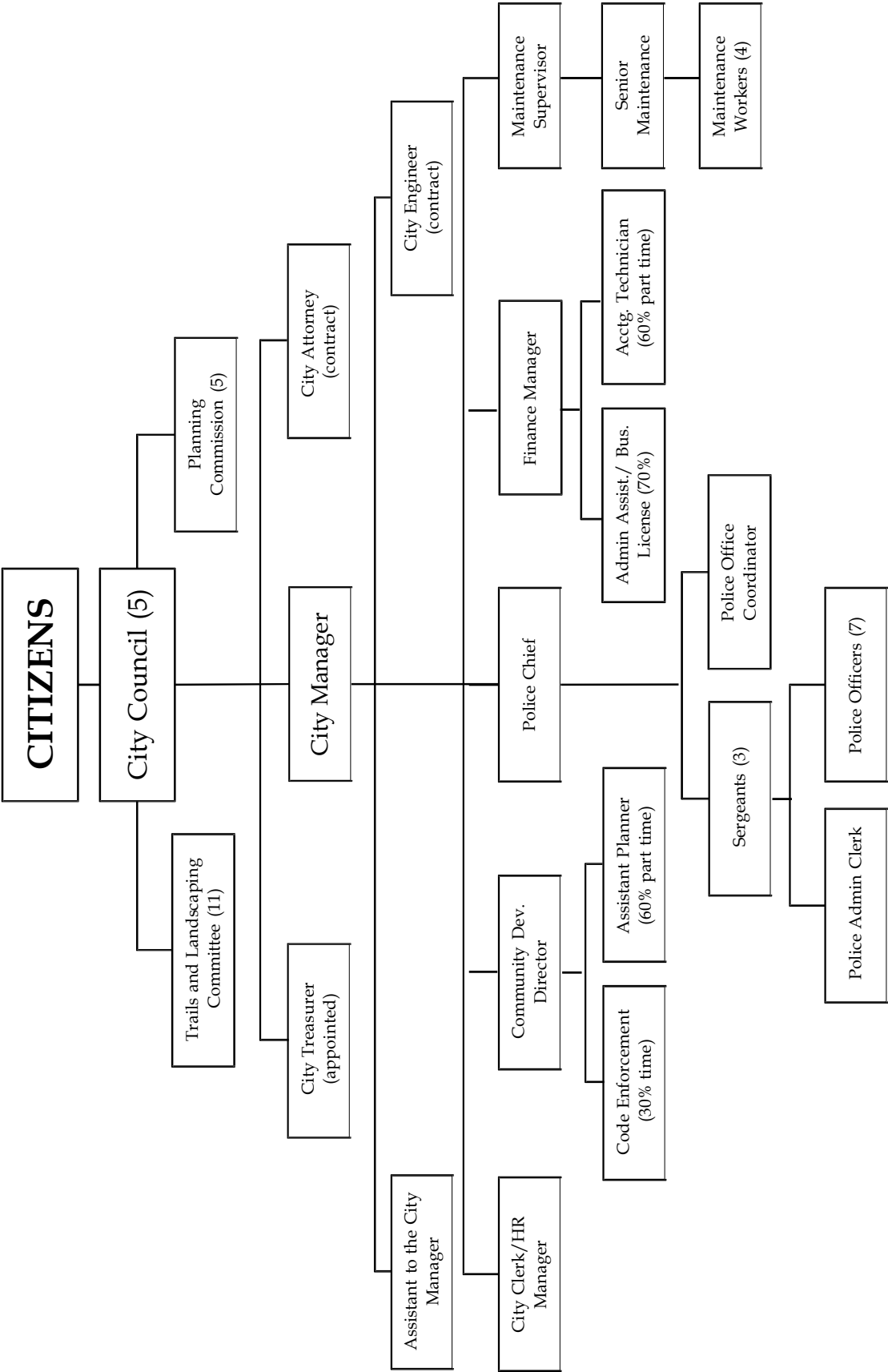
- Excellence
- Integrity
- Respect
- Teamwork

OUR VISION

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

(Note: Mission and Values updated Feb. 28, 2020)

CITY OF CLAYTON ORGANIZATIONAL CHART



DIRECTORY OF OFFICIALS AND ADVISORY BODIES

CITY COUNCIL

Julie K. Pierce, Mayor
Jeff Wan, Vice Mayor
Tuija Catalano, Councilmember
Jim Diaz, Councilmember
Carl “CW” Wolfe, Councilmember

COMMISSIONS

Planning Commission

COMMITTEES

Trails and Landscaping Committee

APPOINTED OFFICIALS AND DEPARTMENT HEADS

Laura Hoffmeister	Acting City Manager
Malathy Subramanian	City Attorney (contract)
Elise Warren	Chief of Police
Janet Calderon	City Clerk / HR Manager
Paul Rodrigues	Finance Director, CPA
Hank Stratford	City Treasurer
Matthew Feske	Community Development Director
Scott Alman	City Engineer (contract)
Jim Warburton	Maintenance Supervisor



Demographics and Economic Characteristics

Date of Incorporation	March 18, 1964
Form of Government (General Law)	Council-Manager
Number of authorized City positions	27

Population:

Population	11,337
Median age	46.3
Median household income	\$182,442
Registered voters	8,363
Area in square miles	4.3

Miles of Streets:

Lane miles	44.9
Pavement Condition Index (PCI)	80/100 ["Very Good" rating]

Fire Protection: (Contra Costa County Fire Protection District)

Number of stations (Station No. 11)	1
-------------------------------------	---

Police Protection:

Number of stations	1
Number of patrol vehicles	10
Number of sworn personnel	11

Public Education:

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

Library: (Contra Costa County Library System)

Number of branch libraries (City-owned facility)	1
--	---

Parks & Community Facilities:

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

RESOLUTION NO. 37 - 2020

A RESOLUTION ADOPTING THE ANNUAL BUDGET FOR THE CITY OF CLAYTON FOR THE 2020-2021 FISCAL YEAR COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021, AND ADOPTING THE 2020-2021 APPROPRIATIONS LIMIT

THE CITY COUNCIL City of Clayton, California

WHEREAS, on June 23, 2020 the Acting City Manager and the Finance Manager did prepare, submit and present to the Clayton City Council the proposed budgets for operation of the City of Clayton in Fiscal Year 2020-21 commencing July 1, 2020; and

WHEREAS, on June 30, 2020, a Public Hearing was set and duly held on the proposed budgets whereat opportunities were provided accordingly for members of the public to offer comments and provide input on the fiscal plans presented; and

WHEREAS, after due consideration and review, the Clayton City Council finds it is in the best interest of the general health, welfare and safety of this City, its citizens and businesspersons, to formally adopt a financial plan governing the receipt and expenditure of public monies in Fiscal Year 2020-2021; and

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

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

WHEREAS, the Fiscal Year 2020-2021 Appropriations Limit is based upon the prior year's City Council adopted Appropriation Limit adjusted for the change in County population and the change in State per capita income; and

WHEREAS, City staff has calculated the fiscal year 2020-2021 Appropriations Limit to be \$11,926,371 while the City's annual tax proceeds total \$4,917,910, an amount less than one-half (41.2%) of the City's allowable tax expenditure cap.

NOW, THEREFORE, BE IT RESOLVED the City Council of Clayton, California does hereby adopt the budget revenue by fund for the City of Clayton for the Fiscal Year commencing July 1, 2020 and ending June 30, 2021 as follows:

FUND	2020-21 REVENUES
General Fund – Fund No. 101	\$ 4,844,230
Rainy Day Fund – Fund No. 110	364,615
HUTA Gas Taxes – Fund No. 201	287,195
RMRA Gas Taxes – Fund No. 202	179,271
Landscape Maintenance District – Fund No. 210	1,192,107
The Grove Park Maintenance District – Fund 211	149,830
Oakhurst Geological Hazard Abatement District – Fund No. 212	43,450
Presley GHAD Settlement – Fund 213	2,200
Street Light Assessment District – Fund No. 214	127,791
Stormwater Assessment – Fund No. 216	136,542
High Street Bridge Assessment District – Fund No. 217	1,807
Oak Street Bridge Assessment District – Fund No. 218	1,880
Measure “J” Fund – Fund No. 220	244,186
Lydia Lane Sewer Assessment District – Fund No. 222	17,600
Oak Street Sewer Assessment District – Fund No. 223	11,389
Restricted Grants – Fund No. 230	127,300
Diablo Estates at Clayton BAD – Fund No. 231	87,724
Capital Improvement Projects – Fund No. 303	2,204,585
Development Impact Fees – Fund No. 304	12,000
Clayton Financing Authority – Fund 405	12,600
Middle School CFD – Fund No. 420	387,784
Middle School Refunding – Fund 422	419,500
Self Insurance Fund – Fund No. 501	400
Capital Equipment Replacement Fund – Fund No. 502	115,500
Pension Rate Stabilization Fund – Fund No. 503	6,000
Endeavor Hall – Fund No. 702	30,030
Successor Agency (Former RDA) – Fund No. 615	873,212
Successor Housing Agency – Fund No. 616	126,400
TOTAL REVENUE:	\$ <u>12,007,128</u> ; and

BE IT FURTHER RESOLVED the budget appropriations by fund for the City of Clayton for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021 are adopted as follows:

FUND	2020-21 APPROPRIATIONS
General Fund – Fund No. 101	\$ 5,253,712
Rainy Day Fund – Fund No. 110	41,500
HUTA Gas Taxes – Fund No. 201	686,867
RMRA Gas Taxes – Fund No. 202	359,147
Landscape Maintenance District – Fund No. 210	1,691,807
The Grove Park Maintenance District – Fund 211	136,002
Oakhurst Geological Hazard Abatement District – Fund No. 212	96,853
Presley GHAD Settlement – Fund 213	-
Street Light Assessment District – Fund No. 214	166,010
Stormwater Assessment – Fund No. 216	190,548
High Street Bridge Assessment District – Fund No. 217	1,454
Oak Street Bridge Assessment District – Fund No. 218	258
Measure “J” Fund – Fund No. 220	356,043
Lydia Lane Sewer Assessment District – Fund No. 222	17,914
Oak Street Sewer Assessment District – Fund No. 223	11,509
Restricted Grants – Fund No. 230	295,004
Diablo Estates at Clayton BAD – Fund No. 231	68,062
Development Impact Fees – Fund No. 304	-
Clayton Financing Authority – Fund 405	-
Middle School CFD – Fund No. 420	455,161
Middle School Refunding – Fund 422	435,116
Self Insurance Fund – Fund No. 501	6,300
Capital Equipment Replacement Fund – Fund No. 502	104,284
Pension Rate Stabilization Fund – Fund No. 503	-
Endeavor Hall – Fund No. 702	44,056
Successor Agency (Former RDA) – Fund No. 615	859,749
Successor Housing Agency – Fund No. 616	45,000

TOTAL APPROPRIATIONS: \$ 11,322,356 ; and

BE IT FURTHER RESOLVED the 5-Year Capital Improvement Program (CIP) Budget of the City of Clayton for the fiscal years commencing July 1, 2020 and ending June 30, 2025 is hereby adopted with the following CIP Projects scheduled for undertaking in FY 2020-21:

Capital Improvement Projects - Fund 303	2020-21 APPROPRIATIONS
Pine Hollow Road Upgrades (CIP 10379)	\$ 100,000
El Portal Drive Reconstruction (CIP 10439)	67,148
North Valley Playground Rehabilitation (CIP 10442)	80,000
Oak St. Bungalows Demo (CIP 10445) Project complete - transfer	
Residual Funds back to Downtown Econ. Dev (CIP 10400).	4,681
School Intersection Improvement (CIP 10448)	70,211
2020 Neighborhood Streets Repave (CIP 10449)	872,360
Downtown Pedestrian Improvement (CIP 10450)	252,000
	<u>\$ 1,446,400</u> ; and

BE IT FURTHER RESOLVED the appropriations listed above constitute the budget for the Fiscal Year 2020-2021 and the City Manager (Acting or Interim) is herein authorized to transfer appropriations within the control accounts as deemed necessary, provided no change is made in the total amount designated for any one fund; and

BE IT FURTHER RESOLVED the City Council of Clayton does hereby find and determine it has complied with all of the provisions of Article XIII B of the California Constitution in determining the annual Appropriations Limit for Fiscal Year 2020-2021; and

BE IT FURTHER RESOLVED pursuant to Government Code Section 7910 and Article XIII B of the California Constitution the approved Appropriations Limit for fiscal year 2020-2021 is hereby established at \$11,926,371 as shown in "Exhibit A"; and

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California during a public hearing at a regular public meeting thereof held on the 30th day of June 2020 by the following vote:


AYES: Mayor Pierce, Vice Mayor Wan, Councilmembers Catalano, Diaz, and Wolfe.

NOES: None.

ABSTAIN: None.

ABSENT: None.

THE CITY COUNCIL OF CLAYTON, CA



Julie Pierce, Mayor

ATTEST:



Janet Calderon, City Clerk

City of Clayton Appropriations Limit FY 2020-21

FY 2019-20 Appropriations Limit: **\$11,467,664**

A. Change in California Per Capita Cost of Living
(Converted to a Ratio) 1.03730

B. Greater of the Change in Population (Converted to a Ratio)
(Converted to a Ratio)

City of Clayton (0.19%)	0.99910	
County of Contra Costa (0.26%)	1.00260	<u>1.00260</u>

Compound Adjustment Factor (A multiplied by B) 1.04000

FY 2020-21 Appropriations Limit: **11,926,371**

Estimated Appropriations Subject-to Limit: **4,917,910**
41.2%

Available Annual Tax Gap: **\$ 7,008,461**

BUDGET MESSAGE

2020-21

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

BUDGET SUMMARY

Presented herein for public review and consideration is the City's proposed budgets for FY 2020-21. It is an annually balanced budget as required by law, and the General Fund displays a balance of projected revenues exceeding expenditures resulting in a planned operating surplus of **\$425**. The City's General Fund budget does not contain any appropriation for a "contingency" account. The chart below captures a five (5) year history of our City's overall expenditure budgets:

CITY OF CLAYTON BUDGETS					
BUDGET AREA	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
GENERAL FUND OPERATING EXPENDITURES	\$ 4,843,806	\$ 4,774,450	\$ 4,587,220	\$ 4,455,050	\$ 4,261,720
OTHER FUNDS*	5,167,395	4,739,491	5,420,805	4,817,118	5,689,924
CAPITAL IMPROVEMENT PROGRAM	1,446,400	2,996,371	2,746,513	2,471,256	2,919,565
SUCCESSOR AGENCY (former RDA)	859,749	867,351	692,490	711,957	1,125,996
TOTAL	\$ 12,317,350	\$ 13,377,663	\$ 13,447,028	\$ 12,455,381	\$ 13,997,205

*Includes the City's twelve (12) special revenue, three (3) internal service, one (1) enterprise, and eight (8) fiduciary funds (excluding the Successor Agency fiduciary fund reported separately in the table). Also excludes Depreciation in CERF Fund 502.

The combined financial program proposed for the General Fund, the City's Other Funds, the Capital Improvement Program (CIP), and the Successor Agency is \$12,317,350, a decrease of \$1,060,313 (7.9%) from last year's adopted budget, excluding General Fund non-operational expenditures. This decrease is a combination of increases to General Fund operating expenditures (\$69,356/1.45%) and Other Funds expenditures (\$427,904/9.02%), and decreases to CIP Fund expenditures (\$1,549,971/51%) and Successor Agency Fund expenditures (\$7,602/.88%). These changes will be discussed in greater detail later in the Budget Message.

Comparable to prior year's adopted General Fund budget, the proposed fiscal plan for next year anticipates the effects of the global pandemic COVID-19 to continue to have a negative effect on the local and national economy and revenues are forecast with that in mind.

Included in the 2020-21 Proposed Budget is the establishment of a new Rainy Day Fund, [Fund 110] which Operational Excess's earmarked by the City Council will be transferred. Establishment of this fund will allow better tracking of these earmarked funds. Per City Council direction from their June 10, 2020 budget workshop the transfer of the remaining unused funds estimated to be \$31,315 previously earmarked for the Green Infrastructure Plan has been transferred to the new Rainy Day Fund, as well as the 2018-19 operational excess supported by the FY 2018-19 audited CAFR of \$333,300.

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

Expenditures proposed to be paid for 2020-21 from the Rainy Day Fund include the November 2020 City Council elections services of \$15,000, an additional (third) crossing guard at the school estimated to be \$14,000, and additional COVID-19 related janitorial services of \$12,500. This will leave an estimated ending fund balance of \$323,115 at June 30, 2021. For FY 19-20 it is projected that the City will end with **\$146,019** in operational excess however are not yet audited and will be brought back to the City Council after audit with actual year end status.

The fiscal impact of the Proposed Budget is detailed in the attached budget document. However a few items that staff is tracking are noted below:

Of the various special restricted funds, there are three- Geological Hazard Abatement District [GHAD] (Fund 212), Neighborhood Street Lights (Fund 214), and Stormwater (Fund 216) which staff has concerns. Each of these have declining fund balances and are forecast that they may not have sufficient revenues to cover future costs. Increases in revenues would be needed to maintain the services these funds provide. If needed some of the operational excess in FY 18-19 could be utilized to cover any shortage on a short term basis, to allow time for more detailed analysis and determination of a future special revenue fund increase. Any fee increases may be subject to Proposition 218 majority protest, a 50% plus on if a general revenue measure; or if a special revenue measure a voter approved 2/3 approval. Without sufficient revenue the City General Fund would need to subsidize these special purpose funds, and could place pressure to reduce other General Fund operations.

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

GENERAL FUND REVENUES

FY 2019-20 Revenue Projections

Although the current fiscal year has not closed at the time of budget preparations for the upcoming year, sufficient information is available to forecast what year-end FY 2019-20 revenues will look like. At this time, General Fund revenue is expected to total approximately **\$4,811,973** by the close of FY 2019-20. This projection reflects a slight unfavorable variance of **\$2,227** (0.05%) over total estimated General Fund revenues in the FY 2019-20 adopted budget suggesting the revenue forecasting methodologies and assumptions used last year were generally reliable. Despite unsurprising favorable variances in secured property tax revenue sources, this positive news was offset by unfavorable variances in other revenue sources sales and such as sales and use taxes, real property transfer taxes, interest revenues, and park use fees. Many of these decreases are directly related to the COVID-19 pandemic.

Higher than budgeted growth in secured property tax revenues is visible in the local ad valorem secured property taxes and the property taxes in-lieu of vehicle license fees (VLF) from the State of California. This favorable result is explained by actual assessed property values exceeding the City's cautious projection of 2.0% in FY 2019-20. The FY 2019-20 assessment roll was not published by the Contra Costa County Assessor's Office until July 1, 2019, which followed the adoption of the City's FY 2019-20 budget.

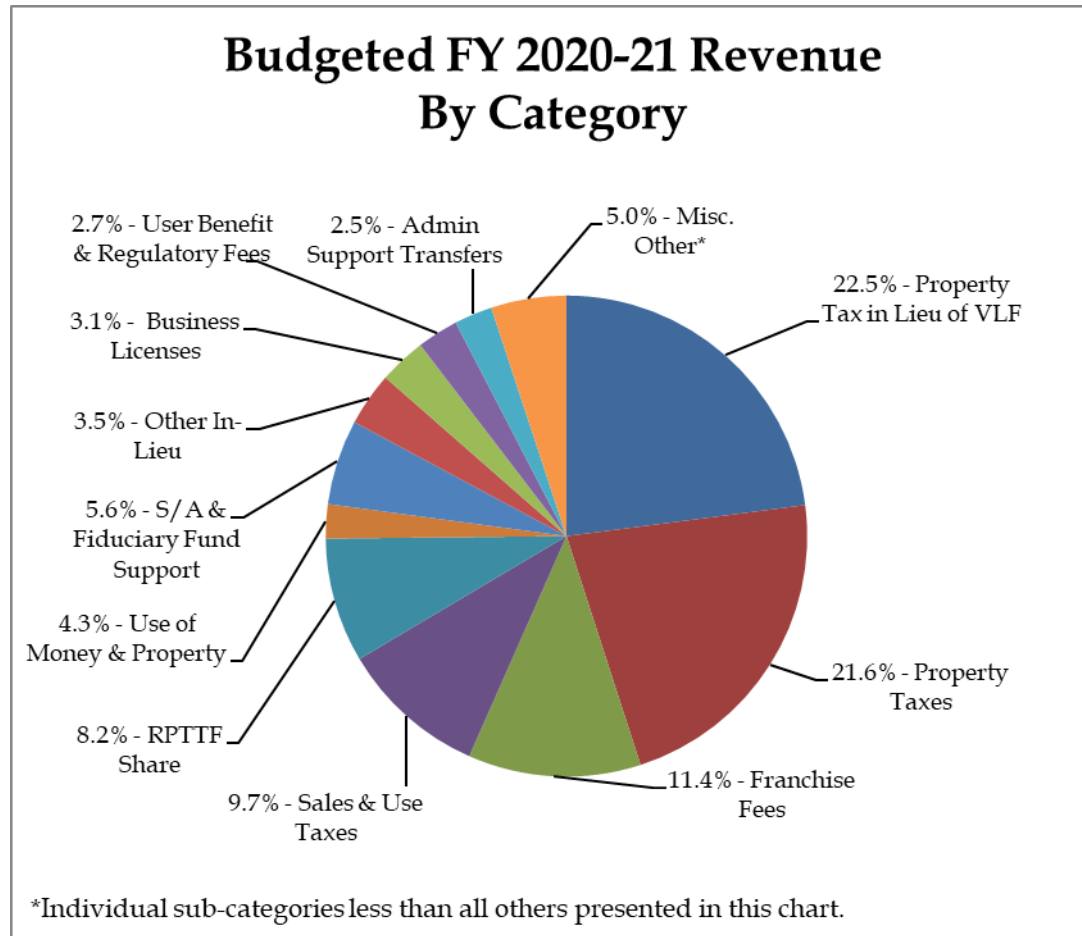
As noted previously, this positive revenue news was offset by negative variances elsewhere, primarily due to the COVID-19 pandemic. For instance, while sales and use taxes were budgeted at \$497,100 for 2019-20, actual revenues are projected to total \$480,142 a 3.4% decrease. Further, due to closures of various City facilities and parks, park use fees and meeting room fees are projected to be significantly lower (\$26,819 and \$1,159 respectively) than what was budgeted for 2019-20.

Interest Revenues are projected to be \$15,000 lower than the 2019-20 budgeted amount, primarily due to applying a conservative approach to estimating the total amount for the year. At the time of this report, only one of four quarterly interest distributions had been made, due to the absence of a permanent Finance Director. Staff felt it prudent to estimate both 2019-20 and 2020-21 interest revenues based upon the 2018-19 audited revenues.

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

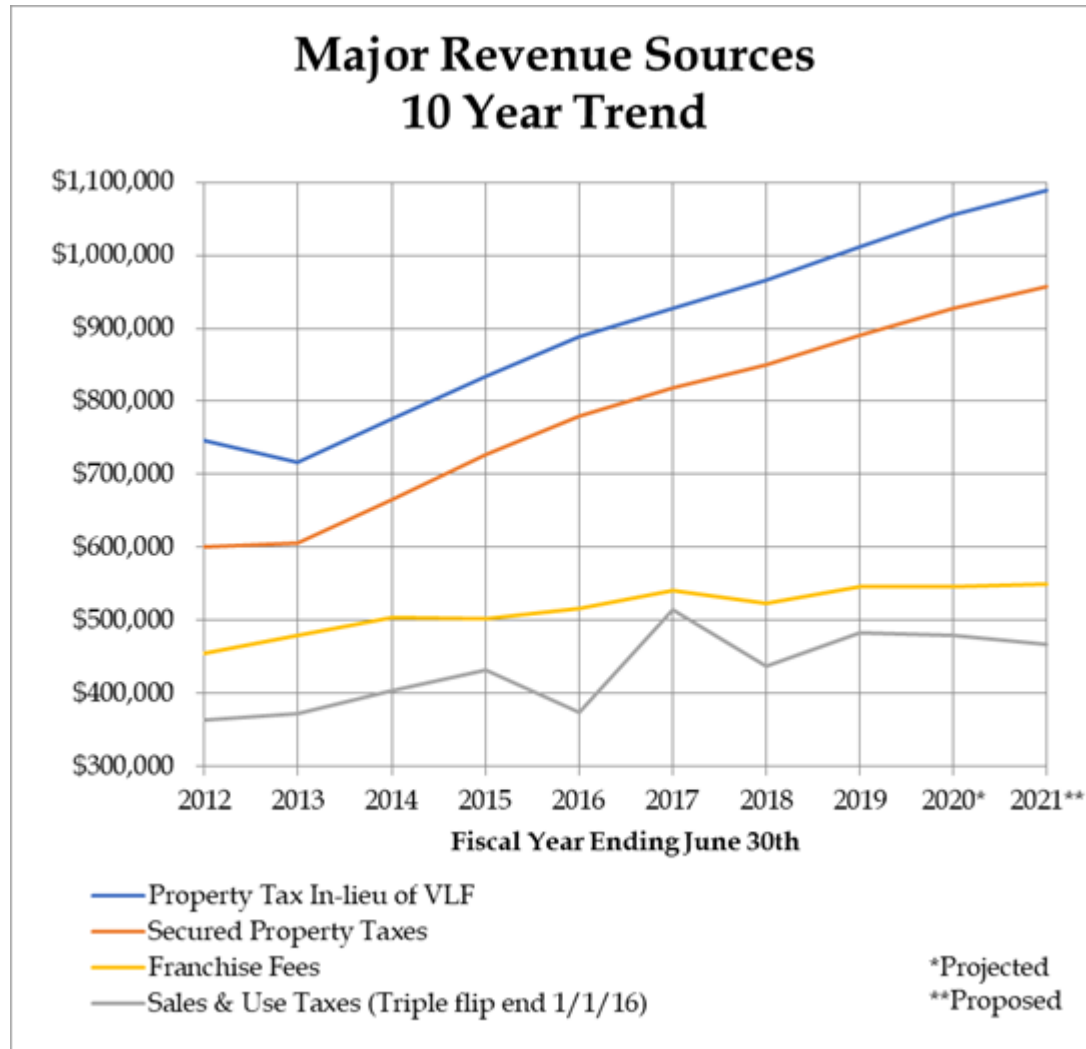
FY 2020-21 Revenue Projections

The FY 2020-21 proposed budget estimates total General Fund revenues of **\$4,844,231**. This is a slight increase of **.62%** over the prior year adopted budget. This projection is supported by actual FY 2019-20 operational revenue results to-date and is reflective of current statistics suggesting a continued contraction of the local and national economies due to the global COVID-19 pandemic.



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

As illustrated in the previous pie chart, a noteworthy portion (65.2% of General Fund revenues) is concentrated in four different sources. The “slice of the pie” of these four major revenue sources remained consistent with the prior year’s budget. In order of significance these four key revenue sources include: (1) property tax in-lieu of vehicle license fees (VLF), (2) local secured ad valorem property taxes, (3) sales & use taxes, and (4) franchise fees. The following chart illustrates the ten year trend of these four major revenue sources for the City:



This trend analysis illustrates the gradual recovery of local revenue sources following the “Great Recession.” Revenue sources with delayed downturns arising from the recession (i.e. property tax in-lieu of VLF and general property taxes) have made a comeback and have exceeded pre-recession levels since FY 2014-15, while sales and use taxes and franchise fees have flattened or started to decrease slightly.

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

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

Property Tax in Lieu of Vehicle License Fees

The largest revenue source, making up 22.5% of General Fund budgeted revenues for FY 2020-21, is property tax in-lieu of vehicle license fees (VLF). The VLF is an annual value tax on the ownership of registered vehicles. It is collected by the California Department of Motor Vehicles and then distributed to cities and counties. In 2004, the California State Legislature permanently reduced the tax rate from 2.0% to 0.65% of a vehicle's current market value. The reduction in VLF revenue to cities and counties was offset by an increased transfer of the state's share of local secured property taxes. The City is projecting revenue of \$1,088,343 in FY 2020-21, which is an increase of approximately 2.0% over projected actuals for FY 2019-20 and 5.6% over last year's budgeted figure. This growth rate reflects the conservative projection of a local economy that is still being affected by the COVID-19 pandemic.

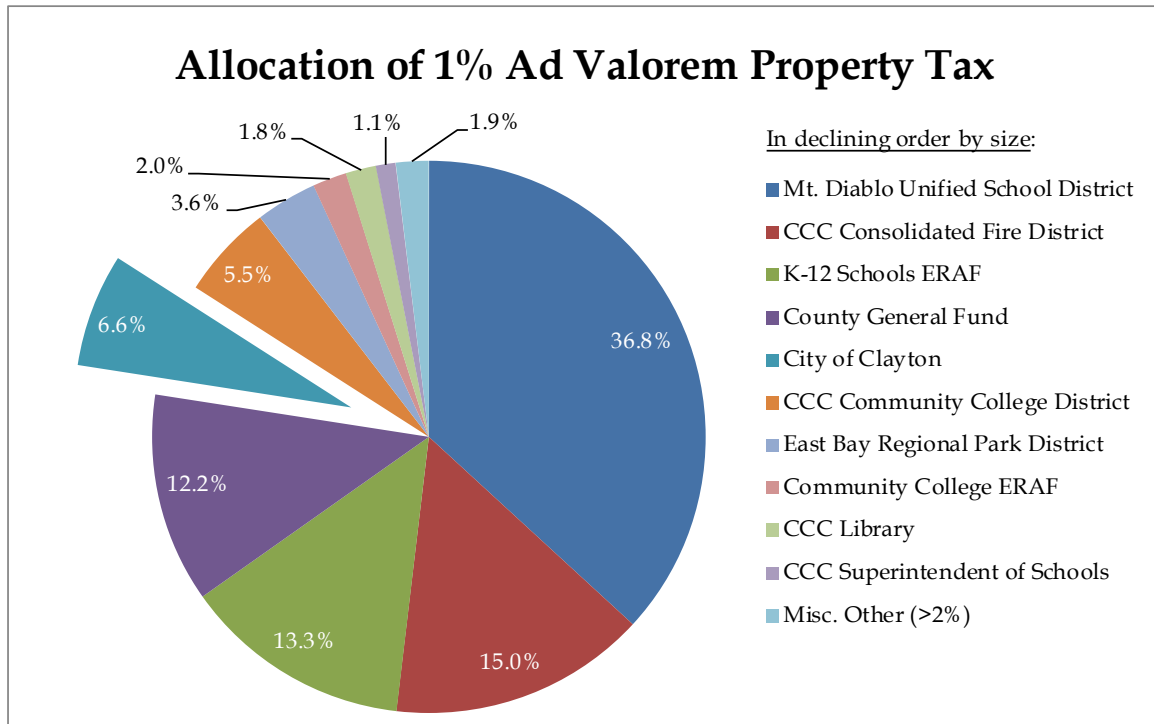
Local Secured Ad Valorem Property Taxes

The second largest revenue source, making up 21.6% of General Fund budgeted revenues for FY 2020-21, is the City's share of the local ad valorem secured property taxes. Secured property taxes are tax imposed on the calculated and controlled value of real property such as land and permanently attached improvements. Proposition 13 (1978) limits the real property tax rate to one percent (1%) of a property's assessed value for ad valorem tax purposes. Furthermore, Proposition 13 also restricts annual assessed property value growth to an inflationary factor equal to the lesser of the annual October to October California Consumer Price Index or two percent (2%). For FY 2020-21, the Proposition 13 secured property tax cap of 2% was once again in effect considering the October 2019 inflationary factor published by the California Board of Equalization was 2.98%. Following the County Assessor's Office completion of the annual assessment roll, individual parcel taxes are calculated by the County Auditor-Controller's Office (ACO) and levied and collected by the County Tax Collector's Office. The County ACO then allocates taxes levied to local taxing agencies pursuant to a statutory allocation formula applicable to the tax rate area (TRA) the underlying parcel is located within.

The City of Clayton has ten (10) such TRAs, with the largest TRA by current assessed value returning only 6.63% of the full one percent tax back to the General Fund. Comparatively, the City is considered a "low property tax city" stemming from the original implementation of Proposition 13 in 1978. For FY 2020-21, the City's share of secured local property tax revenues is projected to be \$957,300, which is an increase of approximately 2.0% over projected actuals for FY 2019-20 and 5.5% over last year's budgeted figure.

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

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



Franchise Fees

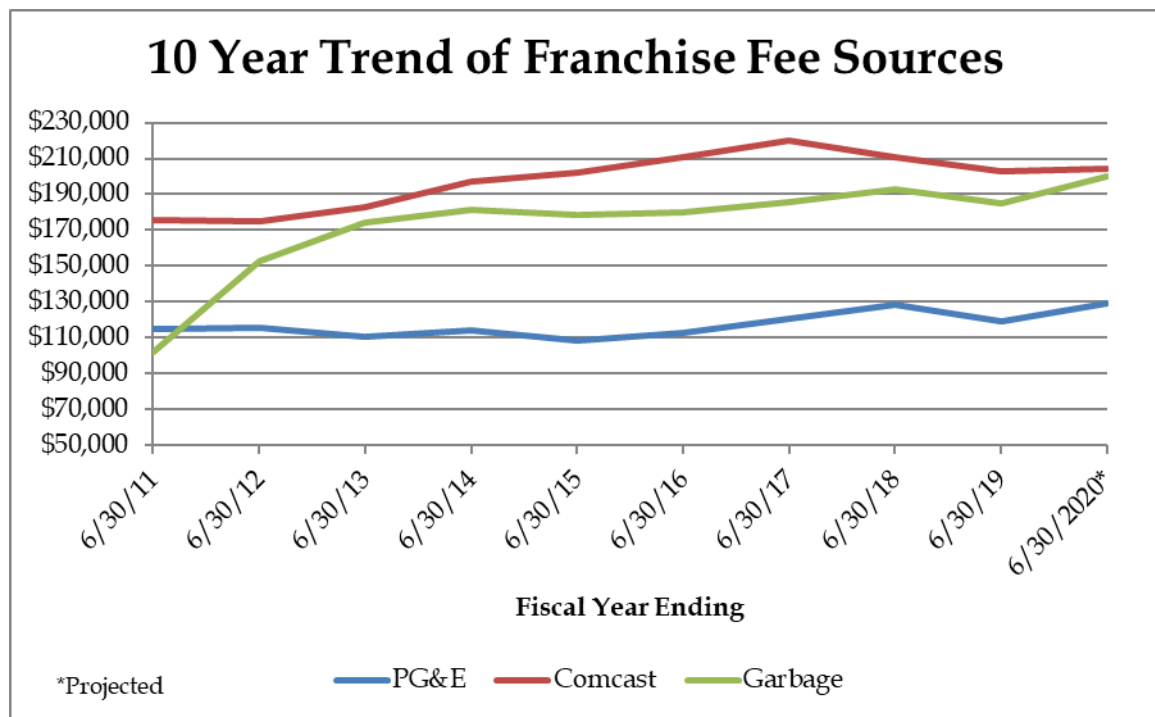
The third largest revenue source, making up 11.4% of General Fund budgeted revenues for FY 2020-21, is franchise fees. Franchise fees are rent paid by utilities or other businesses for the privilege of using the City's right-of-way (i.e. streets, sidewalks, etc.) to locate utility lines, operate vehicles, and/or conduct private business for profit. The City currently collects a 1% franchise fee from Pacific Gas & Electric and a 5% franchise fee from cable operators (i.e. Comcast and AT&T/Pacific Bell). In addition, the City collects a 10% franchise fee from Republic Services for its collection, transportation, disposal and diversion of solid waste and recyclable materials.

In the City's long-term forecasting of franchise revenues, staff had previously identified and communicated a risk the emergence of wireless operations may eventually negatively impact the Comcast franchise fee as a reliable revenue source to local governments. This risk has now become a reality with FY 2018-19 Comcast franchise fee revenues falling short of the budget by \$18,000 (8.1%), which is the most significant year-to-year decrease in at least ten years. Again, this reduction is due to consumer migration to alternative cable-less options. Accordingly, budgeted revenues for Comcast franchise fees have been adjusted to reflect this reduction, and continued decreases seem to have curtailed.

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

Despite bill rates growing approximately 10% annually in recent years paired with the restructuring of the rate plan to a “time of use” and tiered system, PG&E franchise fee revenues are also projected to significantly decrease, with FY 2018-19 franchise fee revenues falling short of the budget by \$10,872 (8.4%). The reasoning for this decline is difficult to pinpoint on a single factor, more likely being attributable to multiple factors. As households continue to install photovoltaic residential solar units in the community and improve energy conservation efforts and reduce consumption, the volume of energy purchases from PG&E will continue to decline, although 2020-21 revenues are projected to increased based upon expected 2019-20 revenues. Furthermore, and even less predictable, fluctuations in year-to-year average seasonal temperatures can adversely impact this revenue source as well.

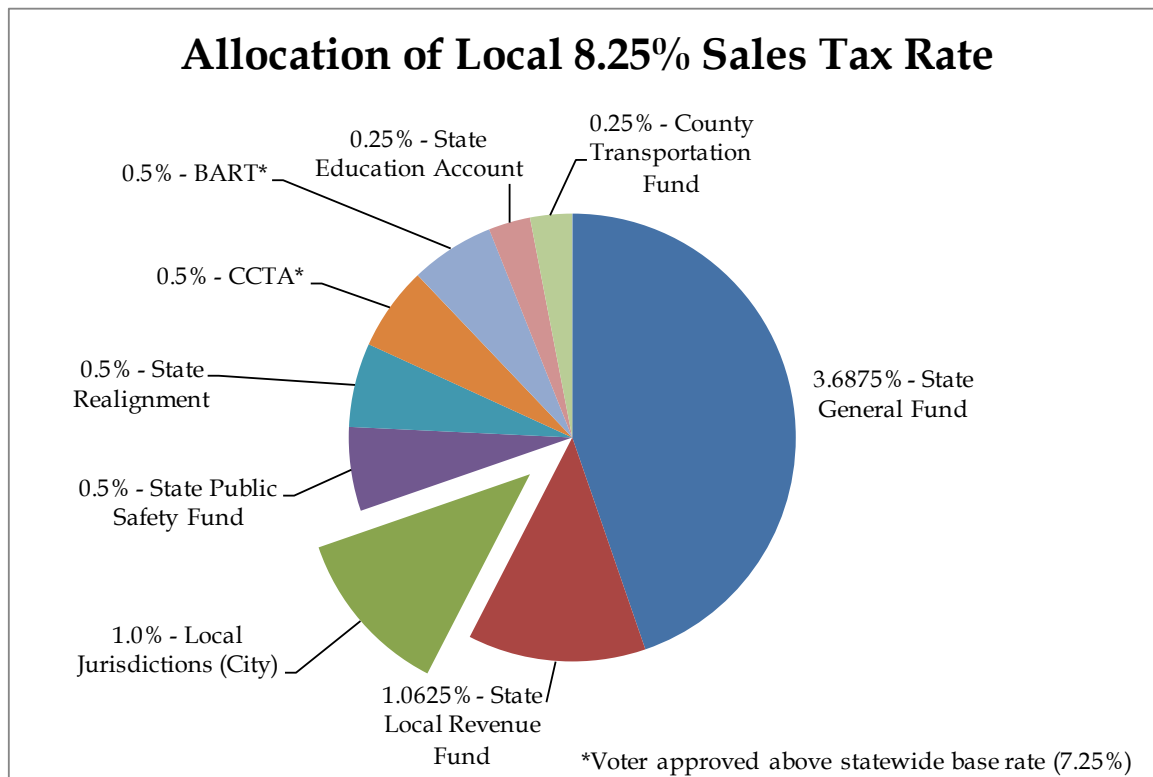
In the aggregate, however, it is expected total franchise fee revenues from all sources will remain stable, growing by less than 2.2% in FY 2020-21 to a total of \$550,252. The following chart depicts the ten (10) year trend of the City’s three major franchise fee revenues by source:



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

Sales & Use Taxes

The fourth largest revenue source, making up 9.7% of General Fund budgeted revenues for FY 2020-21, is sales & use taxes. This is a tax imposed on the total retail price of any tangible personal property, unless deemed specifically exempt by the California Department of Tax and Fee Administration (CDTFA), as well as the use or storage of such property when sales tax is not paid. Although the unadjusted general state-wide sales tax rate applied to transactions is 7.25%, the basic local rate (aka “Bradley-Burns” rate) returned to local agencies (i.e. City of Clayton) is only one percent (1%). This local share is unrestricted and must be received into the General Fund. In the City of Clayton, the applicable sales tax rate is currently 8.25% due to a combination of other additional local and regional voter-approved measures. The following is a pie chart depicting the current allocation of the 8.25% sales tax rate applied to all taxable transactions in the City of Clayton:



The City is projecting sales & use tax revenue of \$467,527 in FY 2020-21, which is a decrease of approximately 2.6% over projected actuals for FY 2019-20. This projection is supported by historical local revenue trends as well as analysis performed by sales tax analysts HdL, Coren & Cone. On a regional level the economic outlook for the Bay Area continues to look uncertain due to the Covid-19 pandemic with inflationary growth in the annual April 2019 to April 2020 local consumer price index coming in at 1.01%.

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

Along with the aforementioned Covid-19 pandemic, another significant and uncertain factor impacting this key revenue source is the California state legislature's passage of Assembly Bill 147 (AB 147) on April 25, 2019. This bill authorized the CDTFA to enforce the collection of sales and use taxes on online retailers with "significant nexus" effective April 1, 2019. Consistent with the U.S. Supreme Court's *South Dakota v. Wayfair* decision, AB 147 defines significant nexus as online sales of tangible property in excess of \$500,000 during the preceding or current calendar year. Given the City of Clayton's limited presence of "brick and mortar" retail businesses generating sales taxes, this new legislation may result in a noticeable increase in sales & use tax revenues. However, the specific amount and timing of this increase is highly uncertain absent an in-depth (and costly) analysis of online sales transactions generated in city limits. Given these uncertainties, City engaged the services of HdL, Coren & Cone to more accurately estimate sales and use tax revenues for 2019-20 and 2020-21. City staff will continue to monitor for unexpected fluctuations in this revenue source and recommend budgetary action to the City Council, if necessary, once new sales tax information incorporating the provisions of AB 147 becomes available.

Redevelopment Property Tax Trust Fund Revenue

The fifth largest revenue source, making up 8.2% of General Fund budgeted revenues for FY 2020-21, is the City's share of the Redevelopment Property Tax Trust Fund (RPTTF) tax increment. Pursuant to Assembly Bill 1 26x, with the Clayton Redevelopment Agency's (RDA) dissolution in February 2012 (FY 2011-12), the Clayton "Successor Agency" became the heir to the RDA. The Successor Agency receives funds through the RPTTF sufficient to pay/retire debt service and enforceable obligations of the former RDA as requested through the semi-annual "Recognized Obligation Payment Schedule" (ROPS) process, which is subject to approval by the California Department of Finance (DOF). Prior to the City of Clayton receiving its share of RPTTF taxes levied by the County, monies are first used to pay County administrative fees, required tax sharing payments (i.e. pass through payments), and approved enforceable obligations on the Successor Agency's ROPS. Thereafter, the residual balance of the County RPTTF is distributed by the County to the school entities, city, county, and special districts based on their proportionate share of property tax revenues. The City of Clayton's share of this residual balance is approximately 6.96%.

The amount of RPTTF residual balance allocated to the City is negatively correlated with the amount of state-approved obligations included in each ROPS. For FY 2020-21, after incorporating the state-approved ROPS and pass-through payments as well as total RPTTF expected to be available in the County pool for funding, it is projected the City will receive approximately \$396,780 in RPTTF revenues. FY 2020-21 budgeted RPTTF revenues are expected to increase by approximately 2%

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

over projected actuals for FY 2019-20, as well as by 2% from last year's budgeted figure. As previously described, due to the process by which the amount of RPTTF distributable to the City is calculated, historical allocations of RPTTF to the City are not germane in predicting future allocations.

Fiduciary Funds Administrative Service Charges

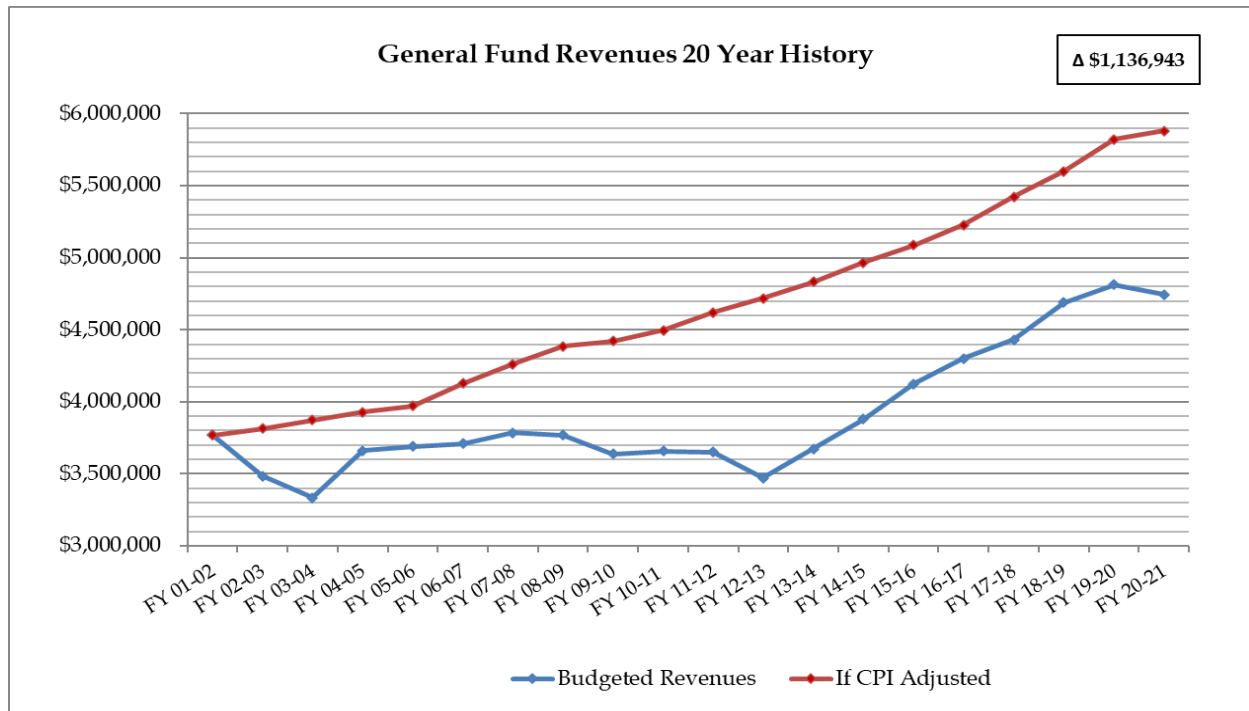
The sixth largest revenue source making up 5.6% of General Fund budgeted revenues for FY 2020-21 is derived from administrative support charges from the Successor Agency and other fiduciary funds of the City. Since the creation of the Successor Agency in 2012, the City has received \$250,000 on an annual basis for administrative support services in accordance with *California Health & Safety Code* Section 34171(b). However, a few years following dissolution of the Successor Agency, the Governor's May 2015 trailer bill (AB 113) placed additional restrictions on the amount of administrative allowance an administering agency may receive, potentially resulting in a cap substantially less than the previous \$250,000 floor amount. The most detrimental impact of this trailer bill was to apply an administrative allowance cap of 50% to RPTTF monies actually "received" in the prior year, rather than to the total amount of "approved" enforceable obligations. The City experienced its first loss from this new state decree in FY 2016-17 when the City was allocated only \$231,915 for Successor Agency administrative support purposes.

Pursuant to the March 27, 2020 Determination Letter issued by the California Department of Finance (DOF) approving the Successor Agency's 2020-21 Recognized Obligation Payment Schedule (ROPS), the City will be receiving its full administrative allowance of \$250,000 for FY 2020-21. Beginning FY 2022-23, these Successor Agency administrative allowance revenues are projected to drop permanently and fluctuate annually between \$196,000 and \$199,000 until the dissolution of the Successor Agency in FY 2025-26 following the maturity of the 2014 refunding Tax Allocation Bonds. Including administrative cost recovery from the other fiduciary funds of the City, the total Fiduciary Funds Administrative Charges line item is expected to be \$271,471. This reflects a 1.1% increase from projected actuals for FY 2019-20 for Fiduciary Funds other than the Successor Agency Fund, which remains the same at \$250,000.

Despite the County's assumption of the Oversight Board role effective July 1, 2018 pursuant to state law, the City has and will presumably continue to receive its annual administrative recovery revenue until dissolution of the Successor Agency. At this point no information has been made publicly available suggesting the elimination of this revenue, which would be catastrophic to the City's annual General Fund operating budget. However, given the City's exposure and the risk level, staff will continue to monitor legislative action by the state and report significant developments to the City Council.

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

Overall, as previously the principal sources of General Fund operating revenue are either increasing or decreasing slightly, primarily due to the COVID-19 pandemic, suggesting the local economy is in a slight decline. When looking at a twenty (20) year history of General Fund budgeted revenues, actual revenue growth has clearly not kept pace with inflation. The following line chart, updated and presented annually, illustrates the growing difference between General Fund budgeted revenues versus FY 2001-02 base year revenues adjusted for annual changes in the consumer price index for the San Francisco-Oakland-Hayward region, with the difference in FY 2020-21 being \$1,136,943:



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

GENERAL FUND OPERATING EXPENDITURES

The proposed FY 2020-21 budget incorporates total General Fund appropriations of **\$4,843,806**, which reflects an overall increase of **1.45%** compared to the prior year's adopted budget.

FY 2019-20 Operating Expenditure Projections

The starting point for developing next year's budget is forecasting current year results and analyzing how actual results compare to the budgetary projections. General Fund operational expenditures are expected to total approximately **\$4,665,954** by the close of FY 2019-20. If realized, this projection will result favorable budgetary variance with operational expenditures coming in **\$108,496** (2.27%) less than the adopted FY 2019-20 General Fund budget of \$4,774,450. This modest variance suggests departments were generally successful in controlling their budgets within the constraints of the City Council approved legally enforceable departmental budgets.

FY 2020-21 Proposed Operating Appropriations

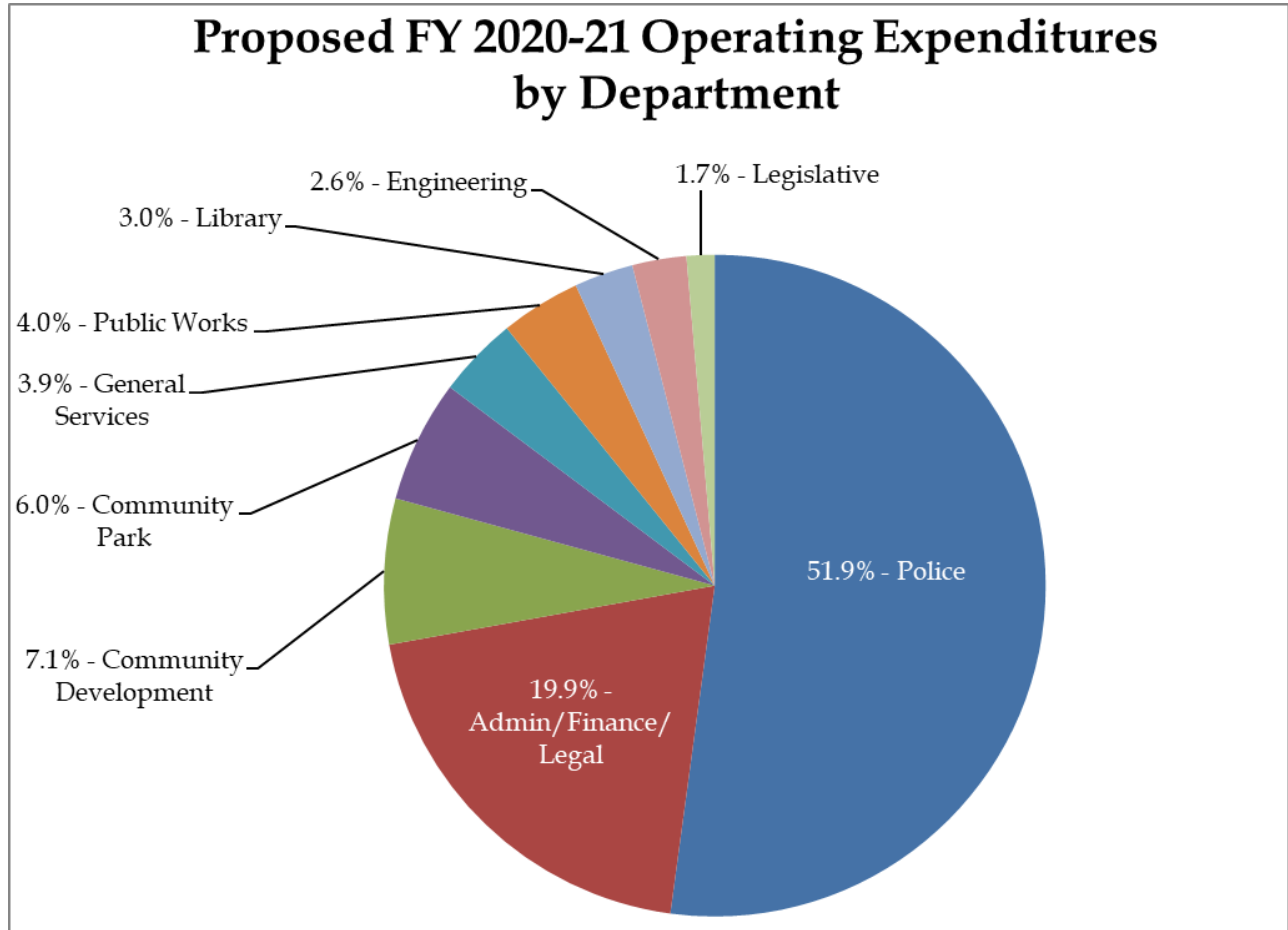
The following table provides a year-to-year comparison of proposed General Fund appropriations at the department level:

GENERAL FUND DEPARTMENTAL ADOPTED OPERATING BUDGETS			
DEPARTMENT	FY 2020-21	FY 2019-20	% CHANGE
LEGISLATIVE	\$ 66,331	\$ 67,290	-1.42%
ADMIN / FINANCE / LEGAL	968,514	1,019,940	-5.04%
PUBLIC WORKS	189,609	176,820	7.23%
COMMUNITY DEVELOPMENT	344,166	341,340	0.83%
GENERAL SERVICES	191,248	193,900	-1.37%
POLICE	2,525,943	2,419,500	4.40%
LIBRARY	139,832	143,740	-2.72%
ENGINEERING	128,150	125,750	1.91%
COMMUNITY PARK	290,013	286,170	1.34%
TOTAL	\$ 4,843,806	\$ 4,774,450	1.45%

The bulk (153%) of the increase in proposed appropriations pertains to the General Fund's Police Department budget, which is analyzed and discussed in greater detail later. Despite the proposed increase in appropriations exceeding this year's inflationary consumer price index rate as well as the operational revenue growth rate, it should be noted the proposed FY 2020-21 budget plans for the City providing once again the same level of public services to the community with no reductions or cuts.

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

The following pie chart illustrates each department's proportionate share of total proposed General Fund operating expenditures for FY 2020-21:



The order of departmental appropriations by proportional share of the General Fund is consistent with the prior year's adopted budget, suggesting no significant policy direction change in the priority of City programs.

As anticipated, the Police Department's share of proposed General Fund appropriations in FY 2020-21 is rebounding back to a majority share of total appropriations at 519% following the normalization of CalPERS UAL employer contributions as well as the approval of a new Police Officers Association (POA) labor agreement covering the three year timeframe ending June 30, 2021. As such, when considering the departmental distribution of appropriations, it is important to note for every \$1.00 paid by taxpayers as general tax revenue to the City, slightly over one-half of the tax monies (~52¢ of every \$1) is used to provide local law enforcement services to the community.

City of Clayton
Budget Message
General Fund Expenditures

As a service-provider organization, unsurprisingly the cost for personnel services comprises the bulk of General Fund appropriations. The proportion of expenditures related to personnel services remained relatively steady decreasing only slightly by 1.06% to a total of approximately 66.88% of the overall proposed operating General Fund budget. This is largely due to the current status quo assumption for the Miscellaneous Employee labor agreement, covering sixteen (16) of the City's twenty-seven (27) benefited employees. Overall the proportion of General Fund appropriations attributable to labor-related costs has been controlled and remained relatively steady at approximately two-thirds of the General Fund budget over the past seven-plus years.

Legislative Department (No. 01)

This is the smallest General Fund department making up 1.7% of proposed budgeted expenditures. Services funded by this department generally include: City Council members to set policy goals and objectives for the community, regular and special meetings of the City Council and recordings thereof, administering elections, and steering City promotional activities. Proposed appropriations of this department reflect a decrease of 1.43%. Although there will be a general municipal election occurring in FY 2020-21, \$15,000 of elections services will be paid out of the new Rainy Day General Fund that is being created to pay for various one-time and capital outlay items, as well as other items earmarked by the City Council to paid out of prior years' operational excess. (The Rainy Day Fund will be discussed in greater detail later).

Admin / Finance / Legal Department (No. 02)

This department makes up 19.9% of proposed General Fund budgeted operating expenditures. By its nature, the Admin/Finance/Legal Department provides essential administrative, oversight, and supportive services for all of the City's direct-cost programs including but not limited to: police, community development, parks and landscape maintenance services, capital improvements, etc. Comprised of approximately 5.3 permanent full-time equivalent employees, functions funded by this department include, but are not limited to: executive management and policy execution; legal counsel; human resources; financial, budgetary and compliance reporting; treasury and investment management; payroll and benefits administration; disbursements; revenue collection; records retention management and public records act facilitation; and facility rentals. Proposed appropriations reflect a decrease of 5% from the prior year adopted budget. The primary explanation for this decrease is computer/IT services previously expended from this department will be paid using Comcast PEG fees in the Restricted Grant Fund. Auditing and Financial Services increased over the prior year budget to reflect the estimated actual for 2019-20.

City of Clayton
Budget Message
General Fund Expenditures

Public Works Department (No. 03)

This department makes up 4% of proposed General Fund budgeted operating expenditures. Services funded by the Public Works Department include the maintenance of city hall and the adjacent corporation yard as well as maintenance of the City's five neighborhood parks (El Molino, Lydia Lane, North Valley, Stranahan, Westwood). Proposed appropriations of this department reflect an increase of 7.23% over the prior year primarily attributable to increases in overtime, water service, general supplies and contract seasonal labor. Notable decreases include a \$5,000 decrease in animal/pest control services from the prior year budgeted amount.

Community Development Department (No. 04)

This department makes up 7.1% of proposed General Fund budgeted operating expenditures. Comprised of approximately 1.9 permanent full-time equivalent employees, services funded by the Community Development Department generally include, but are not limited to: long-range planning and special studies (i.e. transportation, housing, zoning, etc.); ensuring compliance of land development and private party design proposals with local, state, and federal regulations; municipal code enforcement; and administration of the city's low to moderate income housing program. Proposed appropriations reflect an increase of .83% over the prior year adopted budget and assumes a fully staffed department.

The total 2019-20 projected operating expenditures are significantly – 28.99% under budget, primarily due to the vacant Community Development Director position for much of the year and was recently filled in April 2020. Other professional services are projected to \$6,000 for 2019-20 while for nothing is budgeted for 2020-21, due to Community Development Director performing these tasks.

General Services Department (No. 05)

This department makes up 3.9% of proposed General Fund operating budgeted expenditures. By its nature, the General Services Department captures essential support costs shared amongst all of the City's departments and funds. Functions funded by this department include, but are not limited to: city-wide risk management and insurance premiums; computer, software, and network technology support; and office supplies and shared printer/copy/scanning costs (excluding those of the police department which is tracked separately). Proposed appropriations for this department are expected to remain relatively stable and decrease by 1.37% over the prior year adopted budget. This is primarily due to the fact that computer/IT services previously expended from this department will be paid using Comcast PEG fees in the Restricted Grant Fund.

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

In 2019-20, Recruitment/Pre-employment expenditures were over their budgeted amount by \$27,515 due to recruitment costs for the City Manager, Community Development Director, and Finance Director positions. Computer/IT Services are

projected to be over budget by \$18,000 due to various computer replacements and software upgrades and webstream/zoom recording of City meetings.

Police Department (No. 06)

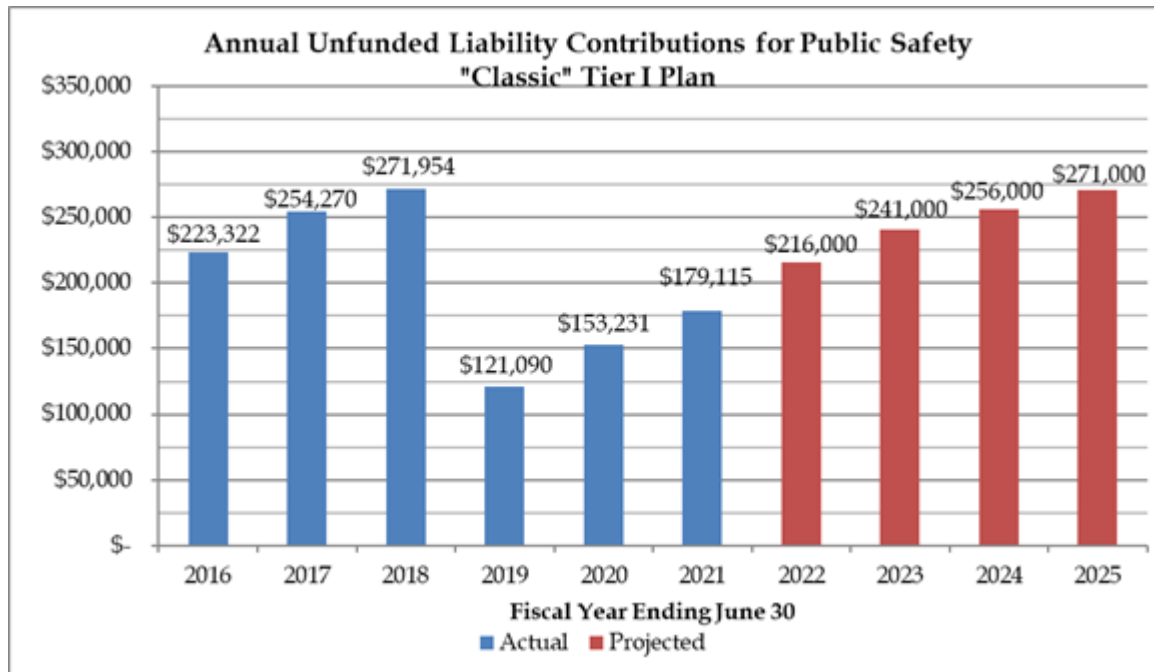
This is by far the largest General Fund department making up 51.9% of proposed General Fund budgeted operating expenditures. Services funded by the Police Department include, but are not limited to: traffic enforcement, vehicle collision investigation, crime investigation, animal control (contract), dispatch services (contract), and police records management. This department is comprised of twelve (12) permanent full-time equivalent employees, ten (10) of which are permanent full-time sworn police officers (including the Chief of Police) and two (2) of which are police operations support personnel. The City's eleventh (11th) sworn police officer is and has long been funded by the Supplemental Law Enforcement Services Fund (SLESF) restricted-use funding source, which is tracked in the City's Grants Fund and discussed in greater detail later.

Proposed operating appropriations for this department reflect an increase of 4.40% over the prior year adopted budget. Of this \$106,443 increase, \$86,979 or 81.71% are increases in negotiated salaries and benefits.

For FY 20-21, \$25,000 of overtime costs and \$5,000 of training expenditures have been moved to the Restricted Grants Fund and will be paid out of the SLESF Grant. These are eligible expenses and there are sufficient grant funds available.

The Tier I side fund UAL continues to be monitored by Staff and is of great interest to the City Council and the public. The Department budget's PERS Retirement - Unfunded Liability expense line item for 2020-21 is projected to be \$199,184, an increase of 12.15% over the prior year budget. The latest CalPERS actuarial reports made publicly available in July 2019 reveal a continuous increase in expected future employer contributions into the foreseeable future. This upward trend projection is illustrated in the bar graph on the following page.

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



Although the CalPERS “claw back” of FY 2018-19 UAL contribution savings is gradual and does not return to the pre-side fund payoff level until after FY 2024-25, there are some long-term variables to consider. Chiefly, this chart excludes the impact of normal cost pension contributions rates based on a percentage of pensionable wages for which rates are already scheduled to increase through FY 2020-21. Secondly, these CalPERS estimates assume a long-term investment return of 7.0% from FY 2019-20 onward. Should CalPERS cost sharing pool investment return fall short of this discount rate, actual contribution requirements could differ from the projections shown in the previous chart.

Library Department (No. 07)

This department makes up 3.0% of proposed General Fund budgeted operating expenditures. Services funded by the Library Department include but are not limited to: City maintenance of the City-owned Clayton Community Library building, grounds and equipment, and funding Sunday and weekday County Library staffing hours beyond the County’s base of 35 hours a week. Proposed operating appropriations reflect a decrease of 2.72% over the prior year’s budget. This decrease reflects assumed decreases in gas and electrical utility costs as a result of rates not increasing as much as budgeted in 2019-20. 2020-21 costs could potentially be lower if the library remains closed due to the COVID-19 pandemic.

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

Engineering Department (No. 08)

This department makes up 2.6% of proposed General Fund budgeted expenditures. Services funded by the contract Engineering Department include but are not limited to: administration of the City's capital improvement program, plan check and review of construction/development plans, administration of the City's encroachment permit program, and management of several benefit assessment districts. Professional engineering services are estimated to increase 2.5%. The agreement with Harris & Associates call for an annual adjustment of their rates based upon the June to June Consumer Price Index change for the San Francisco Bay Area.

Clayton Community Park Department (No. 09)

This department makes up 6.0% of General Fund operating appropriations included in the Proposed Budget. Services funded by the Clayton Community Park Department include but are not limited to: landscaping of the park grounds, maintenance of recreational sporting fields and related equipment/facilities, repairs and maintenance of the water irrigation network, and trash removal. Operating appropriations of this department are proposed to increase by 1.34%. Water service costs are expected to increase by 6% over 2019-20 projected costs. The 2019-20 operating expenditures are projected to be \$47,433 (16.58%) lower than budgeted, primarily due to closures due to the COVID-19 pandemic.

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

GENERAL FUND RESERVES

FY 2019-20 Projected Operational Excess

The prior year adopted City Budget anticipated an operational excess resulting from operations of \$39,750. Due to favorable budgetary variances on both the revenue and expenditure sides, it is projected FY 2019-20 will close with an operational excess of **\$146,019**. Although the results of both General Fund revenues and expenditures are projected to come in better than budgeted, the favorable budgetary variance on the expenditures side is the primary driver for the projected operational excess in FY 2019-20. Favorable budgetary expenditure variances overall were a result of operations being controlled within the confines of the City Council approved budget across various General Fund departments, particularly in the Community Development and Police Departments.

General Fund Reserve Earmarks Authorized by the City Council

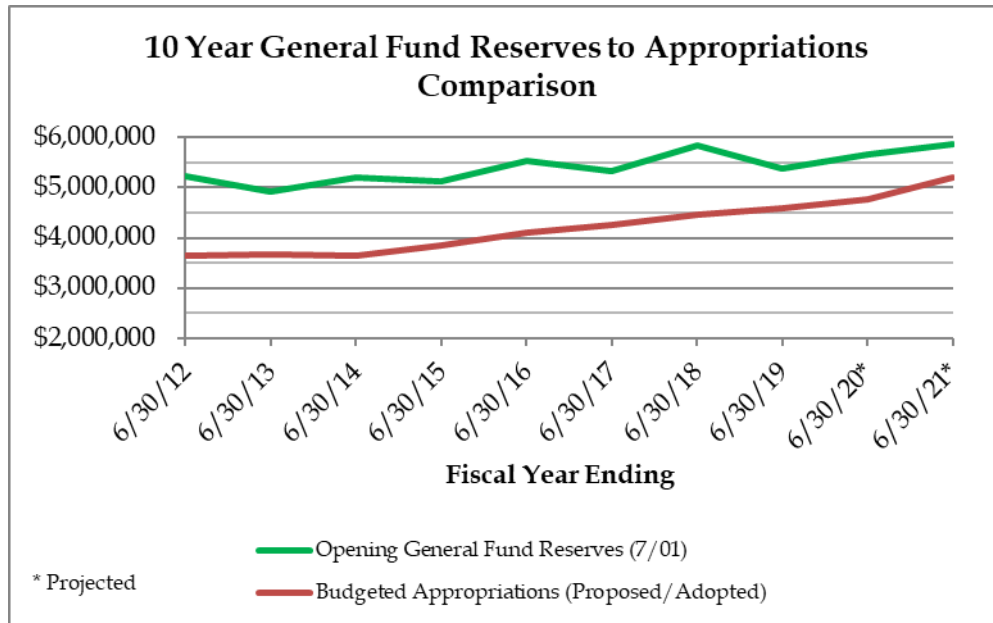
Concurrent with the City's independent auditing firm, Cropper Accountancy Corporation, issuing a "clean" opinion on the City's Comprehensive Annual Financial Report (CAFR), the communication of these results to the City Council in a letter dated January 29, 2020 also highlighted FY 2018-19 operations closed with excess reserves of \$333,300 in the General Fund. The total net change in fund balance, when including

expenditures of prior years' excess earmarked by the City Council was \$93,674. In this same CAFR, the City's General Fund reported a total positive fund balance of \$5,760,145, of which \$102,228 was reported as "assigned" for purposes as authorized by the City Council, and \$320,232 was reported as "non-spendable. Net of assigned and non-spendable fund balances, the General Fund reserve balance at June 30, 2019 exceeded appropriations of the adopted FY 2019-20 General Fund operating budget by approximately **1.12 times**. In contrast, this same ratio of reserves to operating budget for Lafayette and Moraga is 0.78 and 0.62, respectively. This means unlike these fine neighboring cities, the City of Clayton could operate for one fiscal year entirely on reserves alone in an emergency scenario.

With the General Fund shouldering the bulk of public services to our community and for the operations of the municipality, it is often difficult if not impossible to address larger fiscal needs into the annual budget while maintaining the City Council's policy of producing an annually-balanced budget with operating surplus. Therefore, the General Fund's unassigned reserve is multipurpose in its function as the City's "savings account." On one hand it may be instrumental in helping address unforeseen needs in an emergency or disaster situation. On the other hand it may be prudent to use a calculated and cautionary amount of excess reserves to underwrite one-time operational or capital needs merely too large and non-recurring in nature to fit into a normal balanced operating budget.

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

The following line chart illustrates a ten year comparison, by fiscal year, of opening General Fund reserves to adopted appropriations for that same fiscal year. For purposes of this analysis, General Fund reserves are defined as total General Fund balance per the underlying audited financial statements less any outstanding City Council-approved assignments or commitments of excess reserves.



Given the relatively healthy position of reserves and the need to address some non-recurring unmet needs of the City, the elected City Council has periodically directed staff to utilize General Fund annual excess for specific critical technological, infrastructural, and operational purposes. Since the specific needs approved by the City Council would not be sustainable in an ordinary balanced operating budget, the utilization of recent excesses is a responsible use of built-up reserves presuming there remains a sufficient balance to cover next year's General Fund operational budget in an emergency situation. Categorized as being non-recurring and non-operational in nature, expenditures pertaining to the completion of these specific authorized projects are not incorporated as part of the operational budget but tracked separately. The following is a summary of the previous four (4) actions taken by the City Council to earmark the General Fund excesses for specific purposes:

Earmark of FY 2014-15 General Fund Annual Excess

On February 3, 2016 the City Council took action to utilize the General Fund excess (\$389,895) supported by the FY 2014-15 audited financial statements to address pressing one-time needs of the City. By the close of FY 2019-20, it is projected all but one of the fourteen original projects approved by the City Council will have been completed, leaving a residual balance of \$33,542 rolling into FY 2020-21 for completion. The following table summarizes the annual progress on each of the one-time projects funded by the General Fund's FY 2014-15 excess:

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

Project Description	Original Amount Authorized	Amount Rolled to FY 2016-17 to Complete	Amount Rolled to FY 2017-18 to Complete	Amount Rolled to FY 2018-19 to Complete	Amount Rolled to FY 2019-20 to Complete (Est.)	Amount Rolled to FY 2020-21 to Complete (Est.)
1. Exterior repaint of city hall	\$ 6,900	\$ -	\$ -	\$ -	\$ -	\$ -
2. Exterior/interior repaint of Endeavor Hall	12,240	-	-	-	-	-
3. Refinish oak wood floor at Endeavor Hall	5,473	-	-	-	-	-
4. Reseal Endeavor Hall concrete walkway	1,250	1,250	-	-	-	-
5. Ten (10) additional trash receptacles at CCP	18,322	-	-	-	-	-
6. Replace three (3) grills at CCP	1,724	-	-	-	-	-
7. Clean/reseal two (2) restroom floors at CCP	4,900	4,900	-	-	-	-
8. Purchase new public works mini-excavator	46,243	-	-	-	-	-
9. Keller outhouse demolition	20,000	18,668	18,668	-	-	-
10. Police cameras at city entry/exit points	132,983	132,817	132,817	-	-	-
11. Police labor overlap and training for attrition	38,237	20,881	-	-	-	-
12. Upgrade city website and IT services	47,000	47,000	15,346	-	-	-
13. Electronic records management (laserfiche)	48,337	48,337	48,337	48,337	36,393	33,542
14. Searchable online municipal code	5,000	5,000	5,000	5,000	-	-
	<u>\$ 388,609</u>	<u>\$ 278,853</u>	<u>\$ 220,168</u>	<u>\$ 53,337</u>	<u>\$ 36,393</u>	<u>\$ 33,542</u>

Earmark of FY 2015-16 General Fund Annual Excess

On February 21, 2017 the City Council took action to utilize the General Fund excess (\$203,325) supported by the FY 2015-16 audited CAFR. This annual excess helped address an updated priority list of pressing one-time needs. Specific needs included additional funding for the newly-established pension rate stabilization fund as well as replacement of the failing city hall HVAC and boiler unit. Both of these projects were fully funded and completed by the close of FY 2017-18.

Earmark of FY 2016-17 General Fund Annual Excess

On January 16, 2018 the City Council took action to utilize the General Fund excess (\$299,000) supported by the FY 2016-17 audited CAFR to address an updated priority list of one-time needs of the City. All but one of the six projects approved by the City Council to be financed with these excess reserves is expected to have been completed by the close of FY 2018-19. The only project expected to roll into FY 2019-20 for completion is the state-mandated development of a City-wide green infrastructure plan, of which a contract for consultant services was awarded on April 16, 2019 (\$42,317). It is estimated that the total cost of the Green Infrastructure Plan will cost well under the \$50,000 allocated, and Staff is recommending the remaining \$33,315 balance be transferred to the new Rainy-Day Fund.

The following table summarizes the annual progress of each of the projects funded by this action:

Project Description	Original Amount Authorized	Amount Rolled to FY 2018-19 to Complete	Amount Rolled to FY 2019-20 to Complete	Amount Rolled to FY 2020-21 to Complete	Amount Transferred to New Rainy Day Fund FY 2020-21 (Est.)
1. Replace mobile data terminals - 9 Units	\$ 96,000	\$ 96,000	\$ -	\$ -	\$ -
2. Install new AT&T line for DOJ data connect	25,000	23,219	-	-	-
3. Consultant to re-evaluate open space fee	25,000	23,099	4,510	-	-
4. Green infrastructure plan	50,000	50,000	50,000	-	31,315
5. Update local hazard mitigation plan	45,000	19,075	11,325	11,325	-
6. Augment pension rate stabilization fund	58,000	-	-	-	-
	<u>\$ 299,000</u>	<u>\$ 211,393</u>	<u>\$ 65,835</u>	<u>\$ 11,325</u>	<u>\$ 31,315</u>

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

Earmark of FY 2017-18 General Fund Annual Excess

Most recently, on February 19, 2019, the City Council took action to earmark \$100,000 of General Fund annual excess supported by the FY 2017-18 audited CAFR to augment the City's Pension Rate Stabilization fund. Following inter-departmental outreach as well as consultation with the City Council Budget Sub Committee, this was identified as the most pressing need of the City at this time. A transfer to the Pension Rate Stabilization Fund addressing this City Council directive was completed during FY 2018-19.

Establishment of Rainy Day Fund for Operational Excess Earmarks (Fund 110)

Included in the 2020-21 Proposed Budget is the establishment of a new Rainy Day Fund, which Operational Excess's earmarked by the City Council will be transferred. Establishment of this fund will allow better tracking of these earmarked funds. Per City Council direction from their June 10, 2020 budget workshop the transfer of the remaining unused funds estimated to be \$31,315 previously earmarked for the Green Infrastructure Plan has been transferred to the new Rainy Day Fund, as well as the 2018-19 operational excess supported by the FY 2018-19 audited CAFR of \$333,300.

Expenditures proposed to be paid for 2020-21 from the Rainy Day Fund include the November 2020 City Council elections services of \$15,000, an additional (third) crossing guard at the school estimated to be \$14,000, and additional COVID-19 related janitorial services of \$12,500. This will leave an estimated ending fund balance of \$323,115 at June 30, 2021. For FY 19-20 it is projected that the City will end with **\$146,019** in operational excess however are not yet audited and will be brought back to the City Council after audit with actual year end status.

FY 2020-21 General Fund Reserves Status

By set City Council formal policy, a minimum General Fund reserve has been set at \$250,000 for never-to-be-expended "catastrophic" purposes. In practice this has been implemented and easily complied with, indicating perhaps this floor requirement should be re-evaluated and possibly elevated at some point. However, the practicing Policy Goal of the City Council is to establish and retain an undesignated reserve of 50% relative to the annual General Fund Budget. The FY 2020-21 proposed budget projects total General Fund reserves, net of unspent City Council earmarks of excess reserves, to be **\$5,470,636** as of July 1, 2020. This reserve balance is **1.13** times the proposed General Fund operational appropriations for FY 2020-21. Subtracting the "untouchable" minimum reserve of \$250,000 to reflect true reserve equity lowers this ratio to a still healthy **1.08** (\$5,220,636). This measurement demonstrates the effectiveness of the City's prudent fiscal policies over the long-run.

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

Comparison of Budget to Actual Net Increase (Decrease) to General Fund Balance

A ten year comparison of the net change to the General Fund balance shows that the audited actual net change consistently outperforms the budgeted net change due to a combination of actual revenues coming in higher than budgeted while actual

expenditures are lower than budgeted. This reflects a continued best practice of budgeting conservatively.

	6/30/2010	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Net Increase (Decrease)										
Budgeted	-	-	-	(197,464)	24,320	27,286	28,516	(239,953)	(260,586)	(170,102)
Actual	2,333	98,260	375,629	26,164	(143,156)	389,892	204,902	299,222	(250,810)	93,674
Difference	2,333	98,260	375,629	223,628	(167,476)	362,606	176,386	539,175	9,776	263,776

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

SPECIAL REVENUE FUNDS

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

A. HUTA Gas Tax Fund – No. 201

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

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

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

Due to the City's pattern of heavy reinvestment of HUTA tax funds into maintenance and repair of local streets and roads, our City has been successful in its upkeep of this infrastructure. In total, the City has invested over \$1.5 million of HUTA tax monies into street repaving and improvements capital projects over the last ten fiscal years (since FY 2010-11). This accomplishment has enabled Clayton to consistently remain in the Top 5 best average pavement condition streets within Contra Costa County and greater Bay Area. Clayton is currently ranked No. 2 in all of the Bay Area and tied for No. 1 in Contra Costa County with a PCI of 80. This Pavement Condition Index (PCI) ranks Clayton's overall street system in the "Very Good" category, with the average Bay Area PCI being 66. Pavements are rated from 0 to 100 with 100 being the index assigned to a newly paved street.

Utilizing the latest projections published by the League of California Cities, and adjusted to reflect a decrease due to Covid-19, the FY 2020-21 HUTA gas tax revenues are estimated to total \$242,995, reflecting a significant decrease of approximately 20.6% from FY 2019-20.

The City's HUTA Gas Tax Fund is projected to open FY 2020-21 with positive reserve balance of \$400,057, with most of those reserves being transferred to the CIP fund for eligible streets project, as discussed in more detail later.

Consistent with the prior year plan in order to use existing HUTA Gas Tax fund reserves for eligible City streets projects, the proposed budget plans to draw down all available reserves and end FY 2020-21 with fund balance of \$384 consistent with state policy to "use it or lose it."

B. RMRA Gas Tax Fund - No. 202

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

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

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

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

Consistent with the City’s regular objective to use all available HUTA gas tax reserves for eligible City streets projects, the proposed RMRA Gas Tax fund budget also plans to draw down all available reserves over the next several years, transferring funds to the Capital Improvement fund for eligible streets projects.

C. Citywide Landscape Maintenance District – Fund No. 210

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

Measure B, the 2007 ballot measure, expired June 30, 2017. Given this was the only source of funds for the maintenance and operation of the LMD, in order continue this sole funding a special parcel tax, “Measure H” was placed before the voters on the June

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7, 2016 ballot needing two-thirds (66.67%) voter approval. In June 2016, the voters overwhelmingly elected (77.1% positive vote) to extend the LMD special parcel tax for an additional ten (10) years.

Maintenance of City parks is not included as an authorized expenditure under the LMD Act; park maintenance obligations fall to the City's General Fund. *Citywide public landscaping services have always been funded by a special parcel tax levied on private properties throughout the City.* The LMD has now completed its third year of operation under Measure H. The LMD has a City Council-appointed Trails and Landscaping Citizens' Oversight Committee (TLC) that meets periodically to ensure the promised maintenance standards and efficiencies are achieved and reviews the budget ensuring these special-purpose tax revenues are used for their intended purpose as established under the previous ballot measure for the LMD. Unfortunately due to temporarily vacancies on the TLC that were recently appointed, and limited staffing during the FY 20-21 budget process, there was not the ability to conduct a Trails and Landscape Committee meeting prior to the budget adoption. Staff will regroup with the TLC and then forward their review and any additional or modified recommendations when completed to the City Council. If needed the City Council could then take any action to make budget amendments to the LMD.

Pursuant to the terms of voter-approved Measure H, the special parcel tax rate may be modified annually by the change in the consumer price index (CPI) as published by the U.S. Bureau of Labor and Statistics from April to April for this geographic region (San

Francisco-Oakland-Hayward, CA). In no event shall the special parcel tax rate be increased by more than three percent (3.0%) annually. Given the local CPI change (from April 2018 to April 2019) was 1.1%, the LMD'S projected revenues are proposed to be increased by 1.1% to a total of \$1,168,107 for FY 2020-21. This results in a modest increase to LMD special parcel tax revenues of \$12,709 over the prior year's adopted budget. The capped CPI growth adjustment will result in an increase of \$2.92 per residential parcel over the prior year rate (last year's single family rate was \$263.54; including the CPI adjustment factor the new single-family parcel rate will be \$266.46).

Over the past ten years, from FY 2007-08 through FY 2019-20, it is estimated the LMD will have used approximately \$2 million of these special parcel tax funds for public landscape and irrigation and trail system improvements. When including additional LMD improvement projects planned for FY 2020-21, the LMD will have invested over \$2.4 million into landscape-related capital improvements in addition to maintaining current landscaping. The prior year's City Council adopted budget included the Downtown Planters (Main Street) replacement project at an estimated total cost for \$245,157. This project is expected to be completed by June 30, 2020.

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For FY 2020-21, the LMD has budgeted to fund the following landscape maintenance improvement projects:

<u>Project Description</u>	<u>Amount</u>	<u>Project ID</u>
Clayton Road Median Improvements	112,000	LMD 2019-5
Replace Irrigation Control	30,000	LMD 2020-1
Replace Irrigation Control (two of them)	60,000	LMD 2021-1
Repave/Repair/Crack Seal Trails	175,000	7306
Arterial Tree Trimming	100,000	7440
Total	477,000	

The proposed LMD budget is a balanced operational budget, responsibly utilizing fund balance to undertake non-recurring capital improvement projects. This practice is consistent with prior year budgets as the LMD is pay-as-you-go for such improvements, responsibly drawing on fund balance as needed. Proposed appropriations of the budget are annually adjusted for anticipated water and electrical utility rate increases as well as for fuel, fertilizer, water, etc.

Over the past year the LMD has generated a modest reserve balance to allow the consideration of the aforementioned non-operational landscaping improvement projects to be undertaken. Although the proposed budget anticipates an ending fund balance reserve of \$557,131 by the close of FY 2020-21, staff is not proposing additional capital projects beyond those listed in order to allow time to complete these budgeted projects and to have sufficient funds for normal operational cash flow purposes.

An enormous impact on LMD operations from FY 2012-13 through FY 2016-17 was the declared drought conditions and the severe water conservation reductions imposed by Contra Costa Water District (CCWD) as directed by the Governor's Executive Order Emergency declaration. While homeowners were placed under a 25% reduction plan, city and commercial irrigation water consumers were set at a massive 45% mandatory water reduction order. With irrigation cutbacks of that magnitude, the City Council ordered the LMD to suspend irrigation water to turf and bushes, reserving restricted water supplies to irrigate public trees. This action plan negatively impacted much of the water intensive landscape in order to sustain the more valuable plants and mature signature trees in the LMD. Capital improvement projects engaged during the extended drought timeframe were hardscape-only oriented.

Although the State of California and CCWD relaxed water restrictions, allowing additional outdoor water irrigation uses than in the recent years, there are still reductions needed to balance against recent water rate increases. Water districts were required by case law to change billing rate structures to incorporate greater costs for service areas with greater water delivery demands (i.e. higher elevations requiring

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more energy for delivery). Clayton's geographic location resulted in a rate tier increase by CCWD in January 2020 of apx. 6%. The proposed budget for LMD water irrigation

supply service incorporates a large projected water cost increase of \$40,500 over the prior year budgeted figure, bringing the total budgeted water supply expenditure to \$242,800. In addition to rate increases, the growth in the water services line item over the last two years also reflects the normalization of water irrigation costs back to pre-drought periods.

Personnel services for this labor-intensive work effort account for 30.78% of the LMD budget in FY 2020-21 (\$520,712). Whenever possible, less complex tasks within the LMD are assigned to in-house part-time or contract temporary seasonal personnel, which allows full-time permanent City maintenance personnel to focus their efforts on tasks requiring journeyman-level experience (i.e. irrigation line and system repairs). The LMD has only one full time dedicated staff person of the six (6) permanent Maintenance Department personnel.

As approved by Measure H voters, the LMD'S budget includes a recurring line item (account 7316) for the purchase of replacement plants, budgeted at \$20,000. The LMD further contributes an annual allocation to the City's Capital Equipment Replacement Fund (CERF) for its shared cost of utilizing City Maintenance Department vehicles for LMD operations budgeted at \$30,000 in FY 2020-21. A relatively nominal amount of \$39,190 (3.30% of annual LMD revenue) is transferred to the City's General Fund to help defray the LMD's share of administrative support and overhead incurred by the City (i.e. telephones, payroll processing, accounts payable, management, compliance, legal, etc.).

With all of these actions, the LMD's ending fund balance on June 30, 2021 is projected to be **\$557,131**. The LMD's healthy reserve position is evidence the City does not siphon "surplus" monies into its General Fund but uses the special parcel tax revenues for its intended voter-approved purposes. Its monetary existence allows the LMD to re-examine priorities to replace landscape lost (including adding in more hardscape treatments) from the necessary extreme water conservation measures resulting from drought conditions.

D. The Grove Park Fund – No. 211

The Grove Park officially opened to the community on January 12, 2008 and on May 29, 2008, the City Maintenance Department assumed full responsibility for the care and maintenance of The Grove Park. On Opening Day, the public park immediately became the signature statement of our community, and ever since it has been the popular gathering place for residents and visitors to the Clayton Town Center. Voters originally approved this restricted special parcel tax in November 2006 (Measure O) to maintain the park for ten (10) years, with the levy first collected in FY 2007-08. In November

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2014, the voters overwhelmingly elected to extend The Grove Park special parcel tax for an additional twenty (20) years [from 2017-18 through 2036-37] through the passage of Measure P (81.3% positive vote) making FY 2020-21 the 14th year of the restricted-use special parcel tax's existence. Operations for The Grove Park are accounted for by the City in a legally separate restricted-use special revenue fund.

Pursuant to the terms of voter-approved Measure P, the special parcel tax rate may be modified annually by the change in the consumer price index (CPI) from April to April. However, in no event shall the tax rate be increased by more than 3.0% each year. The CPI change (from April 2018 to April 2019) was 1.1%. Accordingly, The Grove Park's proposed budget for FY 2019-20 incorporates an increase to the special parcel tax levy of 1.1% to a total of \$139,608 resulting in a relatively minor increase of \$1,518 over the prior year's adopted budget. The capped CPI growth adjustment will result in an increase of \$0.24 per residential parcel over the prior year rate (last year's single family rate was \$21.94; with the CPI adjustment factor the new rate will be 22.18).

The Grove Park fund received its 10th and final installment of the generous \$10,000 annual donation from Endashiiian, Inc. (developers and landowners of the CVS/Pharmacy store site - formerly Longs Drugs Store), four years ago in FY 2016-17. Despite the conclusion of this ten year pledge, Endeashiiian, Inc. graciously donated an additional \$1,000 to The Grove Park fund in both FY 2017-18 and FY 2018-19, which was both unexpected and unsolicited.

Bolstered by these revenues and interest earnings, The Grove Park fund is projected to maintain a positive reserve balance of approximately \$393,102 by the close of FY 19-20 with reserves slightly increasing to **\$406,930** at the close of FY 2020-21. Of this projected FY 2020-21 ending fund balance amount, \$153,385 is projected to be held in the asset replacement reserve approved in the adoption of Measure O, \$70,000 in the unallocated stabilization reserve (increasing by \$5,000 annually), and \$183,545 in unrestricted reserves. As The Grove Park's apparatus and infrastructure ages following thirteen years of heavy public use, these reserves will be critical to maintain this public gem.

For FY 2019-20, it is projected total expenditures of The Grove Park will be approximately \$136,002 offset by revenues totaling \$149,830, resulting in an operating surplus of \$13,823. This projected surplus has been largely a result of the Maintenance Department delegating more of the simple and recurring operational park maintenance tasks to less expensive contract seasonal labor workers than was originally anticipated in the adopted budget. Following the end of the statewide drought, The Grove Park's new water play feature was activated for the first time two years ago in FY 2016-17. This led to substantially higher water consumption than prior years due to its immense popularity with the public. Despite some initial concern The Grove Park's budget would not be able to sustain the spike in water consumption costs, after three years of accumulated cost information it appears this new operational feature is sustainable in an annual balanced

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budget, including the requirement for annual set-asides for the asset replacement and unallocated stabilization reserves. Prospectively, staff will continue to monitor for any unsustainable trends in water demand paired with the new higher water rate tier structure in order ascertain what future water play feature use-restrictions, if any, are necessary to sustain the annual reserve set-aside goals established by the ballot measure.

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

To continue to meet the operational objectives of The Grove Park, appropriations of \$136,002 are proposed for FY 2020-21. This results in a planned operating surplus of **\$13,828**. As this projected surplus is just slightly less than what is required for the annual replenishment of the asset replacement and unallocated stabilization reserves (\$23,000 total), it results in an allocation of \$9,100 from the unrestricted reserve to meet the reserve set-aside requirements for FY 2020-21. Nevertheless, The Grove Park fund's total reserves remain sufficient beyond its normal yearly operations. The City Council may take action after the adoption of the budget to utilize these reserves for additional capital improvements at The Grove Park.

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

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

Due to the restricted amount of voter-approved assessments, the GHAD levies an annual assessment that generally produces the same amount of revenue each year for general geologic hazard abatement purposes within the Oakhurst Development. For FY

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2020-21, assessment revenue is projected to be approximately \$43,250 which incorporates an April 2018 to April 2019 consumer price index (CPI) inflationary increase of 1.1%. Currently, it is unlikely property owners within the district would approve a significant rate increase sufficient to arrest or mitigate hillside movements. Interest earnings are insignificant for the GHAD fund estimated to be \$200, which operates for most of the 12 months in a cash-flow deficit. The assessment revenues are not received by the GHAD [City as its fiduciary agent] until property owners pay their property tax bills in December and again in April each year.

Management expenses proposed for the GHAD this year include \$15,000 for City Engineering services (District Manager) and \$1,500 allocated for specialized legal services. Although litigation has been settled, the GHAD is still internally assessed a share of the City's general liability insurance premium increases which were historically propelled by the Oakhurst hillside movement litigation, which served lawsuits against the GHAD as well as the City. This annual expenditure (\$7,000 in FY 2020-21) must remain for several years following settlement of the litigation as those defenses pertaining to the GHAD's share of General Fund insurance premium expenses still impact the annual calculation of the City's general liability insurance premium for that prospective time period. Since the GHAD does not have its own employees, a base transfer of \$7,870 to the City's General Fund for general administrative and clerical support services is critical to sustain the bare existence of the District (19% of annual assessment). County administrative fees to levy, collect, and disburse the GHAD property tax bill assessment are estimated at \$1,090.

Project costs totaling \$63,193 are planned for FY 2020-21, which includes the installation of additional inclinometer and piezometers to enhance ground movement detection and measurement as well as a \$5,000 project expenditure contingency for emergency repairs (i.e. crack sealing, slide repair, etc.). Accordingly, and due to the limited financial resources available, the GHAD is projected to fully utilize its reserves to fund these key projects by the close FY 2020-21. Although these projects are designed to improve prevention and detection measures, no significant geologic hazards can be abated in exchange for the relatively small total assessment levy. The GHAD maintains its legal life with the foresight and wisdom that affected property owners might someday wish, or need, to proactively utilize this legal instrument to address hillside movement remediation.

F. Presley GHAD Settlement Fund – No. 213

In 2003 the City and Geological Hazard and Abatement District (GHAD) settled its lawsuit against Presley regarding damages to City infrastructures in the Kelok Way area of the Oakhurst Development. After reimbursement to the City of advanced legal expenses, proceeds from the settlement were retained in a separate fund for use to clean V-ditches in the area, monitor hillside movement and explore mitigation options to protect public infrastructures in the development. During FY 2010-11, funds were appropriated from this reserve (\$110,000) to perform road resurfacings within the

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development in conjunction with the 2010 Pavement Rehabilitation Project (CIP No. 10409). More recently, in FY 2017-18 this fund incurred \$19,870 for the removal and replacement of broken concrete V-ditches in three separate locations within the GHAD.

No expenditures are currently planned for the upcoming FY 2020-21 budget year. After the inclusion of projected interest earnings to this fund of approximately \$2,200 it is anticipated this fund will end FY 2019-20 with a positive reserve balance of **\$112,316**. These monies may yet be tapped for further area repairs to damaged public infrastructure and/or arrest hillside movement in the future, as well as deficit operations of the GHAD fund.

G. Neighborhood Street Light Fund – No. 214

This fund accounts for the operations of the Clayton Neighborhood Streetlight Benefit Assessment District. This restricted-use assessment is collected through the real property tax bill on Clayton residential properties [current assessment ranges from \$8.34 - \$43.54 per residential unit per year]. Since FY 2001-02 (for twenty consecutive years), the City **has not requested or increased the rate charged to real property owners** for the public street lights in their neighborhoods. These assessments are restricted for public street light operations and maintenance within residential neighborhoods, excluding arterial streetlights, which are funded through HUTA gas taxes accounted for in a separate restricted-use fund. This fund's proposed budget incorporates the same amount in revenues as last year (\$125,991) since this assessment can only be increased by affirmative vote of the assessed property owners pursuant to the law (Proposition 218).

In order to continue providing current services within the existing assessment rate, consistent with the prior year and recent years, a draw on existing reserves is expected in FY 2019-20 by approximately **\$21,179**. The primary driver of this deficit is seemingly perpetual increases to PG&E electrical utility rates. One alarming expectation in the proposed budget for next year is the expectation the gas and electrical line item (account 7335) will exceed the total assessment of the district by itself for the first time ever.

With a projected opening positive reserve balance of \$83,052 to start FY 2019-20, there is trending justification to approach voters for an increase to this annual assessment. With the projected utilization of fund balance reserves in FY 2019-20, this fund is projected to close FY 2019-20 with a reserve balance of **\$75,222**. Total proposed appropriations of the fund are \$161,440, or 6.5% higher than the prior year adopted budget necessary to cover anticipated electrical service charges as well as inflationary growth for other operating, maintenance, and administrative support services. At the current rate of reserve use, this fund has **just one full fiscal year left** of operational reserves before the fund is expected to run out of money in FY 2021-22. Clearly, given annual hikes in PG&E electrical rates and the longtime zero increase cap on the assessment amount (since FY 2000-2001) the fund has been in a structural deficit position for several

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years which will need to be addressed in the near term.

It has been twenty-three (22) years since the Neighborhood Street Light Benefit Assessment rates were raised, and the law is clear voter approval is mandatory to do so. Absent an increase to the assessment to capture inflationary growth, should the fund deplete its reserves in FY 2021-22 as currently projected, a policy call would likely be needed to either fund the annual operating deficit with a General Fund subsidy (further depleting limited revenues necessary for existing basic public services) or by turning off selected neighborhood streetlights. Redirecting street lighting costs to the HUTA Gas Tax Fund is not advisable as it would reduce funds vital in keeping Clayton's streets in top notch condition (currently tied for second place in the entire Bay Area). Conversely, should the annual assessment be lowered by City Council action (under a public policy theory that plentiful reserves should become a pseudo rebate to taxpayers), the lowered street light rate is then locked in and cannot return to its higher rate in the next or subsequent years without an affirmative two-thirds vote of the property owners. It is further noted the reserve position of this fund does not incorporate an amortization program for replacement of aging or deteriorated wooden street light poles

H. Stormwater Fund – No. 216

This account manages collection and use of Stormwater Equivalent Runoff Units (ERU) levied locally to assist the City in compliance with unfunded State-mandated regulations through our National Pollution Discharge Elimination System (NPDES) Permit. Case law has now confirmed (previously challenged and lost by southern California cities) Regional Water Quality Control Boards do indeed have authority to levy unfunded mandates against pollutant dischargers (cities and counties) by virtue of the federal Clean Water Act and the California Porter-Cologne Water Quality Control Act.

By previous Council action long ago, this real property tax levy was maximized at its allowable cap in year 2000, which is projected to net the City \$73,492 for local use in FY 2020-21. In reality, the assessment generates higher gross revenues (\$126,306), however the following purposes snag portions of the City's local levy before ever touching our local coffers:

Contra Costa [Cities] Clean Water Program	\$	35,014	
Commercial Building Inspections by Sanitary Distri		8,000	
County Auditor-Controller Administrative Fee		3,800	
Reserve Fund for the Clean Water Program		3,000	
Flood Control District Management Expense		3,000	
Total Revenue Offsets:	\$	<u>52,814</u>	41.81%

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

The City's 5-year Stormwater Permit (MRP) is issued by the San Francisco Regional Water Quality Control Board. Public agencies, including Clayton, are now under requirements to elevate enforcement, monitoring measures, and treatment projects each year to ensure cleaner stormwaters. This permit, called MRP 2.0, was issued in 2016. The permit contains additional and enhanced requirements for cities such as: managing litter that can get into its drainage and creeks from private and public properties; PCB and Mercury pollutant testing/monitoring; maintenance and enforcement activities; "green infrastructure" which would set forth standards for cities to redirect existing storm drainage water from streets, sidewalks and parking lots and buildings into landscape areas; and enhanced Integrated Pest Management (IPM) policies, practices and mandatory training and certifications. These additional permit terms will continue to impact the Stormwater fund's reserves. As other cities in the state are experiencing similar funding constraints, State legislation (SB 231) did allow for consideration by the voters through a Prop 218 process to address some Stormwater improvements; however the legislation did not fully rectify the needs of local cities as it related to the permit mandates. The next permit (MRP 3.0) is planned for issuance for use in 2020-21 and will likely contain even more unfunded mandates.

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

The GI mandate has two main elements to be implemented:

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

The Green Infrastructure Plan requirements and deadlines are:

- Prepare a framework or workplan to be approved by the Permittee's City

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Manager or governing body, and submit it to the SF Regional Water Board with its FY 2016-17 Annual Report. This was completed in October 2018

- Prepare a Green Infrastructure Plan and show estimated costs/budget for a GI projects and submit it to the SF Regional Water Board with the 2019 Annual Report.

The permit requires the Annual Report include: a review of current infrastructure (capital improvement) projects; preparation of a list of infrastructure projects planned for implementation with potential for GI measures; and an annual review, update, and submission of the list. Specifically, this list must include: *“a summary of how each public infrastructure project with green infrastructure potential will include green infrastructure measures to the maximum extent practical during the permit term. For any public infrastructure project where implementation of green infrastructure measures is not practicable, submit a brief description for the project and the reasons green infrastructure measures were impracticable to implement.”*

The purpose of the GI Plan is to identify opportunities and projects, and include and incorporate them into its planned Capital Improvement Plan (CIP). Each public agency’s Plan is intended to serve as an implementation and reporting tool, to set goals for reducing over the long term, the adverse water quality impacts of existing and new urban runoff on receiving waters.

City staff reviewed and compiled an initial list of its City Council approved CIP budget projects and submitted it with its FY 2015-16 Annual Report, and has updated it thereafter as needed in its Annual Report filings. During FY 2019-20 a City staff working group consisting of the Stormwater Manager/Assistant to the City Manager, City Engineer, and Community Development Director, along with outside consultants will prepare Clayton’s draft GI Plan. This work effort was funded by a City Council earmark of \$50,000 of FY 2016-17 General Fund annual excess monies. In April 2019 the City Council authorized a consultant contract to prepare this plan, which was filed with the Annual Report as required in the permit in October 2019. [Of the \$50,000 allocated only \$18,685 was utilized, the residual (\$31,315) was placed in the new rainy day Fund 110 for future allocation].

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

As noted previously, the current permit contains mandated trash reduction requirements which are met through the implementation of the full trash capture

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devices. The City has installed and maintains twenty-five (25) devices in its four (4) designated trash management areas. Through this effort we have been able to achieve a

100% reduction in trash load baseline, and thereby permit compliance. The City of Clayton is one of only a Bay Area few cities to have already achieved this goal. However, recent refinements by the SF Regional Water Board to this requirement may mandate the installation and maintenance of additional full trash capture devices to remain in compliance.

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

Such permit conditions necessitate ever-increasing expenditures (for reports, studies, documentation, monitoring and projects) which will eventually consume current levy revenues. However, no new funds exist to help address these state mandates. Initial staff analyses reveal an additional \$225,000 to \$515,000 in annual costs could someday impact the City's fiscal operations for this state-mandated purpose alone. Only a Proposition 218 voter approval action can increase the levied rates. The failure of the Clean Water Coalition's Proposition 218 ballot in FY 2012-13 to raise levy revenues turned aside a potential \$93,700 for use in meeting state unfunded mandates for cleaner stormwaters. Since the City reached its parcel levy cap nineteen (20) years ago there have been an astounding 512 additional permit requirements mandated by the SF Regional Water Board, with no increase in revenue to offset the associated costs, resulting in an erosion of the Stormwater Fund's reserves.

In the FY 2019-20 budget, the City's stormwater costs under the permit regulations exceed available revenues by approximately \$50,955, although the close of FY 2019-20 is expected to incur a lesser annual deficit of \$32,647. Fortunately, the proposed FY 2020-21 budget projects the Stormwater Fund will begin next year with a positive reserve balance of **\$55,339**, which is sufficient to cover anticipated unavoidable operating deficit. The depletion of the Stormwater Fund's reserve balance over past several years is a direct result of added permit requirements imposed by the Regional Board in 1996 (referred to as "C-3 amendments"), MRP 1.0 (issued in 2010), and the current MRP 2.0 (issued in November 2015). All of these were state-imposed unfunded mandates, and the forthcoming MRP 3.0 will only exacerbate this fund's fiscal crisis.

Total projected FY 2020-21 labor-related expenditures of \$51,598, including contracted seasonal labor of \$15,000, are necessary for the City's maintenance of the municipal storm drain system including annual debris clearance of creeks and V-ditches as well as proactive measures for the prevention of pollutants into these waters, which ultimately

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emerge into the San Francisco – Oakland Bay. Educational materials and supplies are also part of the Stormwater Fund’s budget, along with our membership in the Contra Costa County Clean Water Program. Recoverable expenses include the portion of staff time when working on clean water issues, programs, while Regional Water Quality Control Board directives target specific programs (i.e. “diaper” inserts in storm drain inlets) and local enforcement (i.e. fines). City administrative staff (Assistant to the City Manager) expends an inordinate portion of time (approximately one-third or more) engaged in the management, administration and implementation of this federal and state mandated program for cleaner runoff waters. As such, the proposed budgeted transfer of \$40,430 to the City’s General Fund to partially offset this incurred staff time as well as administrative and fiscal support costs is both reasonable and essential.

Total FY 2020-21 street sweeping costs are estimated at \$55,900 to cover monthly street sweeping services. Street sweeping services are paid through this fund as a program component of cleaner stormwater from street gutters. To clarify a common misconception, public streets and gutters are swept monthly to mitigate roadway pollutants from entering the storm drain system, not for street aesthetics or as the substitute broom for an abutting property owner’s sweeping/clearance of leaves and debris from the front and/or side yard curbs of one’s property. Offsetting revenue for this street sweeping is tendered by real property owners through their trash bills which is projected to be an equal and offsetting \$55,900.

Annual expenditures are incorporated into the proposed budget for required contracted services including: \$2,000 for engineering services, \$1,720 estimated for other professional services (i.e. bioswale inspections, etc.), and \$15,200 for contracted services for building/grounds maintenance (i.e. drainage insert cleaning, emergency tree removal, box culvert clearing, etc.). Contracted engineering services will assist in providing the City’s response to state-mandates for performing additional drainage/GI analysis, evaluation and annual reporting of our mapped “trash management areas”, and PCB analysis. The City Council has addressed the stormwater impact caused by new private construction activities and newer private developments through the requirement of self-supporting mechanisms and has implemented cost recovery through the establishment of fees for homeowners association and benefit assessment districts. Accordingly, new development generally has minimal to no net budgetary impact on either the Stormwater fund or the City’s General Fund.

As noted previously, the Stormwater fund is projected to open FY 2020-21 with approximately \$55,339 in reserves, and projects a year-end fund balance of \$1,333 on June 30, 2021, an eye-opening (but not surprising) 97.6% loss in reserves. At this rate, as feared, the Stormwater fund will become depleted in FY 2021-22, with the only sources of discretionary funds to patch the mandated gap being an annual budgeted

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operational subsidy from the General Fund. Absent a new or increased funding source, the first course of action would likely result in either a reduction of permit compliance potentially resulting in non-compliance and triggering SF Regional Board action of fines of up to \$10,000 per day or reduction in other non-mandated city services.

I. Measure J Fund – No. 220

This restricted-use special revenue fund tracks the receipt and expenditure of revenues from the ½ cent sales tax levy approved by County voters in 1988 (Measure C) to provide regional and local transportation and street improvements, a growth management process, and a regional planning process to address quality of life issues. One of the program components of the Measure is its “Return to Local Source” monies wherein cities fully complying with the Measure’s Growth Management Program (GMP) Checklist are eligible to receive an annual allocation of monies for local streets and roads maintenance. Disbursement of these monies hinges on a city earning and maintaining a certified Housing Element (either by the California Department of Housing and Community Development [HCD] or via self-certification), and filing a biennial Compliance Checklist. The Contra Costa Transportation Authority (CCTA), cities, and the Contra Costa County were successful in 2004 in obtaining voter approval of Measure J, which extended the authorization of the current sales tax in the County for an additional 25 years beyond Measure C’s expiration on March 31, 2009. Accordingly, Measure J is now in effect.

A letter to the City from HCD dated December 11, 2014 stated *“The Department is pleased to find the adopted housing element in full compliance with State housing element law”*. This letter effectively covers the City’s compliance with housing element requirements for eight (8) years from the date of issuance. In addition, with CCTA’s acceptance of the City’s most recent Compliance Checklist covering calendar years 2016 and 2017, the City is eligible to receive its full Measure J Local Streets Maintenance (LSM) or “Return to Local Source” funds for FY 2018-19 and FY 2019-20. The next biennial CCTA Compliance Checklist is scheduled to be presented to the City Council for approval sometime before the end of calendar year 2020 covering calendar years 2018 and 2019. For FY 2020-21 the City projects to receive “Return to Local Source” funds in an amount totaling \$220,000. This is \$75,000 less due to Covid impacts. This revenue, along with unallocated excess Measure J reserves is proposed to be used for the 2020 Neighborhood Streets Project (CIP 10449) as well as the School Intersection Improvement Project (CIP 10448) in the proposed budget for FY 2020-21.

In addition to this funding, on October 7, 2014 the City signed a cooperative agreement with CCTA and its member cities to receive Program 28a grant funding for Sub-regional Transportation Needs. The co-operative agreement stipulated funds will be allocated starting in January 2015, and then each November until 2034 using a 50/50 population and road miles split formula. In FY 2020-21 the City is estimated to receive an

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additional \$22,086 (\$11,100 less than originally expected due to Covid impacts) per the co-operative agreement, which has also been budgeted as additional funding for the 2020 Neighborhood Streets Project (CIP 10449) in the City's CIP Budget.

It is projected the Measure J fund will open FY 2020-21 with a relatively positive reserve balance of **\$111,857**, comprised of both Return to Local Source and Co-operative agreement funds. In addition to new FY 2020-21 Local Return to Source and Interest earnings of the Measure J fund are projected at \$2,000. Beyond proposed transfers to the CIP fund for capital projects, \$36,890 in Local Return to Source funds will be necessary for ongoing operational and support costs in FY 2020-21.

After allocation of monies for minimal operational and administrative purposes, it is proposed to appropriate Measure J fund transfers totaling \$319,153 (90.5% of total proposed appropriations) to the City's Capital Improvement Project (CIP) Budget. These transfers to the CIP are made up of both Measure J LSM and Measure J Co-op funds. Details are included in the CIP section of the Budget. Consistent with the prior year budgetary plan, in order to use existing Measure J fund reserves for eligible City streets projects, the proposed budget plans to draw down all available reserves and end FY 2020-21 with a zero fund balance.

J. Restricted Grants Fund – No. 230

This fund is the repository for grants and other subvention funding restricted by law or the underlying grant agreement for specific purposes. The following is a summary of the City's more significant activities funded by the Grants Fund:

1. SLESF Grant Program

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

Throughout the course of the year, the City receives monthly installments of SLESF funding from the County Auditor-Controller's Office based on County pool sales tax figures. Once the City receives its statutory minimum of \$100,000,

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monthly installments cease for the remainder of the fiscal year. Following the close of the fiscal year, the State Controller's Office calculates the growth in VLF (redirected by the State from city general funds in 2011) above and beyond the base allocation. Any growth in VLF revenues is allocated to participating local agencies essentially on a per capita basis. For the City's purposes, the growth allocation is received so long after the fiscal year end that it is reported on a cash basis in the fiscal year it is received. In FY 2018-19 the City received \$48,746 in SLESF growth revenues related to FY 2017-18 growth figures, resulting in total SLESF revenue of \$148,746, excluding interest earnings. Update for what happened in 19-20

The proposed FY 2020-21 budget projects the City will receive SLESF funding of \$100,000 with no annual growth allocation due to the COVID-19 pandemic. This revenue in addition to a projected opening SLESF grant reserve balance of \$94,893 will be utilized to continue underwriting costs associated with the City's 11th sworn police officer working patrol in the community as well as to cover costs associated with maintaining the state-mandated secure line for the Police Department and other related eligible public safety costs. In addition to helping defray these recurring ongoing costs for the 11th officer, \$25,000 will be utilized for overtime costs. \$5,000 of the SLESF grant is budgeted for training. Additionally, \$16,070 of the SLESF grant is budgeted vehicle and body worn cameras and \$27,400 is budgeted for police supplies such as ammo, ballistic vests, dash mounted radar and taser equipment. After proposed grant appropriations of \$170,583, the SLESF grant is projected to close FY 2020-21 with a positive balance of **\$24,310**.

2. Other Grant Funds

Beyond the SLESF grant monies, the Grants Fund expects receipt of \$15,200 in annual revenue from the City's cable communications franchise company (Comcast) for restricted use in Public, Education & Government (PEG) broadcast services and equipment. Computer and IT costs formerly paid from the General Fund have are eligible to be paid from the PEG grant. Additionally, \$15,800 is budgeted for the City's share of the PEG broadcast channel on which our City broadcasts taped meetings of the Clayton City Council and displays other public/community information. Even after reallocation of these former General Fund expenditures, the PEG grant is projected to close FY 2020-21 with a positive balance of **\$151,464**.

Finally, the FY 2020-21 proposed budget projects the City will receive an allocation of \$5,000 for the annual CalRecycle Beverage Container Recycling grant, which is used to assist the City in establishing convenient beverage container recycling and litter abatement projects as well as to encourage market development and expansion activities for beverage container materials. Unfortunately, the City had

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to pay back unused recycling grant revenues in 2019-20 due to the grant expiring before funds could be expended, primarily due to Staff turnover.

In the aggregate, the Restricted Grants Fund is projected to close FY 2020-21 with a positive reserve balance of **\$195,880**. After the utilization of grant reserves, new revenue, and expenditures previously paid out of the General Fund, year-end reserves are projected to be primarily composed of unexpended balances of the Comcast PEG grant (77%) and the SLESF grant (12%).

K. Development Impact Fees Fund – No. 304

This restricted-use special revenue fund accounts for the impact fees the City has collected from new development within the community. Revenues are private development driven and restricted for use based on the purpose of the impact fee. In recent years, minor development impact fees collected have pertained to relatively small two to six lot developments or accessory dwelling units. At the close of FY 2018-19, this fund had collected \$1,800 in fire protection impact fees pertaining to the six lot Verna Way development. Although it is unknown exactly when any proposed development comes “on-line” thereby triggering the payment of these impact fees, staff does not wish to budget for new development to occur and not be realized. Accordingly, no additional development impact fees are projected to be received in FY 2020-21. The sole revenue source budgeted in FY 2020-2021 is from interest earnings projected to total \$12,000, which is allocated on a quarterly basis to each respective impact fee account.

New community development may result in the collection of additional fees, and trigger the necessity to plan new projects to mitigate the increased city costs associated with development expansion. That being said, it is reasonably possible amendments may be required during FY 2020-21 to appropriately reflect new projects to address the demands of more development. Although \$48,330 was budgeted in 2019-20 to utilize unspent Childcare Fee reserves for eligible purposes, a lack of Community Development Director prevented any activity. There is \$12,202 projected to be expended on review of the open space development impact fee, the Community Development Director will be responsible for the review coordination of this fee study.

Following analysis by the City’s Community Development Department, any proposed uses of these funds for a project would be recommended to the City Council for action sometime during FY 2020-21 following the adoption of the budget. Accordingly, given no new fees budgeted to be collected in FY 2020-21, the proposed budget projects an increase in fund balance of **\$12,000** due to interest earnings, resulting in a positive ending reserve balance of **\$557,103**.

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L. Successor Housing Agency – Fund No. 616

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

All monies in the former RDA's Low and Moderate Income (LMI) Housing Fund were transferred on the dissolution date (February 1, 2012) to the City's Successor Housing Agency Fund. In accordance with the law, the Successor Housing Agency is separate and distinct from all other funds and accounts of the City, to hold, administer and spend the monies originating from the former RDA's LMI Housing Fund to perform housing functions consistent with the Dissolution Act.

On April 24, 2015, the California Department of Finance (DOF) issued its Final Determination Letter approving the Low-Moderate Fund Due Diligence Review Report. This report, performed by an independent accountant in accordance with the law (AB 1484), was also approved via Resolution by the Oversight Board to the Successor Agency and authorized payment to be remitted to the County Auditor-Controller's Office totaling \$3,679,225, representing the "unencumbered balance" of Low-Moderate RDA funds. In accordance with the order letter from the DOF, this payment was remitted shortly thereafter on May 1, 2015. Furthermore, on December 30, 2015, the City received its Finding of Completion from the DOF, formally concluding the AB 1484 RDA dissolution and audit process.

With the pilfering of the City's LMI housing fund pursuant to AB1484, the City's housing functions have now been largely reduced to loan transactions initiated by residents of existing low to moderate income housing units within the City's current inventory. In FY 2020-21 this fund is projected to incur expenditures totaling \$45,000 for special legal services (legal advice on housing compliance matters is out of the scope of services covered the City's legal retainer) as well as for the completion of a nexus study to implement an affordable housing in-lieu fee necessary to facilitate the inclusionary housing ordinance adopted by the City Council pursuant to new State law. Reflected in proposed appropriations, this fund also reimburses the General Fund for actual time spent by Community Development Department staff on LMI housing-related programs. Total revenues for FY 2020-21 are projected to come in at \$126,400, pertaining primarily to a \$106,400 loan repayment on the Diamond Terrace note, maturing in FY 2030-31. At the close of FY 2020-21, it is projected the Successor Housing Agency will report a positive reserve balance of \$4,822,506 of which **\$1,402,990** is the projected cash position available for appropriation for program activities of the City's low to moderate housing program.

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PROPRIETARY FUNDS

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

A. Self-Insurance Fund – No. 501

This internal-service fund manages the fiscal obligations of the City’s self-insured program for our retention deductible (\$5,000 per claim) on initial claims filed against the City for general liability and workers’ compensation as well as deductibles for property, auto, and other insured losses incurred by the City. Pursuant to our membership in the Municipal Pooling Authority of Northern California (“MPA”; a municipal self-insured/pooled risk excess coverage joint powers authority [JPA]), our City is responsible for payment of the first \$5,000 in expense and/or damage on each filed claim. This fund also handles other periodic legal expenses to defend the City’s interest in related cases. A recurring expense incurred by this fund is the annual premium (approximately \$1,300) to cover an Employee Assistance Program (EAP), a shared public entity consortium for City employee good-health counseling and wellness services benefiting our permanent organization.

Since there is no recurring or reliable replenishing source of revenue for this fund, the City Council must periodically authorize one-time transfers of General Fund excess reserves to replenish the internal service fund’s reserve balance. The most recent source of such funding was made in FY 2013-14, when the City Council authorized a transfer of \$54,154 from General Fund annual excess supported by the audited FY 2011-12 financial statements. This transfer assisted in replenishing losses arising from legal expenses on the Oakhurst Hillside litigation cases beginning in FY 2008-09. With total proposed FY 2020-21 expenditures of \$6,300, this fund is projected to utilize \$5,900 in reserves and close the fiscal year with a positive net position of **\$23,930**. The option to make “replenishment” transfers into the Self-Insurance Fund can be re-considered at a future time by the City Council once General Fund operational results become available following the close of the fiscal year; however, no request by staff is proposed at this time.

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B. Capital Equipment Replacement Fund – No. 502

This fund serves to track the depreciation and finance the replacement of City-owned vehicles, computers and other capital equipment used in operations, generally in excess of \$5,000, which is the minimum threshold per the City's capital asset policy. The Capital Equipment Replacement Fund (CERF) is projected to open FY 2020-21 with a positive reserve balance of \$600,163, of which \$179,864 is the fund's to cash position available to finance the purchase of replacement assets. The remainder of this fund's net position pertains to equity resulting from the fund's non-liquid net investment in capital assets (i.e. fixed asset book value).

Ideally, though often not feasible, the CERF would annually recover its depreciation expense in the form of internal service fund service charges to the various departments using CERF assets in their respective operations. During previous challenging budgetary years, the General Fund had to cut back or even eliminate CERF funding altogether in an effort to stabilize the annual operating budget. These challenging budgetary years, paired with departments doing their best to stretch the useful lives of assets, has resulted in a current active fleet that is much depreciated. This hybrid "pay as you go" asset replacement strategy has left the CERF in an unavoidably under-funded position. With the June 30, 2019 comprehensive annual financial report (CAFR) reporting total CERF accumulated depreciation of \$1,134,284 and a total cash position available to finance the replacement of fixed assets was only \$153,006 this represents a total funded position of only 13.4%, which is the same struggle encountered by many of our neighboring public agencies.

Using the current annual depreciation expense presented in the City's latest audited CAFR, CERF depreciation expense is projected to be \$70,000 for FY 2020-21. The FY 2020-21 proposed CERF budget includes total revenues of \$115,500, of which \$112,100 (97.06%) is attributable to CERF charges. FY 2020-21 CERF charges are derived from the following sources: \$60,000 from the General Fund's Police Department, \$10,000 from General Fund's Maintenance Department, \$4,500 from HUTA Gas Tax Fund, \$30,000 from Landscape Maintenance District, \$2,700 from The Grove Park, \$4,700 from the Stormwater fund, and \$200 from miscellaneous other sources

On an annual basis the Police and Public Works Departments communicate their capital equipment replacement needs to the City Manager and Finance Manager. Based on an analysis of funds available as well as the most up-to-date CERF depreciation schedule, the urgency as well as prioritization of asset replacements is considered. The proposed FY 2020-21 CERF budget incorporates plans to purchase a new Ford Police Explorer SUV patrol response unit at an estimated cost of \$64,284. Furthermore, the proposed budget includes appropriations for the Maintenance Department to purchase a used Ford F-250 to replace the fully depreciated heavy duty 2000 Ford F-350. At the conclusion of FY 2020-21, following the purchase of these assets offset by CERF charges, interest earnings and proceeds from the surplus and sale of old vehicles, it is projected the CERF will have a positive net position of \$541,379, of which **\$191,080** pertains to cash reserves available to finance the purchase of replacement assets.

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C. Pension Rate Stabilization Fund- No. 503

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

As summarized in the General Fund Reserves section previously, the City Council has three times now authorized the transfer of General Fund annual excess reserves to the newly created Pension Rate Stabilization Fund as seed monies. In total, at the close of FY 2018-19 General Fund excess reserves of \$268,000 have been transferred to this fund. By the close of FY 2020-21, when incorporating projected interest earnings of \$6,000, this fund is anticipated to close with a positive reserve balance of **\$286,551**.

While staff will continue to work on absorbing the employer pension contribution requirements within a balanced annual operating budget, unpredictability associated with future pension contributions makes this policy goal increasingly difficult. As illustrated in the Public Employees Retirement System section of the Budget Message, staff projects an upward, not downward, trend in employer pension contribution requirements over the next several years following CalPERS' reduction to the long-term actuarially-assumed discount rate and other funding policy changes. The establishment of the City's Pension Rate Stabilization Fund will greatly aid the City's mission to maintain and sustain current public services to the community.

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

Contributions to this fund have no direct impact on City's unfunded pension liability, as that is only achieved by direct contributions to a CalPERS-administered irrevocable trust, which is not being recommended at this time. However, much like the City's Capital Equipment Replacement Fund (CERF) and the Self Insurance Fund, this new fund is a useful tool to help mitigate the risk of fluctuations in future pension contribution requirements to the City's ongoing General Fund operating budget.

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D. Endeavor Hall (Enterprise) Fund – No. 702

This fund was established in the FY 2002-03 adopted budget to track specific revenues and expenses related to the million dollar historic Endeavor Hall renovation project. More residents and local organizations continue to discover Endeavor Hall's historical charm for hosting special occasions and meetings. Additionally, the Clayton Theatre Company used the Hall for its 8th consecutive year of theatrical productions. Facility-use rental fees for FY 2019-20 are projected be approximately \$24,712, falling short of the adopted budget by \$5,288 (17.6%), primarily due to the COVID-19 pandemic. Operational expenditures (excluding depreciation), are projected to come in at \$28,000. This results in a projected FY 2019-20 operational deficit of **\$3258**. Due in part to the COVID-19 pandemic, as well as a \$10,000 expenditure to repair/replace stairs and gates, the FY 2020-21 proposed budget still anticipates Endeavor Hall will incur operational shortfall (excluding depreciation) of approximately **\$14,027**. When including depreciation, this shortfall increases to \$51,527. This structural deficit is result of several factors, largely beyond of the control of staff alone. On the expenditure side, increases in unavoidable fixed costs as well as maintenance costs necessary to maintain the facility in prime rental condition have been outpacing the rental revenue stream.

For FY 2020-21, minimal City staff labor costs of \$13,946 are projected for upkeep of the facility and staffing evening and weekend events. Maintenance time is necessary for landscaping and gardening to ensure the facilities grounds have annual color plants sufficient to keep it desirable for the rental community. Naturally, when vandalism occurs on the building and grounds, extra expenses are incurred to make the necessary repairs. Furthermore, periodic staff time is necessary for the maintenance and upkeep of on-site equipment and fixtures. Total proposed (non-labor) operational and maintenance expenses in FY 2020-21 are budgeted at \$30,111, including one-time repairs/replacements of stairs and gates. Depreciation expense in this fund is projected to remain consistent at \$37,500 in FY 2020-21.

Although Rental income was budgeted at \$30,000, it is anticipated that amount could be lower due to the COVID-19 pandemic; however, it is anticipated those decreases would be mitigated by corresponding decreases to operational expenditures.

Most recently, during FY 2015-16 action was taken by the City Council to earmark \$25,863 in General Fund FY 2014-15 excess reserves for much needed facility repairs and replacements at Endeavor Hall. Specific activities funded by this action included: repainting of the exterior and interior walls, refinishing the oak wood flooring, and resealing the concrete walkway. These urgent improvements to the facility are a prime example of the periodic financial support needed from the General Fund for capital improvements/replacements as Endeavor Hall operations are not self-sustaining.

Ultimately, although the fund is projected to close with a total fund net position of \$945,448, a closer look at the components of fund equity reveals the positive position is caused by the fund's large net investment in capital assets (i.e. fixed asset book value) estimated to be \$1,036,985 as of June 30, 2021. This exceeds total net position due to a

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negative net unrestricted position expected be **\$91,537** at June 30, 2020. This negative position is reflective of the unavoidable structural deficit this fund has found itself in since its establishment. Increasing rental fees to solve this issue may only further discourage prospective renters, agitating the already challenging rental position this fund finds itself in as described previously. As past rental experiences generate positive word of mouth promotion and expand the customer base, staff is hopeful Endeavor Hall operations will eventually become self-sustaining. Staff will continue to monitor this issue and provide updates to the City Council periodically as it has in past annual and mid-year budget as well as CAFR presentations.

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FIDUCIARY FUNDS

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

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

In 1998 the City Council ordered the formation of the High Street Permanent Road Division for the purpose of reconstructing and maintaining the High Street Bridge over Mitchell Creek. This annual assessment is levied against specified private property parcel owners within the High Street Bridge Benefit Assessment District in order to repay construction-related financing and for future maintenance of the bridge. The High Street Bridge debt is repaid over thirty (30) years with its ultimate maturity in FY 2028-29. The fund will continue to assess annual levies against covered parcels within the district until the underlying long-term debt owed to the Successor Agency to the former Redevelopment Agency is fulfilled. After incorporating any pre-payments by district members, the outstanding principal of the loan will be approximately \$10,656 as of June 30, 2019. In FY 2020-21 the total budgeted assessment of \$1,754 will cover debt service payments and contribute to the annual bridge maintenance reserve (\$300 per year). This fund is projected to close FY 2020-21 with a positive reserve balance of **\$7,166**, of which \$6,300 (87.9%) is restricted for future bridge maintenance of the district.

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

In 1999 the City Council ordered the formation of the Oak Street Permanent Road Division for the purpose of reconstructing and maintaining the Oak Street Bridge over Mitchell Creek. This annual assessment is levied against specified private property parcel owners within the Oak Street Bridge Benefit Assessment District in order to repay construction-related financing and for future maintenance of the bridge. Three years ago in FY 2016-17 this fund contributed \$12,000 to the City's Arterial Rehabilitation Project (CIP 10437A) to perform street re-pavement improvements needed in the District. In FY 2017-18, the district incurred \$4,396 for urgent pavement repairs on Oak Ct. No bridge or road maintenance is scheduled for FY 2020-21 in an effort to rebuild district maintenance reserves considering the maintenance projects already completed in recent years.

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The Oak Street Bridge debt was repaid over twenty (20) years and was fully paid off in FY 2018-19. Despite the maturity of the debt, a minimal annual district levy is still necessary for bridge maintenance purposes as outlined in the district's establishing documents. After the inclusion of projected interest earnings and the continuing annual assessment for bridge maintenance purposes of \$1,760 (total), this fund is projected to close FY 2020-21 with a positive reserve balance of **\$21,608**.

C. Lydia Lane Sewer Benefit Assessment District – Fund No. 222

In 2002 the City Council ordered the formation of the Lydia Lane Sewer Benefit Assessment District along south Lydia Lane for the purpose of funding the construction of municipal sewer main line lateral connections to specified homes within the District plus an associated street overlay. The project was funded by the private property parcel owners since they “opted out” of inclusion in the original Project Area of the since-dissolved Redevelopment Agency (RDA). As a result of opting out of inclusion, they were ineligible to receive RDA funds to address public health and safety blight for the installation of a municipal sewer line to eliminate their private septic tank systems. The project was completed in 2003 with bonds issued by the City for repayment by the district over a thirty (30) year life maturing in FY 2032-33. This annual assessment is levied against specified private property parcel owners within the Lydia Lane Sewer Benefit Assessment District in order to repay construction-related financing and to address ongoing operational and administrative costs. This fund will continue to assess annual levies against covered parcels within the district until the underlying long-term obligation due to private bondholders is fulfilled. Parcel assessments are projected to produce \$16,900 in FY 2020-21. Debt service payments for FY 2020-21 total \$13,750 or 77% of the District's annual expenses. The principal balance of the bonds will be \$148,325 as of June 30, 2020. This fund is projected to close FY 2020-21 with a positive reserve balance of **\$79,459** for future sewer system maintenance in the district. Of this reserve balance, \$12,500 (15.7%) pertains to the bond reserve fund, held by the trustee and restricted for debt service per the bond indenture.

D. Oak Street Sewer Benefit Assessment District – Fund No. 223

In 2002 the City Council ordered the formation of the Oak Street Sewer Assessment Division for the purpose of funding the construction of municipal sewer main line lateral connections to specified homes within the District. This neighborhood sewer project was completed in 2004. Under its mission to eliminate public health and safety concerns, the former Clayton Redevelopment Agency (RDA) paid for half (50%) of the project and the adjacent real property owners agreed to annual parcel assessments for the balance of the capital project. This annual assessment is levied against specified private property parcel owners within the Oak Street Sewer Benefit Assessment District in order to repay construction-related financing. The Oak Street Bridge debt is repaid over twenty five (25) years with its ultimate maturity in FY 2027-28. This fund will continue to assess annual levies against covered parcels within the district until the underlying debt owed to the Successor Agency of the RDA is fulfilled. After incorporating any pre-payments by district members, the outstanding principal on the debt was \$60,091 as of June 30, 2019.

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Annual parcel assessments are projected to produce \$11,309 in district revenue in FY 2020-21. Debt service payments for FY 2020-21 total \$10,009 or 87% of the district's proposed appropriations. The fund is projected close FY 2020-21 with a modest reserve balance of **\$1,736**.

E. Diablo Estates Benefit Assessment District – Fund No. 231

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

In FY 2020-21 the assessment revenue is projected to be approximately \$86,524, which incorporates the April 2019 to April 2019 consumer price index inflationary increase of 1.011%. It appears that the 2019-20 assessment was incorrectly submitted to Contra Costa County, resubmitting 2018-19 assessments rather than the 2019-20 assessments approved by the City Council. The City Engineer is working with Contra Costa County staff to remedy this error. Total proposed appropriations of the district are \$68,062 for FY 2020-21, of which the expense pertains to costs associated with the contracted property management services firm, Matrix Association Management, estimated at \$54,390. The fund is projected to close FY 2020-21 with a positive reserve balance of approximately **\$183,464** primarily retained for future infrastructure replacements in the District.

F. Clayton Financing Authority – Fund No. 405

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

Arising from matters associated with the Oakhurst Development Project, the CFA held title to a one acre parcel located at the southwest corner of the Clayton Road-Oakhurst Drive-Center Street intersection. In October 2006, the CFA sold the real property for

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

During FY 2017-18, the replacement of the city hall HVAC system became a top priority as three of the five condensing units had failed and were rendered inoperable. This system failure resulted in a total cooling capacity of only 40% for the three story building. Furthermore, the city hall boiler had completely failed eliminating all heating capacity of the HVAC unit essential for a productive office workplace. Acknowledging the importance of a functioning HVAC during the hot summer months and cold winter months for a productive office work environment, on July 18, 2017 the CFA Board authorized \$170,126 of this project to be financed with CFA fund reserves.

No appropriations are currently included in the FY 2019-20 CFA proposed budget. After projected interest earnings of \$12,600, it is anticipated this fund will close FY 2020-21 with a positive reserve balance of **\$593,183**.

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

As its name implies, this fund manages the annual collection of the real property Mello-Roos special parcel tax that helped finance the construction of the Diablo View Middle School, a 2017 California Gold Ribbon School. During FY 2007-08 the outstanding debt of the district was refunded to obtain a lower interest rate on the remaining principal (see Fund No. 422). The reduced interest rate savings achieved with the May 2007 refinancing are passed along to the rate payers over the remaining life of the bond. This was a City-initiated transaction which resulted in lower annual payments for the assessed real property owners of this district (Oakhurst Development properties). The savings vary by size of parcel however generally result in \$300 to \$500 in cumulative total savings from 2007-08 through 2022-23. The remainder of budgeted expenses of the district covers required debt administration costs.

Professional bond trustee administration fees are incurred annually pursuant to the bond indenture necessary for managing the retirement of the district's debt as well as monitoring bond covenants. In FY 2020-21 debt service payments on the 1997 local obligations are estimated to total approximately \$414,827 after the application of an estimated debt service credit of \$66,259 applying savings resulting from the bond refunding. Without the application of the debt service credit, total regular scheduled debt service on the 1997 local obligations would be \$481,086 in FY 2020-21.

Consistent with the prior year, in FY 2020-21 the projected special parcel tax revenue of approximately \$385,794 is less than expenditures as it incorporates a levy reduction credit

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of approximately \$150,590 (\$66,259 debt service credit and \$84,331 district reserves). This levy reduction has been implemented annually to gradually apply savings resulting from the bond refunding towards minimizing the burden of taxpayers. When compared to the prior year district special tax levy, FY 2020-21 reflects a levy reduction of \$6,319 to be shared amongst the district tax payers. Because different lots have different levies the actual levy decrease for FY 20-21 varies from apx. \$3 to \$7.50 per parcel with an average of \$5 lower than last year. The district is projected to close FY 2020-21 with a positive reserve balance of **\$174,103**.

H. CFA 2007 Refunding Bonds Agency Fund – Fund No. 422

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

Debt service on the 2007 refunding bonds is budgeted to be \$410,525 in FY 2019-20. Payments received pertaining to the 1997 local obligations from CFD 1990-1 will be sufficient to meet the required debt service on the 2007 bonds. Consistent with the prior year, this fund is projected to utilize reserves in order to apply a debt service credit to the FY 2020-21 CFD 1990-1 special parcel tax levy. A systematic and gradual utilization of reserves arising from the bond refunding savings is planned through the maturity of the 2007 refunding bonds in FY 2022-23. The fund is projected to close FY 2019-20 with a positive reserve balance of **\$471,104**, of which \$252,000 (51%) pertains to the 2007 bonds' reserve fund held with the bond trustee and restricted for future debt service per the bond indenture.

I. Successor Agency – Fund No. 615

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

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

Under the new law, successor agencies in the State of California are prohibited from entering into new projects, obligations, or commitments. Subject to the control of a newly established Oversight Board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution. Commencing FY 2011-12, Successor Agencies are only allocated tax increment revenue in an amount necessary to finance the estimated annual installment payments on enforceable obligations of the former RDA until all such enforceable obligations have been paid in full and all assets have been liquidated. On an annual basis, in accordance with the law, the Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) outlining all of the funding requirements for upcoming fiscal year. The ROPS must be approved by the County-Wide Oversight Board via Resolution and thereafter be immediately submitted to the California Department of Finance (DOF) for review and approval. After a scrutinizing review by the DOF and its subsequent approval, funding for the obligations on the ROPS is received from the ACO in January and June each year. In FY 2015-16, following the DOF's approval of the All Other Funds Due Diligence Review pursuant to AB 1484, the DOF ordered the Successor Agency to first use any existing cash reserves before receiving additional ROPS funding for enforceable obligations. Pursuant to this action, the Successor Agency has and will continue to use remaining bond proceeds for the payment of interest on the 2014 Refunding Tax Allocation Bonds (2014 TABs) and trustee fees.

For FY 2020-21, the Successor Agency anticipates total expenses of \$859,749, of which 53.5% pertains to annual debt service on the 2014 TABs. In the DOF's determination letter approving the 2020-21 ROPS dated March 27, 2020, the fourth installment of the Supplemental Educational Revenue Augmentation Fund (SERAF) loan was approved for repayment to the Clayton Successor Housing Agency, which is scheduled to be fully repaid in FY 2020-21. Through the ROPS process described previously, it is projected the Successor Agency will receive Redevelopment Property Tax Trust Fund (RPTTF) revenues totaling \$859,749 in FY 2020-21. At the close of FY 2020-21, it is expected the Successor Agency will close with a positive reserve balance of approximately **\$715,119**, which is nearly entirely restricted to ROPS obligations in the six month ROPS cycle ending December 31, 2020 (ROPS 2020-21A cycle). This positive reserve balance results from the timing of payments, as the first of two annual ROPS payments is received in June of each year, immediately prior to the fiscal year for which funds are restricted.

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Capital Improvement Program**

CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

With the demise of former Clayton Redevelopment Agency tax increment for capital improvement projects, the City now has limited financial capacity to undertake significant capital improvement projects beyond street and traffic improvements where limited restricted-use funding is available. Accordingly, in recent years CIP projects have been primarily funded by HUTA gas taxes, RMRA gas taxes, and Measure J, as well as local, state and federal grant programs as they become available.

Current Year (FY 2020-21) Capital Improvement Program Activity

The proposed FY 2020-21 CIP budget incorporated appropriations of \$1,446,400 split between seven (6) different funded CIP projects (denoted with *).

1. Pine Hollow Road Upgrades (CIP 10379)*

Included as an unfunded project in many of the past Capital Improvement Program cycles, this project's original scope of widening the north side of Pine Hollow Road with the addition of new curb, gutter, and sidewalk between Pine Hollow Estates and the westerly city limit was funded in Fiscal Year 2018/2019 with available savings from a Measure J grant. Prior City leadership then expanded the initial scope of the project to include the entire length of Pine Hollow Road from the westerly city limit line to Mitchell Canyon Road as an alternate entry into the City. The City of Clayton and the City of Concord entered into a joint application for a complete streets study grant through Caltrans to study Pine Hollow Road in both jurisdictions to create a coordinated complete street improvement project. Project work will include new curb, gutter, and sidewalk as well as complete streets design for bicycle traffic and green storm water infrastructure and the installation of a city entryway sign on the southern city limit of Pine Hollow Road. The total estimated cost for this project is currently at \$1,091,819 but may be revised due to the complete streets facilities to be incorporated.

Clayton and Concord received a preliminary Notice of Award meaning success in garnering the Caltrans complete streets study grant, it is anticipated this project will complete the study and planning phase in Fiscal Year 2020-2021 with a complete set of bid specifications by the close of the next fiscal year (Fiscal Year 2021-2022). The project is not expected to enter into the construction phase until Fiscal Year 2022-2023, when additional funding is expected to become available.

2. ADA Compliance Program (CIP 10394A)

Each fiscal year the City has a policy to set aside \$6,000 of its annual HUTA gas tax revenues to build up sufficient reserves to perform handicap ramp corner curb cuts on public sidewalks. In addition to installing these ADA ramps where none exist, federal standards on ramp specifications were modified in July 2008 requiring revamping of existing ramps when street or sidewalk projects are installed in the adjacent area. These monies may also be used to repaint and remark existing ADA public parking spaces to current standard. The City's HUTA Gas Tax Fund (No. 201) transferred \$6,000 to this CIP account during FY

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2019-20. After interest earnings, the residual reserve balance of this project is estimated to be **\$15,276** by the close of FY 2020-21.

3. Utility Undergrounding Project (CIP 10397)

Each year, PG&E is required by the Public Utilities Commission to set aside funds for the undergrounding of overhead utility lines. The money set aside is distributed by PG&E to local agencies on a proportional basis. Since the cost of undergrounding is so tremendous (minimum of \$1,000,000 for 300 feet or so), this project was created to accept and accumulate these funds until enough is available to undertake a project. Typically, PG&E will allocate approximately \$20,500 to the City's Rule 20A project account annually. In addition to the annual allocation, the City is authorized to make a five (5) year advance borrowing currently estimated to be \$102,500. Including another annual allocation estimate of \$20,500, total estimated reserves available for a utility undergrounding project will be approximately **\$463,852** by the close of FY 2019-20. No project expenditures planned at this point for FY 2020-21.

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

Project completed in FY 2019-20 and removed from the active Capital Improvement Program.

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

Clayton received full \$385,000 reimbursement for the federal Local Street and Road Shortfall Fund funds (or "OBAG I" monies as referred to by the Contra Costa Transportation Authority as the pass-through awarding entity). Keller Ridge Drive Collector Street Rehab Project complete in FY 2019-20 and removed from the active Capital Improvement Program.

6. 2018 Neighborhood Street Rehabilitation (CIP 10436)

Project completed in FY 2019-20 and removed from the active Capital Improvement Program.

7. El Portal Drive Reconstruction (CIP 10439)*

Reconstruction of pavement – Detail sheet not included at this time

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

In response to feedback from soccer and baseball groups and an on-site assessment of the premises, a rehabilitation of the lower baseball/softball field (Field #1) of Clayton Community Park was incorporated into the CIP budget two years ago. The Maintenance Department previously estimated costs of the rehabilitation project to be approximately \$50,000, funded by a partial allocation of the garbage franchise community enhancement fee. However, a re-examination of the original project budget by the City Engineer resulted in a

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Capital Improvement Program**

revised project estimate of \$100,000, with the additional costs currently being presented as “unfunded” in the FY 2018-19 CIP budget requiring additional City Council direction. It is expected this project will commence and be completed in FY 2019-20 once identification and authorization of gap funding is given.

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

In response to feedback from residents in the community and an on-site assessment of the premises, a rehabilitation of the North Valley neighborhood park tot lot and surrounding premises was incorporated into the CIP budget two years ago. The scope of work includes replacement of the resilient play surface, purchase and installation of new play apparatus, planting of additional shade trees, and the installation of three (3) shade structures similar to those at the Clayton Community Park Picnic Area #5. The purpose of the trees and shade structures is to provide much needed shelter from the sun given the absence of mature shade-providing trees in the park. The CIP budget includes a total estimated project cost of \$168,575, which is equal to the funding currently authorized and available. The City Council authorized funding for this project from two sources. The portion of the Open Space In-Lieu development impact fee balance designated for “active areas” will provide \$142,000 in funding for the project, with the remaining \$23,800 in funding coming from unallocated CIP fund interest earnings. Throughout FY 2018-19 staff prudently sought competitive quotes as stipulated by the City’s procurement policy, despite repeated delays given the limited number of contractors that are willing and able to provide such a quote. Council awarded a construction contract in FY 2019-20 with construction completed in FY 2020-21.

10. City Hall Front Door ADA Accessibility Project (CIP 10443)

Project completed in FY 2019-20 and removed from the active Capital Improvement Program.

11. City Hall HVAC Replacement Project (CIP 10444)

Project completed in FY 2019-20 and removed from the active Capital Improvement Program.

12. Oak Street Bungalow Demolition (CIP 10445)

Project completed in FY 2019-20 and removed from the active Capital Improvement Program.

13. Oak/Grassland Savanna Management (CIP No. 10446)

This project entails management and enhancement of oak/grassland savanna open space parcels citywide. These parcels provide wildfire protection for the City by creating a low-fuel buffer zone between open space and developed

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neighborhoods. These parcels require management to prevent noxious and invasive plants from invading and taking over the grassland savanna. Noxious and invasive plants provide higher fuel loading and deplete the buffer protecting developed neighborhoods. Initial costs for this project are estimated at \$100,000, for which the City Engineer plans to recover through a FEMA grant.

14. Emergency/Auxiliary Power (CIP No. 10447)

This project includes the future design and construction of emergency power generation for City Hall, Corporation Yard and Clayton Community Library building allowing the City to remain functional during a power outage or disaster. Initial cost of this project estimated at \$100,000 funded through a future FEMA grant.

15. School Intersections Enhancement Project (CIP No. 10448)

Project includes design and installation of operational enhancements to the intersections of Clayton Road and Marsh Creek Road adjacent to Diablo View Middle School, Clayton Road and Mt. Zion Drive adjacent to Mt. Diablo Elementary School, and Marsh Creek Road at Center Street. These are the two public schools located within the City of Clayton. Preliminary estimate for this project is \$70,211 funded by Measure J LSM return to source and Measure J Co-op local revenues.

16. 2020 Neighborhood Pavement Preservation Project (Capital Improvement Program No. 10448)

The objective of the 2020 Neighborhood Pavement Preservation Project is to elevate all of the neighborhood streets to a Pavement Condition Index (PCI) of 80 or greater, with a PCI score of 100 being equivalent to a brand new street. This project has been designed to accomplish said street maintenance and rehabilitation on streets where State or Federal transportation funds are not currently available. This project is funded by various sources with proposed funding being derived from gas tax monies, Measure J local streets maintenance “return to source” funds, Measure J Co-op funds, and a Cal Recycle grant for utilizing rubberized paving materials.

The proposed budget assumes a total fully funded project cost of \$872,360 for engineering (planning, design, etc.), construction, inspections, and project acceptance reporting. This project is expected to transition to the construction phase and be completed by the close of next fiscal year (Fiscal Year 2020-2021).

17. Downtown Pedestrian Improvement (CIP No. 10450)

On June 21, 2017 the City of Clayton was awarded a grant of \$252,000 for pedestrian safety improvements in the town center through the Measure J Transportation for Livable Communities program, administered by Contra Costa Transportation Authority (CCTA). Thereafter on October 17, 2017 the City Council approved a Master Cooperative Funding Agreement with the CCTA

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outlining the roles and responsibilities of the City and CCTA. The scope of this project entails the installation of two raised and lighted crosswalks at Oak and Center Streets in the downtown area as well as a table top lighted intersection at Old Marsh Creek Road and Main Street. Due to Covid pandemic and resulting economic contraction, this grant may be delayed or reduced by CCTA.

18. Green Infrastructure (CIP No. 10451)

Project completed in FY 2019-20 and removed from the active Capital Improvement Program.

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

PUBLIC EMPLOYEES RETIREMENT PENSION SYSTEM

A Brief History

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

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

In 2008, coinciding with the abrupt downturn in the national and local economies and the wave of retiring Baby Boomers (born 1946 - 1964), the press and the public waged a vigorous debate and exposé concerning the amount and scope of unfunded liabilities of governments [taxpayers] for the CalPERS defined benefit retirement plan. Public pension policies have been attacked, modified, reformed and threatened over the course of this examination and it continues today in the form of state legislation reform bills, statewide initiatives and disparaging editorial opinions. Resulting from this, the State of California legislature enacted Public Employee Pension Reform Act (PEPRA) effective January 2013 creating a new defined benefit pension tier for newly-enrolled CalPERS-covered employees.

City of Clayton
Budget Message
Public Employees Retirement Pension System

Acting in advance of PEPRA and most public agencies, the City of Clayton established a 2nd Tier Plan effective January 2011 for all new “Classic Tier” hires. To further mitigate its unfunded liability exposure, the Clayton City Council took action in March 2012 to prohibit all future local elected officials (e.g. city council members) from becoming members of the CalPERS pension plan.

In regards to action taken to address the reasonableness of actuarial assumptions, the 2016 Annual Review of Funding Levels and Risks published by CalPERS on September 20, 2016 concluded economic conditions at that time increased the risk associated with achieving a 7.5% rate of return over the medium term (10 years or so). With this in mind, action was taken by the CalPERS Board to re-address the viability of the actuarially assumed discount rate for future years with the goal of increasing funded status of pension plans. Accordingly, on December 21, 2016 the CalPERS Board voted to lower its discount rate from 7.5% to 7.0% over a three year timeframe with the hope the incremental lowering of the rate would give employers more time to prepare for the changes in contribution costs. The first year of pension contribution increases resulting from lowering the discount rate was FY 2018-19.

Various Pension Plan Groups and Composition

As a consequence of the actions taken as described previously the City of Clayton now has three (3) separate CalPERS pension plan tiers for its employees for both the Public Safety and Miscellaneous employee groups:

1. Tier I “Classic” – This plan covers existing City employees hired prior to January 2011. No future employee of the City can ever enroll into the Tier I Plan and accordingly this pool of existing employees will shrink in number as these employees move to other employment or retire from the City. The benefit formula for Public Safety Tier I members is 3% @ 55 and the benefit formula for Miscellaneous Tier I members is 2% @ 55.

Previously, the City made the required employee contributions on behalf of all Tier I employees, which is defined as “Employer Paid Member Contributions” (EPMC) by CalPERS. As part of three year Police Officers Association (POA) labor agreement approved on July 7, 2015, the previous 9% EPMC for Public Safety Tier I members has now been entirely phased out, with members of this group paying the full required employee contribution rate. While beneficial for future pension obligations, this phase-out did come at a cost and was offset by a negotiated 4% annual cost of living adjustment for all sworn officers for the three year period ending June 30, 2018. In accordance with labor agreements currently in place and assuming status quo terms, the proposed budget for FY 2019-20 assumes the City will continue to make the full 7% EPMC for all Miscellaneous Plan Members, which comprises four (4) employees. To add some perspective,

City of Clayton
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Public Employees Retirement Pension System

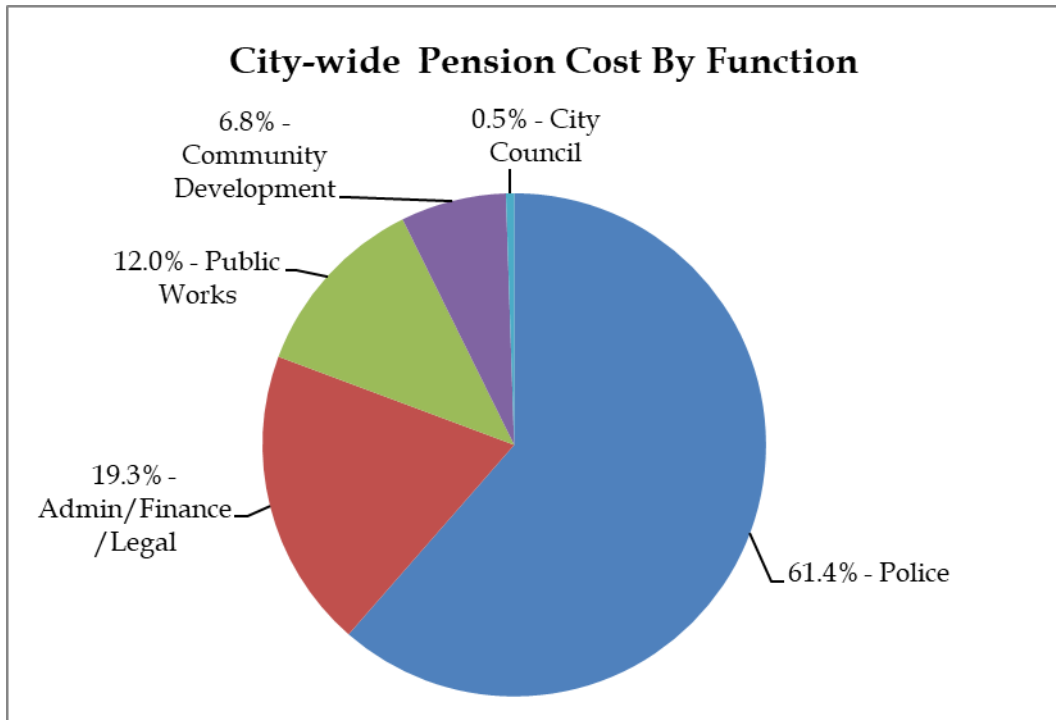
this small group of Tier I Miscellaneous employees represents one quarter (25%) of the entire unrepresented Miscellaneous employee group of sixteen (16) permanent employees.

Commencing FY 2018-19, as part of the latest and current three (3) year labor agreement with the POA, Tier I Public Safety members of the POA were required to help contribute towards the escalating normal cost employer rate. These member paid employer contribution sharing rates were 0.5%, 1.25%, and 2.25% for FY 2018-19, FY 2019-20, and FY 2020-21, respectively. In FY 2020-21, net of any members paid employer contributions, employer contribution rates for Tier I employees will be 18.335% and 17.484% for Public Safety and Miscellaneous Plan Members, respectively.

2. Tier II "Classic" - This plan covers City employees hired during the timeframe January 2011 through December 2012, plus any new hire of the City that comes from an employer previously enrolled in a CalPERS pension system (without a break in service longer than six months). The benefit formula for Public Safety Tier II members is 2% @ 50 and the benefit formula for Miscellaneous Tier II members is 2% @ 60. There is no EPMC provision, making employees responsible for the entire employee pension contribution rate, which is 9% for Public Safety plan members and 7% for Miscellaneous Plan members. . In FY 2020-21 employer contribution rates for Tier II employees will be 18.152% and 8.794% for Public Safety and Miscellaneous Plan members, respectively.
3. Tier III "PEPRA" - This plan (aka the "Brown Plan" named after its originator, Governor Jerry Brown) automatically covers any new employee of the City not previously a member of CalPERS or with a break in service longer than six months. The benefit formula for Public Safety Tier III members is 2.7% @ 57 and the benefit formula for Miscellaneous Tier III members is 2% @ 62. Under PEPRA law, members are required to pay at least 50% of the normal cost of benefits, essentially splitting the pension contribution rate requirement with some exceptions. In FY 2019-20 employer contribution rates for Tier III employees will be 13.044% and 7.732% for Public Safety and Miscellaneous Plan Members, respectively

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

The following chart summarizes the organization-wide spread of the City's pension contributions projected for FY 2020-21:



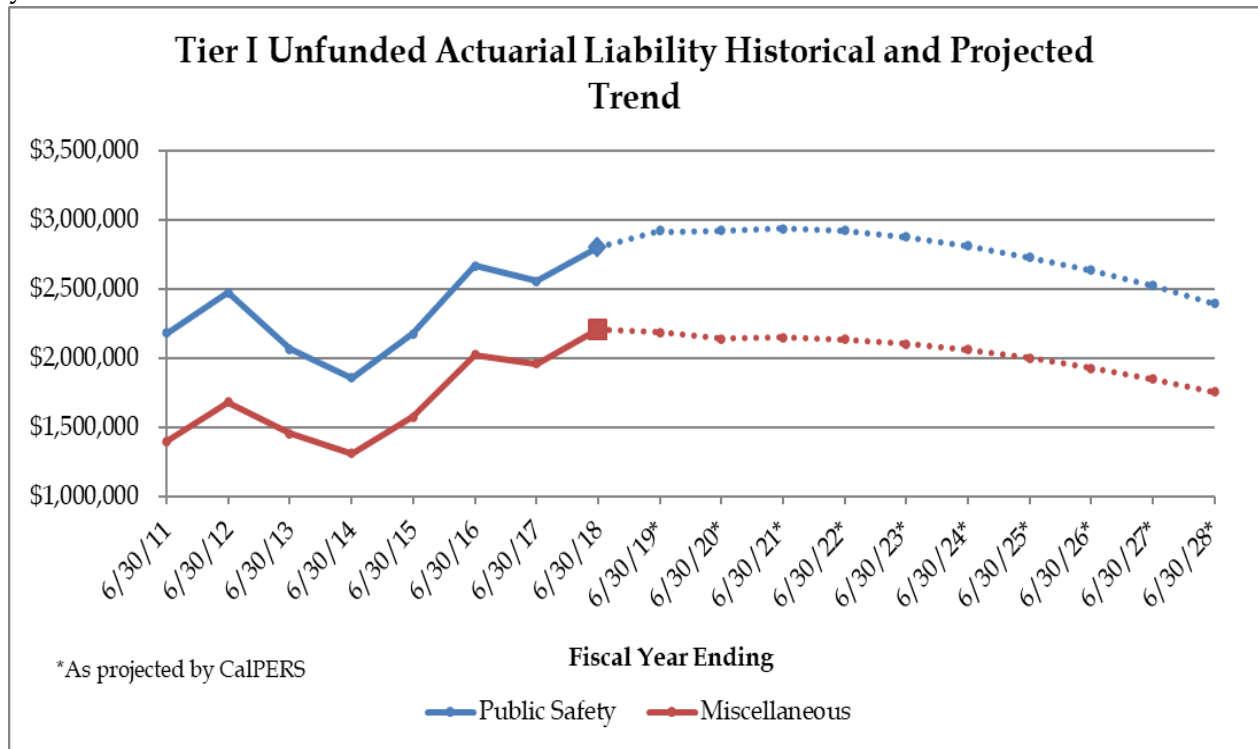
As depicted in the pie chart above, the Police Department makes up over fifty two (61.4%) percent of the budgeted employer pension contributions. This statistic is generally reflective of the Police Department's share of the City's permanent workforce, whereby this department has thirteen (13) of the city's total workforce of just over twenty six (26.2) employees which mirrors this department's share of the overall workforce.

Status of the City's Unfunded Actuarial Liability

An unfunded actuarial liability (UAL) is the difference between the estimated current liability to pay future benefits and the current market value of assets accumulated to pay those benefits. If assets are greater, a plan is overfunded and if the liability is greater, a plan is underfunded, creating an unfunded liability. The unfunded liability is an estimated figure changing with each actuarial valuation pursuant to changes in market value of assets, investment earnings and actual results of the plan as compared to actuarial assumptions. Unfunded liabilities are not amounts that are actually due today but are estimates of what pension actuaries believe will be needed to pay future benefits. The funding policies established by CalPERS are intended to provide for full

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

funding of the pension plan by the time employees retire. The following is a line chart summarizing the City's UALs for both the Public Safety Tier I and Miscellaneous Tier I employee plans over the past seven (7) years (since CalPERS began publishing this information in the actuarial reports) and CalPERS' estimates for the next ten (10) fiscal years:



As depicted in the chart above, when considering the current funded status of the City's pension plan's, the most recently issued actuarial reports (June 30, 2018) reflect increases to both the Safety and Miscellaneous Tier I Plan UALs. As of June 30, 2018, the Safety Tier I Plan UAL status declined, increasing by 9.6% to \$2,806,775 reflecting a funded status of 74.6%. Similarly, the Miscellaneous Tier I Plan also declined, increasing by 12.4% to \$2,204,494, reflecting a funded status of 73.5%.

CalPERS reported an 8.6% investment return in FY 2017-18, which was slightly above the assumed 7.0% discount rate benchmark.

Prospectively, arising from policies adopted by the City, the state legislature, and CalPERS, gradual reductions are predicted for the City's UALs. These gradual reductions incorporate CalPERS policies to amortize annual plan investment gains and losses over thirty (30) year periods well as its five (5) year ramp up and down phases to smooth the volatility these annual conditions can have on employer pension contribution requirements. Consequently, the latest actuarial valuation reports project employer UAL pension contributions for the two "Classic" Tier I plans to gradually increase until reaching their ceiling in FY 2020-21, after which they steadily reduce until both plan UALs are fully paid off in FY 2043-44 (under present value calculations and CalPERS methodologies).

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

Impacts of Statutory Pension Reform – Short and Long-term

Since the adoption of PEPRAs and due to measures taken by the City Council in 2011 to create second retirement tiers, noteworthy savings were realized by the City in the three year timeframe from FY 2012-13 to FY 2014-15. Ultimately, these savings were realized by the City through the gradual attrition of several Tier I “Classic” employees with those positions subsequently filled by less expensive Tier II and PEPRAs enrolled employees. However, commencing in FY 2015-16, in an aggressive and deliberate measure to recapture these savings realized by participating agencies, CalPERS began billing for the unfunded portion of the City’s Tier I pension liabilities as a fixed dollar amount as opposed to the “percentage of payroll” method used in all prior years leading up to FY 2015-16. Therefore, to understand and better prepare for fluctuations in employer pension costs, a city must monitor both the percentage of payroll (or “Normal Cost”) rate as well as the relatively new fixed dollar UAL contribution components.

The latest CalPERS actuarial reports for the year ended June 30, 2018 establish the City’s normal cost contribution rates as well as the fixed dollar UAL contribution requirements for the upcoming fiscal year. The City’s FY 2020-21 contribution requirements relative to the prior year (FY 2019-20) are as follows:

	FY 2019-20		FY 2020-21	
Pension Tier	Normal Cost Rate	Lump Sum UAL Pmt.	Normal Cost	Lump Sum UAL Pmt.
Safety Classic	17.678%*	\$153,231	18.335%*	\$179,115
Safety Tier II	16.636%	\$616	18.152%	\$1,328
Safety PEPRAs	13.034%	\$1,837	13.044%	\$2,795
Miscellaneous Classic	16.680%**	\$191,237	17.484%**	\$130,340
Miscellaneous Tier II	8.081%	\$1,096	8.794%	\$1,634
Miscellaneous PEPRAs	6.985%	\$2,056	7.732%	\$2,329

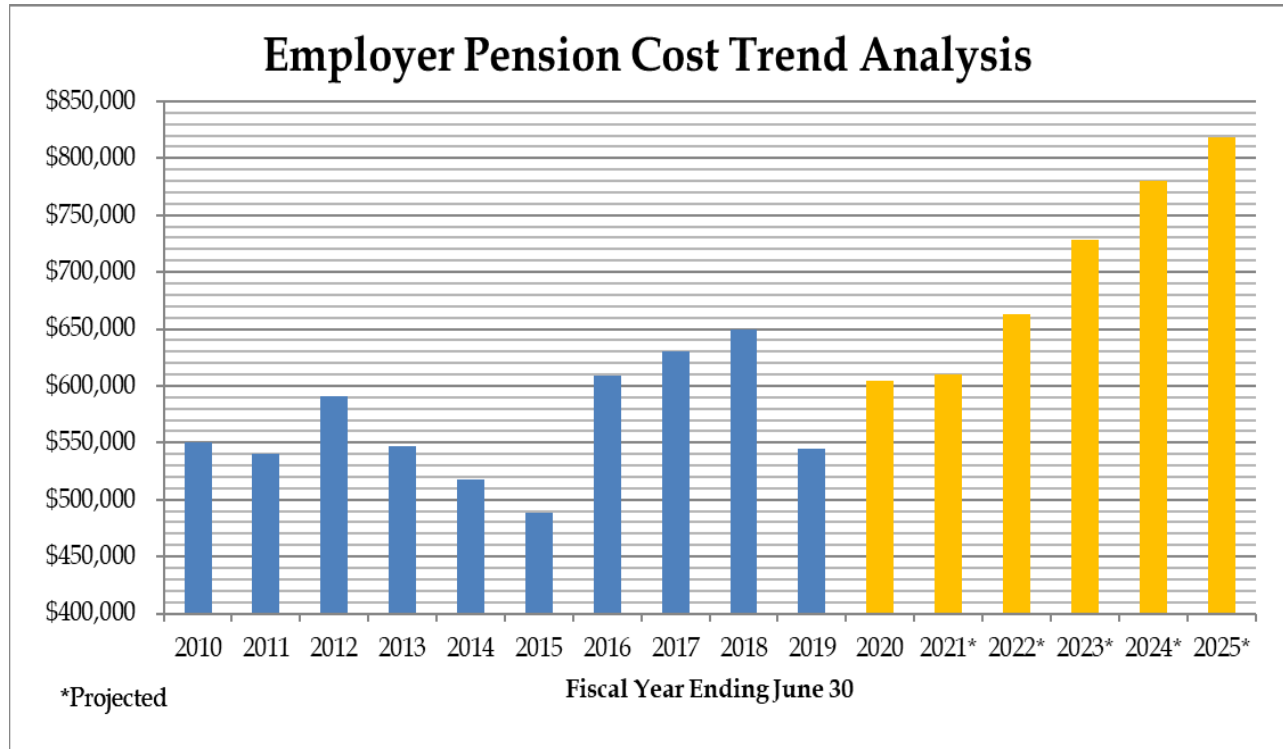
*Excludes negotiated member-paid employer contribution portions.

**Includes employer-paid member contribution (EPMC) of 7.0%.

Changes in legislation, employee workforce attrition, and volatility of CalPERS estimates (i.e. investment returns), make it challenging to predict future pension costs as well as the status of the UAL with absolute certainty. However the following chart provides a summary of historical City-wide employer pension contributions over the past ten (10) years as well as a projections for the current fiscal year still underway (FY 2019-20) and

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

the following five (5) future years thereafter using employment and actuarial information known at this time. As noted previously, the unpredictability of workforce and market factors makes these future year projections subject to change prospectively.



Note: This chart incorporates the existing Police Officer Association set to expire July 1, 2021 and assumes status quo terms for the Miscellaneous Employee Group labor agreement, which expires July 1, 2019.

The steady decline in required employer pension contributions from FY 2011-12 to FY 2014-15 was caused by the gradual attrition of the City's Tier I employees (i.e. retirement, employment separation to pursue employment at another agency, etc.) and filling those vacancies with less expensive Tier II and Tier III "PEPRA" employees. Thereafter, the spike in FY 2015-16 and subsequent two (2) years is caused by CalPERS' implementation of fixed dollar UAL billings to supplement normal cost percentage-of-payroll contribution rates.

The chart also incorporates the impact of the CalPERS Board voting to decrease the discount rate in December 2016 impacting employer pension contribution assumptions from FY 2018-19 and onward. Pension costs are projected to rise with actuarially assumed wage growth as well as CalPERS' policy to (eventually) achieve "fully funded" status through calculated annual UAL payment increases.

In all, the total amount of monies in the proposed budget projected to be required to pay CalPERS retirement contributions in FY 2020-21 is approximately \$610,430 across all City funds, representing an increase of only \$6,190 (1%), primarily due to Staff turnover. Of

City of Clayton
Budget Message
Public Employees Retirement Pension System

this amount, \$543,671 (89.1%) is covered by the General Fund and \$317,541 pertains to CalPERS fixed dollar billings to address the UAL. This means for every one dollar spent on employer pension contributions, 52¢ is used to address the buildup of the unfunded liability reported by CalPERS actuaries and not to address future retirement benefits of the current workforce.

Summary of Pension Analysis

The purpose of this information published annually is not to marginalize the seriousness of the unfunded pension plan debate, but to provide transparency and context to a story often sensationalized by the media. Acknowledging the importance of addressing the City's exposure to the growth of unfunded pension liabilities, several actions outlined in detail previously have been taken by the City Council, CalPERS, and the state legislature. These actions were designed to address the issue in the long-run, without causing immediate and detrimental set-backs to the City's current ability to provide public services. Considering the already scarce local resources available, it is encouraging to see the City appears headed in the right fiscal direction on this matter. Nevertheless, prudent and regular monitoring of the City's progress will be essential to achieving sustainable and sensible budgets well into the future.

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BUDGET SCHEDULES

2020-21

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General Fund Revenues 2020-21

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**CITY OF CLAYTON PROPOSED GENERAL FUND REVENUE BUDGET
2019-20 BUDGETED VS 20-21 ADOPTED BUDGETED REVENUE**

Description	Account Number	Actual Revenue 2018-19	Budgeted Revenue 2018-19	Projected Revenue 2019-20	Budgeted Revenue 2019-20	Adopted Revenue 2020-21	Change from 2019-20 Budget (%)
Secured Property Taxes:							
Property Taxes In-Lieu of VLF	4100	1,010,945	985,000	1,056,219	1,031,100	1,088,343	5.6%
Property Taxes - Secured	4101	891,289	867,000	927,770	907,800	957,300	5.5%
RPTTF Distribution	4108	385,218	414,000	389,000	389,000	396,780	2.0%
Total Secured Property Taxes		2,287,452	2,266,000	2,372,989	2,327,900	2,442,423	4.9%
Property Taxes - Unsecured	4102	42,446	41,600	42,018	41,000	41,000	0.0%
Property Taxes - Unitary Tax	4103	15,329	15,000	14,763	15,300	14,800	-3.3%
Property Taxes - Supplemental	4104	34,136	35,700	24,710	30,600	25,200	-17.6%
Property Taxes - Other	4106	9,340	10,200	9,052	9,900	9,100	-8.1%
Sales and Use Tax	4301	483,741	477,000	480,142	497,100	467,527	-5.9%
Real Property Transfer Tax	4502	75,195	76,300	76,060	83,800	77,581	-7.4%
Business Licenses	5101	175,153	146,000	153,972	145,000	149,926	3.4%
CCC Building Permit Remit Fees	5103	62,308	72,000	62,308	72,900	60,215	-17.4%
Engineering Service Fees	5106	5,647	9,700	5,605	6,200	5,457	-12.0%
Public Safety Allocation	5201	90,135	87,700	95,207	88,000	97,111	10.4%
Abandoned Veh Abate (AVA)	5202	3,913	5,080	5,416	5,400	5,524	2.3%
Motor Vehicle In-Lieu	5203	5,487	6,050	9,223	5,500	6,000	9.1%
Other In-Lieu of Taxes	5205	164,331	164,330	167,617	167,600	170,969	2.0%
POST Reimbursements	5214	541	2,380	7,906	1,000	-	-100.0%
State Mandated Cost Reimbursement	5217	11,938	5,000	5,450	5,000	-	-100.0%
Planning Permits/Fees	5301	10,726	14,600	11,500	9,400	11,115	18.2%
Police Permits/Fees	5302	17,215	12,110	20,000	17,000	20,000	17.6%
City Hall Rental Fees	5303	216	200	896	200	200	0.0%
Planning Service Charges	5304	23,562	28,400	35,000	35,000	33,824	-3.4%
Well Water Usage Charge	5306	37,021	30,600	24,000	31,900	24,000	-24.8%
Misc. City Services	5319	5,288	750	85	2,000	750	-62.5%
Fiduciary Funds Administration	5322	254,827	254,827	271,250	271,270	271,471	0.1%
Franchises - Comcast Cable	5401	203,000	221,000	204,337	205,000	204,400	-0.3%
Franchises - Garbage Fees	5402	185,149	194,400	197,000	197,000	200,000	1.5%
Franchises - PG&E	5403	119,028	129,900	128,692	120,000	129,000	7.5%
Franchises - Equilon Pipe	5404	15,772	15,370	16,570	16,200	16,752	3.4%
AT&T Mobility Franchise Fees	5405	179	230	70	200	100	-50.0%
Fines and Forfeitures	5501	19,526	28,200	30,000	24,900	30,600	22.9%
Interest	5601	101,667	88,200	100,000	115,000	100,000	-13.0%
Park Use Fee	5602	40,941	33,130	16,381	43,200	16,000	-63.0%
Meeting Room Fee	5603	5,370	4,370	3,641	4,800	2,800	-41.7%
Inv. Premium/Discount	5605	-	-	144	-	-	
Unrealized Inv. Gain/Loss	5606	89,698	-	-	-	-	0.0%
Cattle Grazing Lease Rent	5608	10,156	10,150	10,341	10,340	10,526	1.8%
Cell Tower Lease Rent	5609	32,974	35,560	35,938	36,300	36,980	1.9%
Clayton Community Gymnasium Rent	5613	28,000	33,600	26,400	35,400	18,600	-47.5%
Reimbursements/Refunds	5701	7,166	5,500	5,600	7,200	7,250	0.7%
CCLF Contributions	5703	2,000	-	2,000	-	-	0.0%
Other Revenues	5790	7,664	5,500	5,000	2,000	4,000	100.0%
Overhead Cost Recovery	5791	16,712	7,500	15,000	8,000	12,000	50.0%
Admin Expense Recovery:							
Measure J Fund	6002	4,639	4,639	4,830	4,830	4,890	1.2%
HUTA Gas Tax Fund	6004	7,745	7,745	8,060	8,060	8,150	1.1%
Neighborhood Street Lights Fund	6005	11,912	11,912	12,390	12,390	12,530	1.1%
GHAD Fund	6006	7,478	7,478	7,780	7,780	7,870	1.2%
Landscape Maintenance CFD Fund	6007	37,258	37,258	38,760	38,760	39,190	1.1%
The Grove Park CFD Fund	6011	7,574	7,574	7,880	7,880	7,970	1.1%
Stormwater Assessment Fund	6016	38,447	38,447	39,990	39,990	40,430	1.1%
Total Revenues		4,816,002	4,689,190	4,811,973	4,814,200	4,844,231	0.6%

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General Fund Expenditures 2020-21

CITY OF CLAYTON GENERAL FUND EXPENDITURE AND FUND BALANCE SUMMARY
FISCAL YEAR 2020-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected Actual	2020-21 Adopted Budget
7111	Salaries/Regular	1,861,990	1,977,500	1,905,708	2,018,606
7112	Temporary Help	3,212	-	1,445	5,626
7113	Overtime	123,328	104,000	127,300	110,500
7115	Council/Commission Comp	31,080	35,400	33,360	35,400
7116	Part-time Salaries	5,325	6,200	5,600	6,125
7218	LTD/STD Insurance	18,965	22,290	16,830	19,985
7219	Deferred Compensation Retirement	2,700	2,710	2,700	2,700
7220	PERS Retirement - Normal Cost	225,913	255,550	226,950	254,900
7221	PERS Retirement - Unfunded Liability	258,134	309,770	306,690	288,772
7231	Workers Comp Insurance	87,080	100,690	100,310	93,544
7232	Unemployment Insurance	9,971	11,610	11,940	11,537
7233	FICA Taxes	30,869	32,660	35,215	33,231
7241	Auto Allowance/Mileage	18,224	19,320	13,500	17,520
7242	Uniform Allowance	4,500	9,000	9,000	9,000
7246	Benefit Insurance	249,327	255,700	232,400	270,545
7247	OPEB Expense	14,254	15,100	14,530	15,100
7301	Recruitment/Pre-employment	11,045	9,000	32,703	6,500
7307	Irrigation Supplies	-	-	-	4,000
7311	General Supplies	32,001	32,000	28,663	36,000
7312	Office supplies	9,214	13,000	14,000	13,000
7313	Small Tools and Equipment	-	-	-	-
7314	Postage	4,192	4,600	3,000	4,600
7321	Printing and Binding	867	1,800	800	1,800
7323	Books/Periodicals	191	450	400	450
7324	Dues and Subscriptions	27,285	28,600	28,702	29,588
7325	EBRCSA system user fee	9,668	10,800	9,670	10,800
7331	Rentals/Leases	12,219	12,700	14,390	16,938
7332	Telecommunications	33,557	34,200	35,560	36,810
7335	Gas & Electric Serv.	96,374	108,500	97,083	102,800
7338	Water Service	149,497	162,150	148,200	157,220
7341	Buildings & Grounds Mtn	26,841	33,000	37,115	34,950
7342	Machinery/ Equip Maint.	2,461	4,000	3,000	4,000
7343	Vehicle Maintenance	20,253	31,200	41,000	41,700
7344	Vehicle Gas, Oil, and Supplies	45,194	45,000	43,900	45,500
7345	Office Equip. Maint. & Repairs	2,697	4,000	2,750	3,200
7346	HVAC Mtn & Repairs	31,955	18,400	29,400	18,400
7351	Insurance Premiums	115,177	109,600	112,269	113,000
7362	City Promotional Activity	4,688	4,500	4,500	4,500
7363	Business Expense	109	450	300	450
7364	Employee Recognition	1,492	2,500	1,100	1,700
7365	Volunteer Appreciation	-	500	-	-
7371	Travel	1,244	200	200	600
7372	Conference	1,832	2,700	2,925	4,425
7373	Education and Training	15,602	17,500	15,000	20,500
7380	Recording Fees	645	500	500	500
7381	Property Tax Admin Cost	8,950	9,300	9,000	9,300
7382	Election Services	7,761	-	-	-
7384	Legal Notices	2,215	2,000	1,000	2,000
7408	Crossing Guard Services	10,524	11,500	12,530	14,000

CITY OF CLAYTON GENERAL FUND EXPENDITURE AND FUND BALANCE SUMMARY
FISCAL YEAR 2020-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected Actual	2020-21 Adopted Budget
7410	Professional Engineering Services	116,916	120,000	119,400	122,400
7411	Legal Services Retainer	100,725	102,000	98,000	102,000
7412	Engineering Inspection	220	500	-	500
7413	Special Legal Services	19,192	16,000	19,000	16,000
7414	Auditing Services	24,553	25,200	39,342	39,350
7415	Computer Services	19,681	22,700	40,700	-
7417	Janitorial Services	52,353	55,000	50,600	55,500
7419	Other Prof. Services	35,733	31,200	35,885	35,100
7420	Merchant Fees	4,285	4,700	5,110	5,110
7423	Extra & Sunday Operating Hours	9,547	11,000	5,405	12,554
7424	Dispatch Services	265,784	279,100	279,100	293,100
7425	Lab Fees	12,228	20,000	7,000	15,000
7426	Jail Booking Fee	-	5,500	5,502	5,503
7427	Cal ID Services	12,199	13,000	13,010	13,000
7429	Animal Control Services	72,503	86,200	75,960	80,364
7433	Integrated Justice System (ACCJIN-ARIES)	10,828	12,200	11,400	12,000
7435	Contract Seasonal Labor	18,705	18,000	12,000	19,000
7438	Parking Enforcement - Regency Drive	8,253	-	-	-
7440	Tree Trimming Services	6,375	10,000	5,400	15,000
7486	CERF Charges/Depreciation	62,000	70,000	70,000	70,000
Total Operational Expenditures		4,482,702	4,774,450	4,665,954	4,843,806
Total Revenues		4,816,002	4,814,200	4,811,973	4,844,231
Operational Excess (Deficit)		333,300	39,750	146,019	425
Capital Outlay & Other One Time Expenditures					
Earmarked from prior fiscal years' excess by City Council					
7419	Professional Services	44,839	36,393	7,361	44,867
7485	Capital Outlay - Machinery, Veh & Equip.	94,787	-	-	-
8111	Transfer to CIP Fd - Green Infrstr Plan	-	50,000	18,685	-
8125	Transfer to Pension Stabilization Fund	100,000	-	-	-
NEW	Transfer Rainy Day Fund - Remaining Green Infrastructure Allocation	-	-	-	31,315
NEW	Transfer to Rainy Day Fund - 6/30/19 Operational Excess	-	-	-	333,300
Net Increase/(Decrease) in Fund Balance		93,674	(46,643)	119,973	(409,057)
Beginning Fund Balance		5,666,471	5,611,088	5,760,145	5,880,118
Ending Fund Balance		5,760,145	5,564,445	5,880,118	5,471,061

City Council

Department 01

Department Description

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

Services funded:

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

City of Clayton
Legislative Department 01
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020- 21 Adopted Budget	
						Amount	Percentage
7115	City Council Comp	28,200	28,200	28,200	28,200	-	0.00%
7220	PERS Retirement - Normal Cost	989	550	550	479	(71)	-12.91%
7221	PERS Retirement - Unfunded Liability	3,793	4,070	4,050	2,767	(1,283)	-31.68%
7231	Workers Comp Insurance	1,280	1,410	1,410	1,272	(138)	-9.79%
7232	Unemployment Insurance	780	1,750	1,750	1,748	(2)	-0.11%
7233	FICA Taxes	1,536	1,460	1,810	1,458	(352)	-19.45%
7321	Printing and Binding	-	300	300	300	-	0.00%
7324	Dues and Subscriptions	13,028	13,100	13,477	13,660	183	1.36%
7362	City Promotional Activity	4,688	4,500	4,500	4,500	-	0.00%
7363	Business Meeting Expense	109	250	200	250	50	25.00%
7372	Conferences/Meetings	1,777	1,700	1,700	1,700	-	0.00%
7382	Election Services	7,761	-	-	-	-	
7413	Legal Services	88	-	-	-	-	
7419	Other Prof. Services	10,122	10,000	9,900	10,000	100	1.01%
Total Operating Expenditures		74,151	67,290	67,847	66,334	(1,513)	-2.23%

Administration/ Finance/ Legal Department 02

Department Description

City Manager

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

Services funded:

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

Finance

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

Services funded:

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

City Attorney

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

Services funded:

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

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City of Clayton

Admin / Finance / Legal Department 02

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020-21 Adopted Budget	
						Amount	Percentage
7111	Salaries/Regular	599,742	612,000	622,000	598,449	(23,551)	-3.79%
7112	Temporary Salaries	-	-	-	-	-	
7218	LTD/STD Insurance	6,473	6,700	6,700	5,756	(944)	-14.09%
7220	PERS Retirement - Normal Cost	68,730	71,800	71,800	58,957	(12,843)	-17.89%
7221	PERS Retirement - Unfunded Liability	81,747	88,300	88,300	58,664	(29,636)	-33.56%
7231	Workers Comp Insurance	27,500	30,600	30,600	27,002	(3,598)	-11.76%
7232	Unemployment Insurance	1,204	2,700	2,700	2,604	(96)	-3.56%
7233	FICA Taxes	8,977	8,900	12,120	8,678	(3,442)	-28.40%
7241	Auto Allowance/Mileage	10,740	10,740	8,370	8,940	570	6.81%
7246	Benefit Insurance	80,101	74,800	74,800	75,776	976	1.30%
7301	Recruitment/Pre-employment	-	-	-	-	-	
7324	Dues and Subscriptions	1,510	2,000	2,359	2,278	(81)	-3.43%
7332	Telecommunications	6,467	6,600	6,860	6,860	-	0.00%
7371	Travel	-	100	100	100	-	0.00%
7372	Conferences/Meetings	55	500	1,225	1,225	-	0.00%
7373	Education and Training	1,239	1,500	1,500	1,500	-	0.00%
7389	Miscellaneous	-	-	-	-	-	
7411	Legal Services Retainer	64,849	56,100	61,500	56,100	(5,400)	-8.78%
7413	Special Legal Services	9,971	6,000	12,000	6,000	(6,000)	-50.00%
7414	Auditing and Financial Reporting Services	24,553	25,200	39,342	39,350	8	0.02%
7415	Computer/IT Services	10,188	10,700	10,700	-	(10,700)	-100.00%
7419	Other Prof. Services	6,100	4,700	4,388	10,300	5,912	134.73%
7481	Bank Service Charge	-	-	12	-	(12)	-100.00%
Total Operating Expenditures		1,010,146	1,019,940	1,057,376	968,539	(88,837)	-8.40%
Capital Outlay & Other One Time Expenditures							
7485	Capital Outlay	-	-	-	-	-	
8111 (00)	Transfer to Pension Stabilization Fund	100,000	-	-	-	-	
Total Capital Outlay & Other One Time Exp.		100,000	-	-	-	-	
Total Expenditures		1,110,146	1,019,940	1,057,376	968,539	(88,837)	-8.40%

Public Works

Department 03

Department Description

This department maintains City owned buildings and grounds; and provides maintenance for all non-special district facilities and land. The core employee unit of six (6) permanent employees consists of one Maintenance Supervisor, a Senior Maintenance Worker and four Maintenance Workers. Labor is augmented by temporary seasonal workers. Although the General Fund's Public Works department serves as the "base" department for these maintenance employees, their direct labor costs are shared with various two other departments of the General Fund as well as five other restricted-use special purposes funds based on actual hours worked.

Services funded:

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

City of Clayton

Public Works Department 03

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020-21 Adopted Budget	
						Amount	Percentage
7111	Salaries/Regular	20,028	26,000	27,000	26,687	(313)	-1.16%
7112	Temporary Help	409	-	187	1,238	1,051	562.03%
7113	Overtime	2,065	2,000	1,000	5,000	4,000	400.00%
7218	LTD/SID Insurance	218	300		267	267	
7220	PERS Retirement - Normal Cost	1,332	2,700	2,500	2,507	7	0.28%
7221	PERS Retirement - Unfunded Liability	2,422	3,700	3,000	2,615	(385)	-12.83%
7231	Workers Comp Insurance	1,300	1,280	1,300	1,527	227	17.46%
7232	Unemployment Insurance	120	190	190	211	21	11.05%
7233	FICA Taxes	150	400	400	554	154	38.50%
7246	Benefit Insurance	3,641	5,100	5,100	4,852	(248)	-4.86%
7301	Recruitment/Pre-employment	270	500	525	500	(25)	-4.76%
7311	General Supplies	6,917	5,000	6,600	7,000	400	6.06%
7332	Telecommunications	3,455	3,000	4,302	4,350	48	1.12%
7335	Gas & Electric Serv.	42,340	46,200	42,700	47,000	4,300	10.07%
7338	Water Service	12,742	15,400	19,200	20,400	1,200	6.25%
7341	Buildings & Grounds Mtn	15,008	15,000	20,779	18,350	(2,429)	-11.69%
7342	Machinery/ Equip Maint.	2,114	2,000	2,000	2,000	-	0.00%
7343	Vehicle Maintenance	886	2,000	2,000	2,000	-	0.00%
7344	Vehicle Gas, Oil, and Supplies	1,448	1,500	1,500	1,500	-	0.00%
7346	HVAC Mtn & Repairs	28,390	10,000	21,000	10,000	(11,000)	-52.38%
7373	Education and Training	395	2,000	1,000	2,000	1,000	100.00%
7411	Legal Services Retainer	66	2,550	1,000	2,550	1,550	155.00%
7417	Janitorial Services	7,259	8,500	8,500	9,000	500	5.88%
7419	Other Prof. Services	-	-	-	-	-	
7429	Animal/Pest Control Services	1,427	6,500	1,500	1,500	-	0.00%
7435	Contract Seasonal Labor	477		-	1,000	1,000	
7440	Tree Trimming Services	4,425	5,000	-	5,000	5,000	
7486	CERF Charges/Depreciation	7,000	10,000	10,000	10,000	-	0.00%
Total Operating Expenditures		166,304	176,820	183,283	189,608	6,325	3.45%

Community Development Department 04

Department Description

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

Services funded:

Long Range Planning and Special Studies Program

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

Development and Design Review Program

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

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

Ordinance Information and Code Enforcement Program

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

Housing Program

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

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City of Clayton
Community Dev Department 04
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020-21 Adopted Budget	
						Amount	Percentage
7111	Salaries/Regular	181,932	190,900	133,000	199,645	66,645	50.11%
7112	Temporary Salaries	-		-	-	-	
7113	Overtime	1,288	1,000	1,300	1,500	200	15.38%
7115	Planning Commission Comp	2,880	7,200	5,160	7,200	2,040	39.53%
7218	LTD/STD Insurance	1,631	2,200	1,080	2,000	920	85.19%
7220	PERS Retirement - Normal Cost	14,489	19,500	10,000	21,837	11,837	118.37%
7221	PERS Retirement - Unfunded Liability	25,652	27,600	27,440	19,568	(7,872)	-28.69%
7231	Workers Comp Insurance	8,700	9,600	9,600	9,076	(524)	-5.46%
7232	Unemployment Insurance	401	900	900	868	(32)	-3.56%
7233	FICA Taxes	2,196	2,800	1,900	2,917	1,017	53.53%
7241	Auto Allowance/Mileage	3,044	4,140	690	4,140	3,450	500.00%
7246	Benefit Insurance	25,650	33,100	12,000	31,460	19,460	162.17%
7323	Books/Periodicals	191	200	200	200	-	0.00%
7324	Dues and Subscriptions	715	800	800	950	150	18.75%
7332	Telecommunications	644	700	700	700	-	0.00%
7371	Travel	1,169	100	100	500	400	400.00%
7372	Conferences/Meetings	-	500	-	1,500	1,500	
7373	Education and Training	225	2,000	500	2,000	1,500	300.00%
7380	Recording Fees	645	500	500	500	-	0.00%
7384	Legal Notices	2,215	2,000	1,000	2,000	1,000	100.00%
7411	Legal Services Retainer	27,901	30,600	24,500	30,600	6,100	24.90%
7413	Special Legal Services	9,133	5,000	5,000	5,000	-	0.00%
7419	Other Professional Services	6,952	-	6,000	-	(6,000)	-100.00%
Total Operating Expenditures		317,653	341,340	242,370	344,161	101,791	42.00%
Capital Outlay & Other One Time Expenditures							
7419	Prof. Svc. - Open Space Studies	18,589		4,510	-	(4,510)	-100.00%
7485	Capital Outlay	-		-	-	-	
Total Capital Outlay & One Time Expenditures		18,589	-	4,510	-	(4,510)	-100.00%
Total Expenditures		336,242	341,340	246,880	344,161	97,281	39.40%

General Services

Department 05

Department Description

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

Services funded:

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

City of Clayton
General Services Department 05
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020-21 Adopted Budget	
						Amount	Percentage
7232	Unemployment Insurance	4,723		-	-	-	
7247	OPEB Expense	14,254	15,100	14,530	15,100	570	3.92%
7301	Recruitment/ Pre-employment	3,088	1,000	28,515	1,000	(27,515)	-96.49%
7312	Office Supplies	6,151	8,000	9,000	8,000	(1,000)	-11.11%
7314	Postage	4,107	4,500	2,900	4,500	1,600	55.17%
7321	Printing and Binding	867	1,500	500	1,500	1,000	200.00%
7331	Rentals/Leases	12,219	12,200	13,890	16,438	2,548	18.34%
7332	Telecommunications	4,633	5,000	4,700	5,000	300	6.38%
7351	Insurance Premiums	115,177	109,600	112,269	113,000	731	0.65%
7364	Employee Recognition	1,434	1,500	1,100	1,500	400	36.36%
7381	Property Tax Admin Cost	8,950	9,300	9,000	9,300	300	3.33%
7415	Computer/IT Services	9,493	12,000	30,000	-	(30,000)	-100.00%
7419	Other Prof. Services	9,586	9,500	13,097	10,800	(2,297)	-17.54%
7420	Merchant Fees	4,285	4,700	5,110	5,110	-	0.00%
Total Operating Expenditures		198,967	193,900	244,611	191,248	(53,363)	-21.82%
Capital Outlay & Other One Time Expenditures							
7419	Prof. Svc. - Digital Img. & Searchable Muni Code	14,038	36,393	2,851	33,542	30,691	1076.50%
Total Expenditures		213,005	230,293	247,462	224,790	(22,672)	-9.16%

Police Department Department 06

Department Description

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

Services funded:

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

City of Clayton
Police Department 06
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020-21 Adopted Budget	
						Amount	Percentage
7111	Salaries/Regular	1,012,631	1,090,000	1,068,000	1,132,832	64,832	6.07%
7112	Temporary Help	-	-	-	-	-	
7113	Overtime	118,975	100,000	125,000	100,000	(25,000)	-20.00%
7116	Part-time Salaries	5,325	6,200	5,600	6,125	525	9.38%
7218	LTD/STD Insurance	10,107	12,400	8,500	11,351	2,851	33.54%
7219	Deferred Compensation Retirement	2,700	2,710	2,700	2,700	-	0.00%
7220	PERS Retirement - Normal Cost	135,495	154,900	138,000	165,391	27,391	19.85%
7221	PERS Retirement - Unfunded Liability	138,585	177,600	177,500	199,180	21,680	12.21%
7231	Workers Comp Insurance	45,700	54,800	54,800	51,390	(3,410)	-6.22%
7232	Unemployment Insurance	2,453	5,600	5,600	5,588	(12)	-0.21%
7233	FICA Taxes	16,903	18,100	17,900	18,345	445	2.49%
7241	Auto Allowance/Mileage	4,440	4,440	4,440	4,440	-	0.00%
7242	Uniform Allowance	4,500	9,000	9,000	9,000	-	0.00%
7246	Benefit Insurance	130,369	131,000	133,000	147,367	14,367	10.80%
7301	Recruitment/Pre-employment	7,687	7,500	3,663	5,000	1,337	36.50%
7311	General Supplies	15,349	17,000	17,000	17,000	-	0.00%
7312	Office Supplies	3,063	5,000	5,000	5,000	-	0.00%
7313	Small Tools & Equipment	-	-	-	-	-	
7314	Postage	85	100	100	100	-	0.00%
7323	Books and Periodicals	-	250	200	250	50	25.00%
7324	Dues and Subscriptions	9,523	10,000	9,497	10,000	503	5.30%
7325	EBRCSA system user fee	9,668	10,800	9,670	10,800	1,130	11.69%
7332	Telecommunications	16,339	16,400	16,798	17,400	602	3.58%
7342	Machinery/ Equip Maint.	347	2,000	1,000	2,000	1,000	100.00%
7343	Vehicle Maintenance	16,608	25,000	35,000	35,000	-	0.00%
7344	Vehicle Gas, Oil, and Supplies	39,982	40,000	40,000	40,000	-	0.00%
7345	Office Equip. Maint. & Repairs	2,697	4,000	2,750	3,200	450	16.36%
7363	Business Meeting Expense	-	200	100	200	100	100.00%
7364	Employee Recognition	58	1,000	-	200	200	
7365	Volunteer Appreciation	-	500	-	-	-	
7371	Travel	75				-	
7373	Education and Training	13,743	12,000	12,000	15,000	3,000	25.00%
7408	Crossing Guard Services	10,524	11,500	12,530	14,000	1,470	11.73%
7411	Legal Services Retainer	5,309	10,200	5,000	10,200	5,200	104.00%
7413	Special Legal Services	-	5,000	2,000	5,000	3,000	150.00%
7417	Janitorial Services	2,700	3,000	2,700	3,000	300	11.11%
7419	Other Prof. Services	2,973	7,000	2,500	4,000	1,500	60.00%
7424	Dispatch Services	265,784	279,100	279,100	293,100	14,000	5.02%
7425	Lab Fees	12,228	20,000	7,000	15,000	8,000	114.29%
7426	Jail Booking Fee	-	5,500	5,500	5,500	-	0.00%
7427	Cal ID Services	12,199	13,000	13,010	13,000	(10)	-0.08%
7429	Animal/Pest Control Services	68,945	74,500	71,980	76,264	4,284	5.95%
7433	Integrated Justice System (ACCJIN + ARIES)	10,828	12,200	11,400	12,000	600	5.26%
7438	Parking Enforcement - Regency Drive	8,253	-	-	-	-	
7486	CERF Charges/Depreciation	55,000	60,000	60,000	60,000	-	0.00%
Total Operating Expenditures		2,218,150	2,419,500	2,375,538	2,525,923	150,385	6.33%
Capital Outlay & Other One Time Expenditures							
7485	Capital Outlay	94,787	-			-	
7419	Professional Services - DOJ Data Connect	4,462	-			-	
Total Capital Outlay & Other One Time Exp.		99,249	-	-	-	-	
Total Expenditures		2,317,399	2,419,500	2,375,538	2,525,923	150,385	6.33%

Library

Department 07

Department Description

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

Services funded:

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

City of Clayton
Library Department 07
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020-21 Adopted Budget	
						Amount	Percentage
7111	Salaries/Regular	6,716	7,400	9,000	7,625	(1,375)	-15.28%
7112	Temporary Help	-	-	-	-	-	
7113	Overtime	-	-	-	-	-	
7218	LTD/STD Insurance	77	90	50	76	26	52.00%
7220	PERS Retirement - Normal Cost	697	800	600	716	116	19.33%
7221	PERS Retirement - Unfunded Liability	839	1,100	700	747	47	6.71%
7231	Workers Comp Insurance	400	400	400	344	(56)	-14.00%
7232	Unemployment Insurance	45	100	100	52	(48)	-48.00%
7233	FICA Taxes	99	200	85	111	26	30.59%
7246	Benefit Insurance	1,365	1,500	1,300	1,386	86	6.62%
7311	General Supplies	143				-	
7332	Telecommunications	2,019	2,500	2,200	2,500	300	13.64%
7335	Gas & Electric Serv.	52,093	59,900	52,683	54,000	1,317	2.50%
7338	Water Service	1,928	2,550	2,000	2,120	120	6.00%
7341	Buildings & Grounds Maintenance	9,742	13,000	10,200	14,100	3,900	38.24%
7343	Vehicle Maintenance	349	700	500	700	200	40.00%
7344	Vehicle Gas, Oil, and Supplies	528	500	400	500	100	25.00%
7346	HVAC Mtn & Repairs	3,565	8,400	8,400	8,400	-	0.00%
7417	Janitorial Services	29,112	30,000	30,000	30,000	-	0.00%
7423	Extra & Sunday Operating Hours	9,547	11,000	5,405	12,554	7,149	132.27%
7429	Animal/Pest Control Services	1,481	1,600	1,800	1,900	100	5.56%
7440	Tree Trimming Services	1,950	2,000	2,400	2,000	(400)	-16.67%
Total Operating Expenditures		122,695	143,740	128,223	139,831	11,608	9.05%

Engineering Department 08

Department Description

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

Services funded:

Administrative

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

Capital Improvements

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

Land Development

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

City of Clayton
Engineering Department 08
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020- 21 Adopted Budget	
						Amount	Percentage
7324	Dues and Subscriptions	2,509	2,700	2,569	2,700	131	5.10%
7410	Professional Engineering Services	116,916	120,000	119,400	122,400	3,000	2.51%
7411	Legal Services Retainer	2,600	2,550	6,000	2,550	(3,450)	-57.50%
7412	Engineering Inspections	220	500	-	500	500	
Total Operating Expenditures		122,245	125,750	127,969	128,150	181	0.14%
Capital Outlay & Other One Time Expenditures							
7419	Prof. Svc. - Local Hazard Mitigation Plan	7,750	-		11,325	11,325	
7485	Capital Outlay						
8111	Transfer to CIP Fd - Green Infrastructure Plan	-	50,000	18,685	-	(18,685)	-100.00%
Total Capital Outlay & Other One Time Exp.		7,750	50,000	18,685	11,325	(7,360)	-39.39%
Total Expenditures		129,995	175,750	146,654	139,475	(7,179)	-4.90%

Community Park Department 09

Department Description

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

Services funded:

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

City of Clayton
Community Park Department 09
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget	Variance - 2019-20 Projected vs. 2020-21 Adopted Budget	
						Amount	Percentage
7111	Salaries/Regular	40,941	51,200	46,700	53,374	6,674	14.29%
7112	Temporary Help	2,803	-	1,258	4,388	3,130	248.81%
7113	Overtime	1,000	1,000	-	4,000	4,000	
7218	LTD/SID Insurance	459	600	500	535	35	7.00%
7220	PERS Retirement - Normal Cost	4,181	5,300	3,500	5,013	1,513	43.23%
7221	PERS Retirement - Unfunded Liability	5,096	7,400	5,700	5,231	(469)	-8.23%
7231	Workers Comp Insurance	2,200	2,600	2,200	2,933	733	33.32%
7232	Unemployment Insurance	245	370	700	466	(234)	-33.43%
7233	FICA Taxes	1,008	800	1,000	1,168	168	16.80%
7246	Benefit Insurance	8,201	10,200	6,200	9,704	3,504	56.52%
7307	Irrigation Supplies	-	-	-	4,000	4,000	
7311	General Supplies	9,592	10,000	5,063	12,000	6,937	137.01%
7331	Rentals/Leases	-	500	500	500	-	0.00%
7335	Gas & Electric Serv.	1,941	2,400	1,700	1,800	100	5.88%
7338	Water Service	134,827	144,200	127,000	134,700	7,700	6.06%
7341	Buildings/Grounds Maintenance	2,091	5,000	6,136	2,500	(3,636)	-59.26%
7343	Vehicle Maintenance	2,410	3,500	3,500	4,000	500	14.29%
7344	Vehicle Gas, Oil, and Supplies	3,236	3,000	2,000	3,500	1,500	75.00%
7417	Janitorial Services	13,282	13,500	9,400	13,500	4,100	43.62%
7429	Animal/Pest Control Services	650	3,600	680	700	20	2.94%
7435	Contract Seasonal Labor	18,228	18,000	12,000	18,000	6,000	50.00%
7440	Tree Trimming Services	-	3,000	3,000	8,000	5,000	166.67%
Total Operating Expenditures		252,391	286,170	238,737	290,012	51,275	21.48%

Rainy Day Fund 110

Fund Description

This is a newly established Fund that allows the placement of operational excess, which could then be allocated. This would allow a “savings” account to be established for unanticipated use.

FY 18-19, the audited financial statement (CAFR), there was **\$333,300** in operational excess. There is **\$31,315** remaining funds from the \$50,000 Green Infrastructure Plan that has been completed. These residual funds have also been assigned to this fund.

(For FY 19-20 it is projected that the City will end with **\$146,019** in operational excess however are not yet audited and not included at this time as will be brought back to the City Council after audit with actual year end status, and direction on where to assign.)

Services funded:

For FY 20-21 the following are to be funded from this account:

- Election Services – November 2020 City Council Election
- Crossing Guard – Additional (3rd) at Mt. Zion/Pine Hollow Rd
- Janitorial Services – Additional Covid Cleaning Costs

City of Clayton
Rainy Day Fund Fund 110
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7382	Election Services - November 2020 City Council Election	-	-	-	15,000
7408	Crossing Guard Services - Additional (3rd) Crossing Guard at School	-	-	-	14,000
7417	Janitorial Service - Additional Covid 19 Costs				12,500
Total Expenditures		-	-	-	41,500
6001	Transfer from General Fund - 6/30/19 Operational Excess	-	-	-	333,300
6001	Transfer from General Fund - Remaining Green Infrastructure Allocation	-	-	-	31,315
		-	-	-	-
Total Revenue		-	-	-	364,615
Increase (Decrease) in Fund Balance		-	-	-	323,115
Beginning Fund Balance		-	-	-	-
Ending Fund Balance		-	-	-	323,115

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Special Revenue Funds 2020-21

City of Clayton
HUTA Gas Tax Fund 201
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7111	Salaries/Regular	20,221	19,000	18,000	19,062
7112	Temporary Help	-	-	-	551
7113	Overtime	173	2,000	1,000	-
7218	LTD/STD Insurance	223	300	160	191
7220	PERS Retirement - Normal Cost	2,039	2,000	1,300	1,790
7221	PERS Retirement - Unfunded Liability	2,481	3,000	2,100	1,868
7231	Workers Comp Insurance	1,232	1,000	1,000	903
7232	Unemployment Insurance	94	200	200	143
7233	FICA Taxes	298	300	290	319
7246	Benefit Insurance	3,992	4,000	2,200	3,466
7311	General Supplies	8,276	-	400	-
7324	Dues & Subscriptions	3,000	3,000	3,000	3,000
7326	Pavement Repair Supplies	-	1,000	300	1,000
7327	Arterial Street Light Supplies	-	1,000	1,000	1,000
7335	Gas & Electric Serv.	47,491	53,000	49,000	54,000
7340	Traffic Safety Supplies	1,596	9,000	9,000	9,000
7343	Vehicle Maintenance	1,208	2,500	2,000	2,500
7344	Vehicle Gas, Oil, and Supplies	1,552	2,000	1,000	2,000
7349	Traffic Signal Maintenance	23,702	22,000	38,500	43,000
7350	Pavement and Sidewalk Repair/Maintenance	21,668	30,000	15,000	30,000
7381	Property Tax Admin Cost	307	400	400	400
7419	Other Prof. Services	1,250	21,300	1,500	21,300
7435	Contract Seasonal Labor	216	-	-	-
7450	Street Light Maintenance	3,428	4,000	3,600	4,000
7486	CERF Charges/Depreciation	2,310	4,500	4,500	4,500
8101	Fund Admin - Transfer to GF	7,745	8,060	8,060	8,150
8111	Transfer to CIP Fund	181,108	356,535	12,821	474,724
Total Expenditures		335,610	550,095	176,331	686,867
4101	Property Taxes - Secured	35,801	36,400	37,621	38,300
4102	Property Taxes - Unsecured	98	1,200	1,227	1,200
4103	Property Taxes - Unitary Tax	516	500	494	500
4104	Property Taxes - Supplemental	1,056	900	204	900
4106	Property Taxes - Other	290	300	2	300
5209	State Gasoline 2105	62,718	63,500	69,260	66,743
5210	State Gasoline 2106	45,741	45,600	50,512	48,677
5211	State Gasoline 2107	78,874	83,500	87,101	83,936
5212	State Gasoline 2107.5	3,000	3,000	3,000	3,000
5216	State of CA Sec 2103 (Prop 42)	38,188	97,400	42,171	40,639
5219	State Gasoline Loan Repayments	12,891	12,890	13,101	-
5601	Interest	5,971	3,000	4,000	3,000
5606	Unrealized Inv. Gain/Loss	4,425	-	-	-
5790	Other Revenues	1,182			
Total Revenue		290,751	348,190	308,693	287,195
Increase (Decrease) in Fund Balance		(44,859)	(201,905)	132,362	(399,672)
Beginning Fund Balance (Deficit)		312,554	320,901	267,695	400,057
Ending Fund Balance		267,695	118,996	400,057	385

City of Clayton
RMRA Gas Tax Fund 202
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
8111	Transfer to CIP Fund	64,355	359,147	-	359,147
Total Expenditures		64,355	359,147	-	359,147
5218	State Gasoline 2030 (RMRA)	205,968	189,200	184,092	178,271
5601	Interest	1,760	1,000	1,300	1,000
5606	Unrealized Inv. Gain/Loss	670	-	-	-
Total Revenue		208,398	190,200	185,392	179,271
Increase (Decrease) in Fund Balance		144,043	(168,947)	185,392	(179,876)
Beginning Fund Balance		51,602	168,947	195,645	381,037
Ending Fund Balance		195,645	-	381,037	201,161

City of Clayton
Landscape Maintenance District Fund 210 (CFD 2007-1)
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7111	Salaries/Regular	217,296	220,000	223,000	228,746
7112	Temporary Help	3,104	-	3,825	22,793
7113	Overtime	2,583	2,000	2,000	2,000
7218	LTD/STD Insurance	2,452	2,500	2,500	2,292
7220	PERS Retirement - Normal Cost	22,541	23,000	20,000	21,486
7221	PERS Retirement - Unfunded Liability	27,089	32,000	32,000	22,418
7231	Workers Comp Insurance	14,257	12,000	15,715	12,199
7232	Unemployment Insurance	1,293	2,000	2,000	2,090
7233	FICA Taxes	3,442	3,200	3,600	5,089
7246	Benefit Insurance	43,709	44,000	34,000	41,588
7301	Recruitment/Pre-employment	5	500	-	-
7306	Trail Fixture Repairs/Replacement	-	5,000	54	175,000
7307	Irrigation Supplies and Materials	-	15,000	9,552	-
7308	Weed Abatement Supplies and Materials	-	10,000	10,000	-
7309	Plant Nutrition Supplies and Materials	-	15,000	1,177	-
7311	General Supplies	31,881	5,000	5,000	45,000
7316	Replacement Plants (Shrubs, Trees, etc.)	15,932	20,000	-	20,000
7335	Gas & Electric Service	28,784	34,400	31,800	34,400
7338	Water Service	169,889	202,300	229,000	242,800
7340	Traffic Safety Supplies	-	-	-	-
7341	Buildings/Grounds Maintenance	13,906	17,000	14,000	17,000
7342	Machinery/Equipment Maint.	7,975	12,000	12,000	17,000
7343	Vehicle Maintenance	13,308	20,000	24,000	24,000
7344	Vehicle Gas, Oil, and Supplies	17,514	17,000	10,900	18,000
7381	Property Tax Admin Cost	3,740	4,000	3,740	4,000
7382	Election Services	-	-	-	-
7389	Miscellaneous	1,050	-	-	-
7411	Professional Services Retainer (Legal)	-	-	-	-
7419	Other Prof. Services	5,822	7,000	7,000	7,000
7429	Animal/Pest Control Services	-	5,000	2,000	5,000
7435	Contract Seasonal Labor	117,444	160,000	77,571	160,000
7440	Tree Trimming Services	27,955	60,000	60,000	100,000
7445	Weed Abatement Services	69,198	134,600	161,340	166,586
7486	CERF Charges/Depreciation	20,070	30,000	30,000	30,000
7520	Project/Program costs	218,076	363,157	280,154	222,000
7615	Property Taxes	2,874	3,000	2,961	3,000
8101	Fund Admin - Transfer to GF	37,258	38,760	38,760	39,190
8111	Transfer to CIP Fund	-	-	-	-
8113	Transfer to Stormwater Fund	-	1,090	1,090	1,130
Total Expenditures		1,140,447	1,520,507	1,350,739	1,691,807
4604	Clayton LMD Special Parcel Tax	1,121,738	1,155,398	1,156,944	1,168,107
5601	Interest	24,284	20,000	24,000	24,000
5606	Unrealized Inv Gain/Loss	17,827	-	-	-
5702	Donations/Contributions	-	-	-	-
Total Revenue		1,163,849	1,175,398	1,180,944	1,192,107
Increase (Decrease) in Fund Balance		23,402	(345,109)	(169,795)	(499,700)
Beginning Fund Balance		1,203,234	794,539	1,226,636	1,056,841
Ending Fund Balance		1,226,636	449,430	1,056,841	557,141

City of Clayton
The Grove Park Fund 211 (CFD 2006-1)
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7111	Salaries/Regular	13,661	15,000	15,000	15,250
7112	Temporary Help	2,953	-	1,700	5,625
7113	Overtime	1,001	500	1,711	2,000
7218	LTD/STD Insurance	151	200	230	153
7220	PERS Retirement - Normal Cost	1,458	1,500	1,900	1,432
7221	PERS Retirement - Unfunded Liability	1,627	2,200	3,100	1,495
7231	Workers Comp Insurance	1,438	1,000	1,450	1,220
7232	Unemployment Insurance	209	400	400	234
7233	FICA Taxes	399	200	360	680
7246	Benefit Insurance	2,657	2,900	3,200	2,773
7311	General Supplies	2,051	5,000	251	5,000
7331	Rentals/Leases	-	-	-	-
7335	Gas & Electric Serv.	1,623	1,910	1,800	1,980
7338	Water Service	21,844	29,000	26,000	28,000
7341	Buildings/Grounds Maintenance	6,263	6,000	4,991	6,300
7342	Machinery/Equipment Maint.	678	1,000	1,000	1,000
7343	Vehicle Maintenance	979	1,500	1,500	1,500
7344	Vehicle Gas, Oil, and Supplies	1,138	1,000	1,000	1,000
7381	Property Tax Admin Cost	3,743	4,000	3,744	4,000
7413	Special Legal Services	-	-	-	-
7417	Janitorial Services	12,578	13,000	9,000	14,000
7419	Other Prof. Services	4,607	4,920	4,920	4,920
7429	Animal/Pest Control Services	-	680	680	710
7435	Contract Seasonal Labor	18,809	15,000	6,233	9,000
7440	Tree Trimming Services	-	5,000	4,950	10,000
7484	Capital Outlay - Structures & Imp.	-	-	-	6,500
7485	Capital Outlay - Equipment & Machinery	817	-	-	-
7486	CERF Charges/Depreciation	1,800	2,700	2,700	2,700
7615	Property Taxes	512	550	527	560
8101	Fund Admin - Transfer to GF	7,574	7,880	7,880	7,970
Total Expenditures		110,570	123,040	106,227	136,002
4613	Downtown Park Special Parcel Tax - O&M	111,274	115,210	115,090	119,230
4613	Downtown Park Special Parcel Tax - Capital	18,000	18,000	18,000	18,000
4613	Downtown Park Special Parcel Tax - Restricted	5,000	5,000	5,000	5,000
5601	Interest	6,738	6,000	6,400	6,400
5602	Park Use Fee	2,523	1,200	1,500	1,200
5606	Unrealized Inv Gain/Loss	4,526	-	-	-
5701	Reimbursement/Refunds	-	-	-	-
5702	Donations & Contributions	1,000	-	1,000	-
Total Revenue		149,061	145,410	146,990	149,830
Increase (Decrease) in Fund Balance		38,491	22,370	40,763	13,828
Beginning Fund Balance		313,848	343,154	352,339	393,102
Ending Fund Balance		352,339	365,524	393,102	406,930

Ending Fund Balance Includes:

Unrestricted Reserve	174,954	164,322	192,717	183,545
Asset Replacement Reserve	117,385	136,202	135,385	153,385
Unallocated Stabilization Reserve	60,000	65,000	65,000	70,000
Total Fund Balance	352,339	365,524	393,102	406,930

City of Clayton
Geological Hazard and Abatement District (GHAD) Fund 212
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7314	Postage	1,499	800	800	800
7350	Pavement Repairs/Maintenance	-	-	-	-
7351	Insurance Premiums	7,000	7,000	6,052	7,000
7381	Property Tax Admin Cost	1,038	1,260	1,038	1,090
7384	Legal Notices	-	100	100	100
7389	Misc. Expenses	19	300	300	300
7411	Legal Services Retainer	1,092	-	-	-
7412	Engineering Services	14,529	8,300	8,300	15,000
7413	Special Legal Services	-	1,500	1,500	1,500
7520	Project Costs	5,944	20,427	-	63,193
8101	Fund Admin - Transfer to GF	7,478	7,780	7,780	7,870
Total Expenditures		38,599	47,467	25,870	96,853
4606	GHAD Assessment	41,064	42,712	41,064	43,250
5601	Interest	702	200	700	200
5606	Unrealized Inv. Gain/Loss	534	-	-	-
Total Revenue		42,300	42,912	41,764	43,450
Increase (Decrease) in Fund Balance		3,701	(4,555)	15,894	(53,403)
Beginning Fund Balance		34,038	4,555	37,739	53,633
Ending Fund Balance		37,739	-	53,633	230

City of Clayton
Presley GHAD Settlement Fund 213
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Costs	-	-	-	-
	Total Expenditures	-	-	-	-
5601	Interest Income	2,181	1,500	2,200	2,200
5606	Unrealized Investment Gain/Loss GASB31	1,456	-	-	-
	Total Revenue	3,637	1,500	2,200	2,200
	Increase in Fund Balance	3,637	1,500	2,200	2,200
	Beginning Fund Balance	104,279	106,279	107,916	110,116
	Ending Fund Balance	107,916	107,779	110,116	112,316

City of Clayton
Neighborhood Street Light Assessment District Fund 214
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7113	Overtime	156	500	500	-
7311	General Supplies	-	500	500	500
7335	Gas & Electric Serv.	108,561	126,700	119,500	131,500
7381	Property Tax Admin Cost	3,680	3,800	3,680	3,900
7389	Misc. Expenses	-	330	330	330
7412	Engineering/Inspection Service	760	1,000	1,000	1,000
7419	Other Prof. Services	250	220	220	250
7450	Street Light Maintenance	9,108	16,000	11,000	16,000
8101	Fund Admin - Transfer to GF	11,912	12,390	12,390	12,530
Total Expenditures		134,427	161,440	149,120	166,010
4607	Neighborhood Street Light Assessment	125,991	125,991	125,991	125,991
5601	Interest	1,967	1,800	1,800	1,800
5606	Unrealized Inv. Gain/Loss	1,497	-	-	-
Total Revenue		129,455	127,791	127,791	127,791
Increase (Decrease) in Fund Balance		(4,972)	(33,649)	(21,329)	(38,219)
Beginning Fund Balance		101,524	83,052	96,552	75,222
Ending Fund Balance		96,552	49,403	75,222	37,002

City of Clayton
Stormwater Fund 216
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7111	Salaries/Regular	18,715	22,000	21,971	22,875
7112	Temporary Help	23	-	-	2,906
7113	Overtime	129	-	-	-
7218	LTD/STD Insurance	197	250	200	229
7220	PERS Retirement - Normal Cost	1,790	2,300	1,800	2,149
7221	PERS Retirement - Unfunded Liability	2,178	3,200	2,800	2,242
7231	Workers Comp Insurance	1,438	1,100	1,100	1,260
7232	Unemployment Insurance	156	500	130	224
7233	FICA Taxes	271	400	320	554
7246	Benefit Insurance	3,521	4,400	3,800	4,159
7311	General Supplies	1,649	4,000	1,000	4,000
7341	Building/Grounds Maintenance	3,358	15,200	1,200	15,200
7343	Vehicle Maintenance	924	2,000	2,000	2,000
7344	Vehicle Gas, Oil, and Supplies	1,322	2,000	1,600	2,000
7373	Education and Training	-	500	500	500
7389	Misc. Expenses	-	-	-	-
7409	Street Sweeping Services	54,000	55,900	55,900	55,900
7411	Professional Services Retainer (Legal)	-	-	-	-
7412	Engineering Services	-	2,000	2,000	2,000
7419	Other Prof. Services	250	1,720	1,500	1,720
7435	Contract Seasonal Labor	10,007	15,000	18,482	15,000
7481	State Regional Annual Discharge Fee	8,539	10,000	8,980	10,000
7486	CERF Charges/Depreciation	2,360	4,700	4,700	4,700
7520	Project/Program Costs - Outreach	748	500	500	500
8101	Fund Admin - Transfer to GF	38,447	39,990	39,990	40,430
Total Expenditures		150,022	187,660	170,473	190,548
Stormwater Assessment ERU Gross		126,306	126,306	126,299	126,306
NPDES Group Program costs		(30,555)	(34,801)	(34,801)	(35,014)
Commercial Insp by Central San		(5,293)	(8,000)	(8,000)	(8,000)
Flood Control Dist Fiscal Mgmt Cost		(1,558)	(3,000)	(3,000)	(3,000)
County Auditor/Controller Costs		(3,719)	(3,800)	(3,800)	(3,800)
Mandatory Min. Reserve Withdrawl/ (Deposit)		391	(3,000)	(3,000)	(3,000)
Adjustment (Third Installment Timing)		-	-	-	-
4602	Net Assessment Revenue	85,572	73,705	73,698	73,492
4603	Stormwater O & M Annual Fee	5,960	5,020	6,138	5,020
5324	Street Sweeping Fees	55,091	55,900	55,900	55,900
5601	Interest	997	1,000	1,000	1,000
5606	Unrealized Inv. Gain/Loss	478	-	-	-
6007	Transfer from Landscape Maintenance Fund	-	1,080	1,090	1,130
Total Revenue		148,098	136,705	137,826	136,542
(Decrease) in Fund Balance		(1,924)	(50,955)	(32,647)	(54,006)
Beginning Fund Balance		89,910	72,973	87,986	55,339
Ending Fund Balance		87,986	22,018	55,339	1,333

City of Clayton
Measure J Fund 220
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7324	Dues and Subscriptions	856	2,000	2,000	2,000
7385	Transpac Fees	25,084	30,000	24,969	30,000
8101	Fund Admin - Transfer to GF	4,639	4,830	4,830	4,890
8111	Transfer to CIP Fund	900,655	348,942	-	319,153
Total Expenditures		931,234	385,772	31,799	356,043
5223	Measure J Tax (Local Streets)	36,163	295,000	275,395	220,100
5225	Measure J Program 28a (Co-op)	66,071	33,938	34,048	22,086
5601	Interest Income	1,687	2,000	-	2,000
5606	Unrealized Inv. Gain/Loss	4,637	-	-	-
Total Revenue		108,558	330,938	309,443	244,186
Increase (Decrease) in Fund Balance		(822,676)	(54,834)	277,644	(111,857)
Beginning Fund Balance (Deficit)		656,889	54,834	(165,787)	111,857
Ending Fund Balance		(165,787)	-	111,857	-

Fund Balance Restricted for:

Local Streets Maintenance Program	(199,640)	-	43,956	(21,409)
Co-operative 28(a) Program	33,853	-	67,901	21,409
Total Fund Balance	(165,787)	-	111,857	-

City of Clayton
Restricted Grants Fund 230
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7111	Salaries/Regular	54,923	72,400	67,000	79,362
7113	Overtime	39,695	30,000	9,326	25,000
7218	LTD/STD Insurance	1,637	830	3,370	795
7220	PERS Retirement - Normal Cost	7,023	9,500	7,500	10,412
7231	Workers Comp Insurance	3,081	3,700	3,100	3,581
7232	Unemployment Insurance	196	440	440	434
7233	FICA Taxes	875	1,100	1,090	1,513
7242	Uniform Allowance	710	900	1,160	900
7246	Benefit Insurance	522	2,000	200	116
7311	General Supplies	15,424	5,000	1,526	27,400
7313	Small Tools & Equipment	1,185	-	-	-
7324	Dues & Subscriptions	3,150	-	-	-
7332	Telecommunications	10,504	12,000	9,400	12,000
7342	Machinery/Equipment Maintenance	-	-	-	-
7371	Travel	-	-	-	-
7373	Education & Training	-	-	-	5,000
7411	Professional Services Retainer	-	-	-	-
7415	Computer/IT Support	15,535	-	2,000	40,700
7419	Other Professional Services	5,135	17,000	20,585	22,170
7420	Administrative Costs	-	-	-	-
7424	Dispatch Services	12,054	-	-	-
7484	Capital Outlay - Structures & Improvements	8,873	-	-	-
7485	Capital Outlay - Equipment and Machinery	45,874	15,800	13,185	49,800
7520	Project/Program costs	-	15,821	-	15,821
Total Expenditures		226,396	186,491	139,882	295,004
5222	Avoid the 25 Grant	-	2,000		
5240	Recycling Grant	5,000	-	(5,000)	5,000
5250	PEG Fees	12,900	15,200	15,120	15,200
5260	SLESF - PD	148,747	130,000	127,000	100,000
5261	DOJ Body Armor Grant	-	-	-	-
5265	State Alcohol Beverage Control Grant	-	-	-	-
5270	Insurance Risk	-	-	-	-
5275	SSMP Reimbursement (Concord)	4,305	-	2,415	-
5285	FEMA Grant	-	-	-	-
5601	Interest Income	7,923	5,000	7,076	7,100
5606	Unrealized Inv. Gain/Loss	5,397	-	-	-
Total Revenue		184,272	152,200	146,611	127,300
Increase (Decrease) in Fund Balance		(42,124)	(34,291)	6,729	(167,704)
Beginning Fund Balance		398,979	352,446	356,855	363,584
Ending Fund Balance		356,855	318,155	363,584	195,880

City of Clayton
Development Impact Fund 304
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7113	Overtime	-	-	-	-
7311	General Supplies	-	-	-	-
7313	Small Tools & Equipment	-	-	-	-
7485	Capital Outlay - Equipment & Machinery	-	48,330	-	-
7520	Projects	-	-	12,202	-
7612	Interest Expense	-	-	-	-
8111	Transfer to CIP Fund	-	-	-	-
Total Expenditures		-	48,330	12,202	-
5307	Childcare Facility Fees	-	-	-	-
5312	Open Space In-Lieu Fee	-	-	-	-
5313	Parkland Dedication Fee	-	-	-	-
5314	Offsite Arterial Improvement Fees	-	-	-	-
5315	Tree Mitigation Fee	-	-	-	-
5317	Fire Protection Fee	1,800	-	-	-
5323	Community Facilities Fees	-	-	-	-
5325	Police Impact Fee	-	-	-	-
5326	Habitat Conservation Fee	-	-	-	-
5601	Interest Income	11,049	10,000	12,464	12,000
5606	Unrealized Investment Gain/Loss GASB31	7,361	-	-	-
Total Revenue		20,210	10,000	12,464	12,000
Increase (Decrease) in Fund Balance		20,210	(38,330)	262	12,000
Beginning Fund Balance		524,631	536,431	544,841	545,103
Ending Fund Balance		544,841	498,101	545,103	557,103

City of Clayton

Successor Housing Agency Fund 616

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7389	Debt Forgiveness - Stranahan LMI Dec. Bal.	71,272	-	-	-
7411	Professional Services Retainer (Legal)	-	-	-	-
7413	Special Legal Services	-	10,000	5,000	10,000
7419	Other Professional Services	15,921	27,855	27,855	25,000
7420	Administrative Costs	-	2,000	2,000	10,000
Total Expenditures		87,193	39,855	34,855	45,000
4110	Program Revenues (Loan Repayments)	96,400	101,400	101,400	106,400
5601	Interest	23,247	20,000	20,000	20,000
5606	Unrealized Inv. Gain/Loss	(143,455)	-	-	-
Total Revenue		(23,808)	121,400	121,400	126,400
Increase (Decrease) in Fund Balance		(111,001)	81,545	86,545	81,400
Beginning Fund Balance		4,765,562	4,856,962	4,654,561	4,741,106
Ending Fund Balance		4,654,561	4,938,507	4,741,106	4,822,506
<u>Ending Fund Balance Includes:</u>					
Non-spendable Reserve		3,419,516	3,796,045	3,419,516	3,419,516
Reserve Available for Appropriation		1,235,045	1,142,462	1,321,590	1,402,990
Total Fund Balance		4,654,561	4,938,507	4,741,106	4,822,506

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Proprietary Funds

2020-21

City of Clayton
Self Insurance Fund 501
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7220	PERS Retirement	-	-	-	-
7351	Insurance Premiums (EAP Plan)	1,185	1,300	1,300	1,300
7352	Insurance Claim Deductibles	413	5,000	5,000	5,000
7413	Special Legal Services	2,390	-	-	-
Total Expenses		3,988	6,300	6,300	6,300
5601	Interest	767	600	700	400
5606	Unrealized Inv. Gain/Loss	533	-	-	-
5790	Other Revenues	-	-	-	-
6001	Transfers From General Fund	-	-	-	-
Total Revenue		1,300	600	700	400
Increase (Decrease) in Net Position		(2,688)	(5,700)	(5,600)	(5,900)
Beginning Net Position		38,118	32,628	35,430	29,830
Ending Net Position		35,430	26,928	29,830	23,930

City of Clayton
CERF Fund 502
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7390	Depreciation Expense	77,252	70,000	70,000	70,000
7485	Capital Outlay - Equipment and Machinery	272	-	92,202	104,284
7489	Loss on sale of assets	-	-	-	-
Total Expenses		77,524	70,000	162,202	174,284
5328	CERF Charges to Depts	88,820	112,100	112,100	112,100
5601	Interest	2,857	2,500	2,400	2,400
5606	Unrealized Inv. Gain/Loss	2,183	-	-	-
5702	Donations/Contributions	27,585	-	-	-
5801	Sale of Assets	3,339	1,000	4,560	1,000
6099	Capital Contributions	-	-	-	-
Total Revenue		124,784	115,600	119,060	115,500
Increase (Decrease) in Net Position		47,260	45,600	(43,142)	(58,784)
Beginning Net Position		596,045	648,100	643,305	600,163
Ending Net Position		643,305	693,700	600,163	541,379

Fixed Asset Purchases:

1504	Machinery, Vehicles & Equipment	128,288	130,000	-	-
Total Other Outflows		128,288	130,000	-	-

Net Position Composed of:

Net Investment in Capital Assets	490,299	557,550	420,299	350,299
Unrestricted Net Position	153,006	136,150	179,864	191,080
Total Net Position	643,305	693,700	600,163	541,379

City of Clayton
Pension Rate Stabilization Fund 503
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7220	PERS Retirement - Normal Cost	-	-	-	-
7221	PERS Retirement - Unfunded Liability	-	-	-	-
Total Expenses		-	-	-	-
5601	Interest	4,282	4,000	6,000	6,000
5606	Unrealized Inv. Gain/Loss	2,409	-	-	-
6001	Transfers From General Fund	100,000	-	-	-
Total Revenue		106,691	4,000	6,000	6,000
Increase (Decrease) in Net Position		106,691	4,000	6,000	6,000
Beginning Net Position		167,860	271,360	274,551	280,551
Ending Net Position		274,551	275,360	280,551	286,551

City of Clayton
Endeavor Hall Fund 702
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7111	Salaries/Regular	4,318	8,000	6,000	7,625
7113	Overtime	-	200	-	200
7116	Part-time salaries	1,282	2,000	2,000	2,262
7218	LTD/STD Insurance	51	100	100	76
7220	PERS Retirement - Normal Cost	465	800	400	716
7221	PERS Retirement - Unfunded Liability	580	1,100	700	747
7231	Workers Comp Insurance	421	400	400	455
7232	Unemployment Insurance	44	100	100	192
7233	FICA Taxes	63	110	100	287
7246	Benefit Insurance	927	1,500	700	1,386
7311	General Supplies	252	500	100	500
7332	Telecommunications	953	1,000	980	1,000
7335	Gas & Electric Serv.	3,180	3,500	3,010	3,400
7338	Water Service	1,941	1,700	1,700	1,900
7341	Buildings & Grounds Mtn	3,555	6,000	6,184	16,600
7343	Vehicle Maintenance	273	800	500	800
7344	Vehicle Gas, Oil, and Supplies	364	500	300	500
7346	HVAC Mtn & Repairs	963	1,500	1,553	1,700
7361	Advertising	-	500	-	500
7417	Janitorial Services	448	1,700	1,743	1,700
7429	Animal/Pest Control Services	1,373	1,260	1,430	1,510
Total Expenses Before Depreciation		21,454	33,270	28,000	44,056
5601	Interest Income	-	-	30	30
5607	Rental Income	24,646	30,000	24,712	30,000
Total Revenue		24,646	30,000	24,742	30,030
Increase (Decrease) in Net Position Before Depreciation		3,192	(3,270)	(3,258)	(14,026)
7390	Depreciation Expense	37,000	37,500	37,500	37,500
(Decrease) in Net Position After Depreciation		(33,808)	(40,770)	(40,758)	(51,526)
Beginning Net Position		1,071,541	1,035,720	1,037,733	996,975
Ending Net Position		1,037,733	994,950	996,975	945,449

Fixed Asset Purchases:

1504	Improvements other than Building	-	-	-	-
Total Other Outflows		-	-	-	-

Net Position Composed of:

Net investment in capital assets	1,110,485	1,068,593	1,074,485	1,036,985
Unrestricted net position resulting from:				
Equity in Pooled Cash	3,000			
Due to the General Fund	(69,252)	(68,643)	(72,510)	(86,536)
Refundable Deposits Payable	(5,000)	(5,000)	(5,000)	(5,000)
General accounts payable	(1,000)	-	-	-
Total Net Position	1,037,733	994,950	996,975	945,449

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Fiduciary Funds

2020-21

City of Clayton

High Street Bridge Benefit Assessment District - Fund 217

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7611	Principal (RDA Successor Agency)	769	769	815	863
7612	Interest Payment	685	685	639	591
Total Expenditures		1,454	1,454	1,454	1,454
4611	High Street Bridge Assessment	1,754	1,754	1,754	1,754
4650	Special Assessment Payoff	-	-	-	-
5601	Interest	129	120	53	53
5606	Unrealized Investment Gain/Loss	102	-	-	-
Total Revenue		1,985	1,874	1,807	1,807
Increase (Decrease) in Fund Balance		531	420	353	353
Beginning Fund Balance		5,930	6,350	6,461	6,814
Ending Fund Balance		6,461	6,770	6,814	7,167

Fund Balance Includes:

Reserve for Bridge Maintenance	5,700	6,000	6,000	6,300
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For financial reporting purposes, the High Street Bridge Assessment District Fund (No. 217) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton

Oak Street Bridge Benefit Assessment District - Fund 218

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7381	Property Tax Admin Cost	258	-	258	258
7420	Other Outside Services	301	-	-	-
7520	Projects	-	-	-	-
7611	Principal (General Fund)	3,699	-	-	-
7612	Interest Payment	259	-	-	-
Total Expenditures		4,517	-	258	258
4611	Oak Street Bridge Assessment	6,150	1,600	6,150	1,760
5601	Interest Income	283	250	117	120
5606	Unrealized Investment Gain/Loss	219	-	-	-
5790	Other Revenue	-	-	-	-
Total Revenue		6,652	1,850	6,267	1,880
Increase (Decrease) in Fund Balance		2,135	1,850	6,009	1,622
Beginning Fund Balance		11,842	13,721	13,977	19,986
Ending Fund Balance		13,977	15,571	19,986	21,608

Fund Balance Includes:

Reserve for Bridge Maintenance	13,204	14,804	14,804	16,404
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For financial reporting purposes, the Oak Street Bridge Assessment District Fund (No. 218) meets the definition of and is reported as an *Agency Fund*. In accordance with GASB Statement No. 34, no fund balance is reported for Agency Funds. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well as debt service transactions which would otherwise be excluded from expenditures following GASB 34.

City of Clayton

Lydia Lane Sewer Benefit Assessment District - Fund 222

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7381	Property Tax Admin Cost	264	264	264	264
7419	Other Professional Services	570	1,000	1,000	1,000
7420	Other Outside Services	1,636	2,400	2,400	2,400
7611	Principal	5,000	5,000	5,000	5,000
7612	Interest Payment	12,228	9,050	9,050	8,750
7613	Paying Agent Fees	500	500	500	500
Total Expenditures		20,198	18,214	18,214	17,914
4612	Lydia Lane Sewer Assessment	16,900	16,600	16,900	16,900
5601	Interest	1,480	1,400	693	700
5606	Unrealized Investment Gain/Loss	913	-	-	-
Total Revenue		19,293	18,000	17,593	17,600
Increase (Decrease) in Fund Balance		(905)	(214)	(621)	(314)
Beginning Fund Balance		81,299	79,330	80,394	79,773
Ending Fund Balance		80,394	79,116	79,773	79,459
Fund Balance Includes:					
Bond Reserve Fund		13,125	12,500	12,500	12,500

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City of Clayton
Oak Street Sewer Benefit Assessment District - Fund 223
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7381	Property Tax Admin Cost	259	259	259	259
7420	Other Outside Services	1,220	1,241	1,241	1,241
7611	Principal	8,182	8,182	8,182	8,182
7612	Interest Payment	2,318	2,073	2,073	1,827
Total Expenditures		11,979	11,755	11,755	11,509
4612	Oak Street Sewer Assessment	11,309	11,755	11,309	11,309
4650	Special Assessment Payoff	-	-	-	-
5601	Interest	68	80	20	80
5606	Unrealized Investment Gain/Loss	168	-	-	-
Total Revenue		11,545	11,835	11,329	11,389
Increase (Decrease) in Fund Balance		(434)	80	(426)	(120)
Beginning Fund Balance		2,716	2,095	2,282	1,856
Ending Fund Balance		2,282	2,175	1,856	1,736

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

City of Clayton

Diablo Estates Benefit Assessment District - Fund 231

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7335	Gas & Electric Serv.	143	300	300	300
7338	Water Service	2,881	5,300	5,300	5,700
7381	Property Tax Admin Cost	122	280	270	270
7384	Legal Notices	-	100	100	100
7411	Legal Services Retainer	-	-	-	-
7413	Special Legal Services	-	-	-	-
7419	Other Prof. Services	56,480	59,390	59,390	59,390
7420	Administrative Costs	2,189	2,277	2,277	2,302
Total Expenditures		61,815	67,647	67,637	68,062
4611	Fiduciary Fund Assessment	85,583	89,015	85,583	86,524
5601	Interest Income	2,520	2,000	1,205	1,200
5606	Unrealized Investment Gain/Loss	1,688	-	-	-
Total Revenue		89,791	91,015	86,788	87,724
Increase (Decrease) in Fund Balance		27,976	23,368	19,151	19,662
Beginning Fund Balance		116,675	138,299	144,651	163,802
Ending Fund Balance		144,651	161,667	163,802	183,464

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

City of Clayton
Clayton Financing Authority - Fund 405
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7482	Capital Contributions	-	-	-	-
Total Expenditures		-	-	-	-
5601	Interest Income	11,481	10,000	12,600	12,600
5606	Unrealized Investment Gain/Loss	7,662	-	-	-
Total Revenue		19,143	10,000	12,600	12,600
Increase (Decrease) in Fund Balance		19,143	10,000	12,600	12,600
Beginning Fund Balance		548,840	560,340	567,983	580,583
Ending Fund Balance		567,983	570,340	580,583	593,183

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

City of Clayton
Middle School Community Facilities District 1990-1 - Fund 420
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7381	Property Tax Admin Cost	1,404	1,404	1,404	1,404
7419	Other Prof. Services	10,090	19,450	19,300	19,450
7420	Other Outside Services	16,950	17,630	17,630	17,830
7611	Principal	362,000	383,000	383,000	409,000
7612	Interest Expense	40,061	17,838	17,838	5,827
7613	Paying Agent Fees	817	1,000	787	1,000
7615	Property Taxes	603	650	603	650
Total Expenditures		431,925	440,972	440,562	455,161
4609	Middle School CFD 1990-1 Parcel Tax	393,794	389,794	389,794	385,784
5601	Interest Income	3,201	2,000	2,000	2,000
5606	Unrealized Investment Gain/Loss	4,564	-	-	-
Total Revenue		401,559	391,794	391,794	387,784
Increase (Decrease) in Fund Balance		(30,366)	(49,178)	(48,768)	(67,377)
Beginning Fund Balance		320,614	275,500	290,248	241,480
Ending Fund Balance		290,248	226,322	241,480	174,103

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

City of Clayton

Clayton Financing Authority 2007 Middle School Refunding Bonds - Fund 422

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7419	Other Prof. Services	6,855	7,050	7,050	7,050
2804	Principal Payment (CFA 2007)	360,000	360,000	360,000	375,000
7612	Interest Expense	64,855	50,525	50,525	50,525
7613	Paying Agent Fees	2,541	2,500	2,541	2,541
Total Expenditures		434,251	420,075	420,116	435,116
5601	Interest Income	4,869	2,500	2,500	2,500
5606	Unrealized Investment Gain/Loss	1,574	-	-	-
5701	Reimbursements/Refunds (CFD 1990-1)	-	9,550	9,591	-
5815	Interest on Loans/Bonds	32,211	9,537	9,537	8,000
1251	Principal Payment (CFD 1990-1)	383,000	383,000	383,000	409,000
Total Revenue		421,654	404,587	404,628	419,500
Increase (Decrease) in Fund Balance		(12,597)	(15,488)	(15,488)	(15,616)
Beginning Fund Balance		514,805	510,111	502,208	486,720
Ending Fund Balance		502,208	494,623	486,720	471,104
Restricted Portion of Fund Balance Includes:					
CFD 1990-1 Special Tax Fund (Trustee)		118,493	103,000	118,000	103,000
2007 CFA TAB Reserve Fund (Trustee)		252,109	252,000	252,000	252,000
Total		370,602	355,000	370,000	355,000

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

City of Clayton

RDA Successor Agency Private Purpose Trust - Fund 615

Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7419	Other Professional Services	-	-	-	-
7420	Administrative Costs	234,720	250,000	250,000	250,000
7612	Interest Expense	54,590	49,048	49,048	39,446
7613	Paying Agent Fee	2,178	2,200	2,200	2,200
2105	Successor Housing Agency SERAF Loan	148,103	151,103	151,103	148,103
2802	2014 Refunding Bonds Payable	415,000	415,000	415,000	420,000
Total Expenditures		854,591	867,351	867,351	859,749
4108	Redevelopment Property Tax Trust Fund Rev.	824,867	864,579	840,221	859,749
5601	Interest	4,771	2,000	3,500	2,000
5606	Unrealized Investment Gain/Loss	4,208	-	-	-
5790	Other Revenues	91,701	11,463	11,709	11,463
Total Revenue		925,547	878,042	855,430	873,212
Increase (Decrease) in Fund Balance		70,956	10,691	(11,921)	13,463
Beginning Fund Balance		642,621	700,143	713,577	701,656
Ending Fund Balance		713,577	710,834	701,656	715,119

Restricted Portion of Fund Balance Includes:

Restricted Bond Proceeds	41,923	-	-	-
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For financial reporting purposes, the RDA Successor Agency Fund (No. 615) is a Private Purpose Trust Fiduciary Fund, and is reported on a full accrual proprietary fund basis. For budgeting purposes, however, this fund is reported on a modified accrual basis to better reflect the cash position of the fund as well debt service and loan transactions, which would otherwise be excluded from expenditures/revenues following proprietary fund GAAP accounting.

**CAPITAL IMPROVEMENT
PROGRAM BUDGET
2020-21**

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City of Clayton
Capital Projects Fund 303
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7341	Buildings/Grounds Maintenance	14,390	-	-	-
7520	Project Expenses	2,524	-	2,600	-
7551	Project Costs - Planning/Design	23,833	323,000	30,226	100,000
7552	Project Costs - Construction/Execution	1,659,192	2,523,371	596,937	1,321,719
7553	Project Costs - Monitoring/Inspections	37,538	105,000	43,255	20,000
7554	Project Costs - Close-out/Punch List	34,929	45,000	16,299	-
8111	Transfer to CIP 10400 Downtown Ec Dev	-	-	-	4,681
8111	Transfer to CIP 10445 Oak St Bungalows Demo	55,000	-	-	-
8111	Transfer to CIP 10443 City Hall ADA Acc. Program	-	-	6,533	-
NEW	Transfer to Rainy Day Fund	-	-	-	-
Total Expenses		1,827,406	2,996,371	695,850	1,446,400
5230	Measure J Grant	-	598,172	-	627,000
5240	Cal Recycle Grant	86,553	-	-	83,000
5281	Federal Grant - Local Streets & Roads Shortfall	385,000	308,000	-	308,000
5601	Interest	31,458	-	30,706	28,880
5606	Unrealized Investment Gain/Loss	25,556	-	-	-
5805	Project Revenue	50,000	-	-	-
6001	Transfer from General Fund	-	50,000	18,685	-
6002	Transfer from Measure J Fund (LSM)	814,236	314,412	-	250,575
6002	Transfer from Measure J Fund Co-Op)	86,419	34,530	-	68,578
6003	Transfer from CIP 10400 Downtown Ec Dev	55,000	-	-	-
6003	Transfer from CIP 10445 Oak St Bungalows Demo	-	-	-	4,681
6003	Transfer from CIP Unallocated Interest	-	-	6,533	-
6004	Transfer from HUTA Gas Tax Fund	181,108	356,535	12,821	474,724
6031	Transfer from RMRA Gas Tax Fund	64,355	359,147	-	359,147
6100	Intergovernmental Capital Contributions	8,935	510,000	566,468	-
NEW	FEMA Grant	-	200,000	-	-
Total Revenue		1,788,620	2,730,796	635,213	2,204,585
Increase (Decrease) in Net Position		(38,786)	(265,575)	(60,637)	758,185
Beginning Net Position		1,850,853	1,728,451	1,812,067	1,751,430
Ending Net Position		1,812,067	1,462,876	1,751,430	2,509,615

City of Clayton
CIP 10379 Pine Hollow Road Upgrades
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	515		27,605	100,000
7552	Project Costs - Construction/Execution	380	953,319		-
7553	Project Costs - Monitoring/Inspections	-	45,000		-
7554	Project Costs - Close-out/Punch List	-	15,000		-
		-	-	-	-
Total Expenses		895	1,013,319	27,605	100,000
5230	Measure J Grant	-	346,172	-	375,000
5281	Federal Grant - Local Streets & Roads Shortfall	-	308,000	-	308,000
6004	Transfer from HUTA Gas Tax Fund	1,625	-	-	50,000
6031	Transfer from RMRA Gas Tax Fund	-	359,147	-	169,264
Total Revenue		1,625	1,013,319	-	902,264
Increase (Decrease) in Net Position		730	-	(27,605)	802,264
Beginning Net Position		(1,110)	-	(380)	(27,985)
Ending Net Position		(380)	-	(27,985)	774,279

City of Clayton
CIP 10394A ADA Compliance Program
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	-		
7552	Project Costs - Construction/Execution	-	-		
7553	Project Costs - Monitoring/Inspections	-	-		
7554	Project Costs - Close-out/Punch List	-	-		
		-	-	-	-
Total Expenses		-	-	-	-
5601	Interest	203	-	80	80
6004	Transfer From HUTA Gas Tax Fund	6,000	6,000	6,000	6,000
		-	-	-	-
Total Revenue		6,203	6,000	6,080	6,080
Increase (Decrease) in Net Position		6,203	6,000	6,080	6,080
Beginning Net Position		9,190	15,276	15,393	21,473
Ending Net Position		15,393	21,276	21,473	27,553

City of Clayton
CIP 10400 Downtown Economic Development Project
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	3,000		
7552	Project Costs - Construction/Execution	-	-		
7553	Project Costs - Monitoring/Inspections	-	-		
7554	Project Costs - Close-out/Punch List	-			
8111	Transfer to CIP 10445 Oak St Bungalows Demo	55,000	-	-	-
Total Expenses		55,000	3,000	-	-
5601	Interest	23,366	-	24,000	24,000
6003	Transfer from CIP 10445 Oak St Bungalows Demo	-	-	-	4,681
		-	-	-	-
Total Revenue		23,366	-	24,000	28,681
Increase (Decrease) in Net Position		(31,634)	(3,000)	24,000	28,681
Beginning Net Position		1,387,824	1,286,240	1,356,190	1,380,190
Ending Net Position		1,356,190	1,283,240	1,380,190	1,408,871

City of Clayton
CIP 10400A Land Acquisition
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	2,524	-	2,600	-
7551	Project Costs - Planning/Design	-			
7552	Project Costs - Construction/Execution	-			
7553	Project Costs - Monitoring/Inspections				
7554	Project Costs - Close-out/Punch List	-			
		-	-	-	-
Total Expenses		2,524	-	2,600	-
5601	Interest	-	-	-	-
		-	-	-	-
		-	-	-	-
Total Revenue		-	-	-	-
Increase (Decrease) in Net Position		(2,524)	-	(2,600)	-
Beginning Net Position		(57,137)	-	(59,661)	(62,261)
Ending Net Position		(59,661)	-	(62,261)	(62,261)

City of Clayton
CIP 10420 School Bridge Area Improvement
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-			
7552	Project Costs - Construction/Execution	-			
7553	Project Costs - Monitoring/Inspections	-			
7554	Project Costs - Close-out/Punch List	-			
		-	-	-	-
Total Expenses		-	-	-	-
5601	Interest	3,519	-	3,400	3,400
		-	-	-	-
		-	-	-	-
Total Revenue		3,519	-	3,400	3,400
Increase (Decrease) in Net Position		3,519	-	3,400	3,400
Beginning Net Position		205,328	207,263	208,847	212,247
Ending Net Position		208,847	207,263	212,247	215,647

City of Clayton
CIP 10422 El Molino Drive Sewer Improvements
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	6,555	-		
7552	Project Costs - Construction/Execution	1,190	450,000	505,896	
7553	Project Costs - Monitoring/Inspections	17,658	40,000	43,255	
7554	Project Costs - Close-out/Punch List	-	20,000	849	-
Total Expenses		25,403	510,000	550,000	-
5601	Interest	-	-	-	-
6100	Intergovernmental Capital Contributions	8,935	510,000	566,468	-
		-	-	-	-
Total Revenue		8,935	510,000	566,468	-
Increase (Decrease) in Net Position		(16,468)	-	16,468	-
Beginning Net Position		-	-	(16,468)	-
Ending Net Position		(16,468)	-	-	-

City of Clayton
CIP 10425 Collector Street Rehabilitation Project (OBAG I)
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	-		
7552	Project Costs - Construction/Execution	803,771	-		
7553	Project Costs - Monitoring/Inspections	10,665	-		
7554	Project Costs - Close-out/Punch List	4,345	-	1,121	-
Total Expenses		818,781	-	1,121	-
			-	-	-
5240	Cal Recycle Grant	25,775			
5281	Federal Grant - Local Streets & Roads Shortfall	385,000			
5601	Interest	-			
6002	Transfer From Measure J Fund (LSM)	241,443	-	-	-
6003	Transfer From Measure J Fund (Co-Op)	-			
6004	Transfer From HUTA Gas Tax Fund	162,218	-	5,466	-
		-	-	-	-
Total Revenue		814,436	-	5,466	-
Increase (Decrease) in Net Position		(4,345)	-	4,345	-
Beginning Net Position		-	-	(4,345)	-
Ending Net Position		(4,345)	-	-	-

City of Clayton
CIP 10436 2018 Neighborhoods Street Project
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-			
7552	Project Costs - Construction/Execution	787,750			
7553	Project Costs - Monitoring/Inspections	9,215			
7554	Project Costs - Close-out/Punch List				
		-	-	-	-
Total Expenses		796,965	-	-	-
5240	Cal Recycle Grant	60,778	-	-	-
5601	Interest	-			
6002	Transfer from Measure J Fund (LSM)	572,793	-	-	-
6002	Transfer from Measure J Fund (Co-Op)	86,419			
6004	Transfer from HUTA Gas Tax Fund	11,265		1,355	
6031	Transfer from RMRA Gas Tax Fund	64,355	-	-	-
Total Revenue		795,610	-	1,355	-
Increase (Decrease) in Net Position		(1,355)	-	1,355	-
Beginning Net Position		-	-	(1,355)	-
Ending Net Position		(1,355)	-	-	-

City of Clayton
CIP 10439 El Portal Drive Recons
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	-	-	-
7552	Project Costs - Construction/Execution	-	-	1,041	47,148
7553	Project Costs - Monitoring/Inspections	-	-	-	20,000
7554	Project Costs - Close-out/Punch List	-	-	-	-
		-	-	-	-
Total Expenses		-	-	1,041	67,148
5601	Interest	-	-	-	-
6004	Transfer from HUTA Gas Tax Fund	-	-	-	68,189
		-	-	-	-
Total Revenue		-	-	-	68,189
Increase (Decrease) in Net Position		-	-	(1,041)	1,041
Beginning Net Position		-	-	-	(1,041)
Ending Net Position		-	-	(1,041)	-

City of Clayton
CIP 10440 CCP Lower Field Rehabilitation
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-			
7552	Project Costs - Construction/Execution	-	100,000		
7553	Project Costs - Monitoring/Inspections				
7554	Project Costs - Close-out/Punch List	-			
		-	-	-	-
Total Expenses		-	100,000	-	-
5601	Interest	868	-	800	800
		-	-	-	-
		-	-	-	-
Total Revenue		868	-	800	800
Increase (Decrease) in Net Position		868	(100,000)	800	800
Beginning Net Position		50,620	51,097	51,488	52,288
Ending Net Position		51,488	(48,903)	52,288	53,088

City of Clayton
CIP 10442 North Valley Playground Rehab
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-			
7552	Project Costs - Construction/Execution	-	168,575	88,575	80,000
7553	Project Costs - Monitoring/Inspections	-			
7554	Project Costs - Close-out/Punch List	-			
		-	-	-	-
Total Expenses		-	168,575	88,575	80,000
5601	Interest	2,862	-	2,400	600
5805	Project Revenue	50,000	-	-	-
		-	-	-	-
Total Revenue		52,862	-	2,400	600
Increase (Decrease) in Net Position		52,862	(168,575)	(86,175)	(79,400)
Beginning Net Position		167,000	168,575	219,862	133,687
Ending Net Position		219,862	-	133,687	54,287

City of Clayton
CIP 10443 City Hall ADA Accessibility Improvement Project
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	699			
7552	Project Costs - Construction/Execution	19,679		1,425	
7553	Project Costs - Monitoring/Inspections				
7554	Project Costs - Close-out/Punch List			14,044	
		-	-	-	-
Total Expenses		20,378	-	15,469	-
5601	Interest	279	-	-	-
6003	Transfer from CIP Unallocated Interest	-	-	6,533	-
		-	-	-	-
Total Revenue		279	-	6,533	-
Increase (Decrease) in Net Position		(20,099)	-	(8,936)	-
Beginning Net Position		29,035	-	8,936	-
Ending Net Position		8,936	-	-	-

City of Clayton
CIP 10444 City Hall HVAC & Boiler Replacement
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-			
7552	Project Costs - Construction/Execution	-			
7553	Project Costs - Monitoring/Inspections	-			
7554	Project Costs - Close-out/Punch List	26,716			
		-	-	-	-
Total Expenses		26,716	-	-	-
5601	Interest	131	-	-	-
		-	-	-	-
		-	-	-	-
Total Revenue		131	-	-	-
Increase (Decrease) in Net Position		(26,585)	-	-	-
Beginning Net Position		26,585	-	-	-
Ending Net Position		-	-	-	-

City of Clayton
CIP 10445 Oak Street Bungalows Demolition Project
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-			
7552	Project Costs - Construction/Execution	46,422			
7553	Project Costs - Monitoring/Inspections	-			
7554	Project Costs - Close-out/Punch List	3,868	-	285	-
8111	Transfer to CIP 10400 Downtown Ec Dev	-	-	-	4,681
Total Expenses		50,290	-	285	4,681
5601	Interest	230	-	26	-
6003	Transfer from CIP 10400 Downtown Ec Dev	55,000	-	-	-
		-	-	-	-
Total Revenue		55,230	-	26	-
Increase (Decrease) in Net Position		4,940	-	(259)	(4,681)
Beginning Net Position		-	-	4,940	4,681
Ending Net Position		4,940	-	4,681	-

City of Clayton
CIP 10446 Oak/Grassland Savanna Maintenance
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	100,000	-	-
7552	Project Costs - Construction/Execution	-	-	-	-
7553	Project Costs - Monitoring/Inspections	-	-	-	-
7554	Project Costs - Close-out/Punch List	-	-	-	-
Total Expenses		-	100,000	-	-
5601	Interest	-	-	-	-
NEW	FEMA Grant	-	100,000	-	-
		-	-	-	-
Total Revenue		-	100,000	-	-
Increase (Decrease) in Net Position		-	-	-	-
Beginning Net Position		-	-	-	-
Ending Net Position		-	-	-	-

City of Clayton
CIP 10447 Emergency/Auxillary Power at City Hall Complex
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	100,000	-	-
7552	Project Costs - Construction/Execution	-	-	-	-
7553	Project Costs - Monitoring/Inspections	-	-	-	-
7554	Project Costs - Close-out/Punch List	-	-	-	-
Total Expenses		-	100,000	-	-
5601	Interest	-	-	-	-
NEW	FEMA Grant	-	100,000	-	-
		-	-	-	-
Total Revenue		-	100,000	-	-
Increase (Decrease) in Net Position		-	-	-	-
Beginning Net Position		-	-	-	-
Ending Net Position		-	-	-	-

City of Clayton
CIP 10448 School Intersection Enhancement Project
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	50,000	-	
7552	Project Costs - Construction/Execution	-	50,000	-	70,211
7553	Project Costs - Monitoring/Inspections	-	-		
7554	Project Costs - Close-out/Punch List	-	-	-	-
Total Expenses		-	100,000	-	70,211
5601	Interest	-	-	-	-
6002	Transfer from Measure J Fund (LSM)	-	100,000	-	36,163
6002	Transfer from Measure J Fund (Co-Op)	-	-	-	34,048
Total Revenue		-	100,000	-	70,211
Increase (Decrease) in Net Position		-	-	-	-
Beginning Net Position		-	-	-	-
Ending Net Position		-	-	-	-

City of Clayton
CIP 10449 2020 Neighborhood Streets Repave
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	20,000		
7552	Project Costs - Construction/Execution	-	549,477		872,360
7553	Project Costs - Monitoring/Inspections	-	20,000		
7554	Project Costs - Close-out/Punch List	-	10,000	-	-
Total Expenses		-	599,477	-	872,360
5601	Interest	-	-	-	-
5240	CalRecycle Rubber Grant		-		83,000
6002	Transfer from Measure J Fund (LSM)	-	214,412	-	214,412
6002	Transfer from Measure J Fund (Co-op)		34,530		34,530
6004	Transfer From HUTA Gas Tax Fund		350,535		350,535
6031	Transfer from RMRA Gas Tax Fund	-	-		189,883
		-	-	-	-
Total Revenue		-	599,477	-	872,360
Increase (Decrease) in Net Position		-	-	-	-
Beginning Net Position		-	-	-	-
Ending Net Position		-	-	-	-

City of Clayton
CIP 10450 Downtown Pedestrian Improvement
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	-		
7552	Project Costs - Construction/Execution	-	252,000		252,000
7553	Project Costs - Monitoring/Inspections	-	-		
7554	Project Costs - Close-out/Punch List	-	-	-	-
Total Expenses		-	252,000	-	252,000
5230	Measure J Grant	-	252,000	-	252,000
5601	Interest	-	-	-	-
		-	-	-	-
Total Revenue		-	252,000	-	252,000
Increase (Decrease) in Net Position		-	-	-	-
Beginning Net Position		-	-	-	-
Ending Net Position		-	-	-	-

City of Clayton
CIP 10451 Green Infrastructure Plan
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	16,064	50,000	2,621	-
7552	Project Costs - Construction/Execution	-			
7553	Project Costs - Monitoring/Inspections	-			
7554	Project Costs - Close-out/Punch List	-			
Total Expenses		16,064	50,000	2,621	-
5601	Interest	-	-	-	-
6001	Transfer from General Fund	-	50,000	18,685	-
		-	-	-	-
Total Revenue		-	50,000	18,685	-
Increase (Decrease) in Net Position		(16,064)	-	16,064	-
Beginning Net Position		-	-	(16,064)	-
Ending Net Position		(16,064)	-	-	-

City of Clayton
CIP Unallocated Interest
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
7341	Buildings/Grounds Maintenance	14,390	-	-	-
7520	Project Expenses	-	-	-	-
7551	Project Costs - Planning/Design	-	-	-	-
7552	Project Costs - Construction/Execution	-	-	-	-
7553	Project Costs - Monitoring/Inspections	-	-	-	-
7554	Project Costs - Close-out/Punch List	-	-	-	-
8111	Transfer to CIP 10443 - City Hall ADA Acc. Proj.	-	-	6,533	-
Total Expenses		14,390	-	6,533	-
5601	Interest	-	-	-	-
		-	-	-	-
		-	-	-	-
Total Revenue		-	-	-	-
Increase (Decrease) in Net Position		(14,390)	-	(6,533)	-
Beginning Net Position		58,207	-	43,817	37,284
Ending Net Position		43,817	-	37,284	37,284

City of Clayton
CIP GASB 31 Investment
Adopted Budget 20-21

Account Number	Account Name	2018-19 Actual	2019-20 Adopted Budget	2019-20 Projected	2020-21 Adopted Budget
		-	-	-	-
		-	-	-	-
Total Expenses		-	-	-	-
5006	Unrealized Investment Gain/Loss	25,556	-	-	-
			-	-	-
			-	-	-
Total Revenue		25,556	-	-	-
Increase (Decrease) in Net Position		25,556	-	-	-
Beginning Net Position		(24,689)	-	867	867
Ending Net Position		867	-	867	867

2020/21 – 2024/25



5- Year Capital Improvement Program

Presented to the City Council on
June 23, 2020

City Council

Julie K. Pierce, Mayor

Jeff Wan, Vice Mayor

Tuija Catalano

Jim Diaz

Carl "CW" Wolf

Staff

Laura Hoffmeister, Acting City Manager

Scott Alman, City Engineer

Paul Rodrigues, Finance Director, CPA

Janet Calderon, City Clerk, HR Manager

Matthew Feske, Community Development Director

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

*Completed - no project sheet included

**Deleted

Master Index of Projects by Number

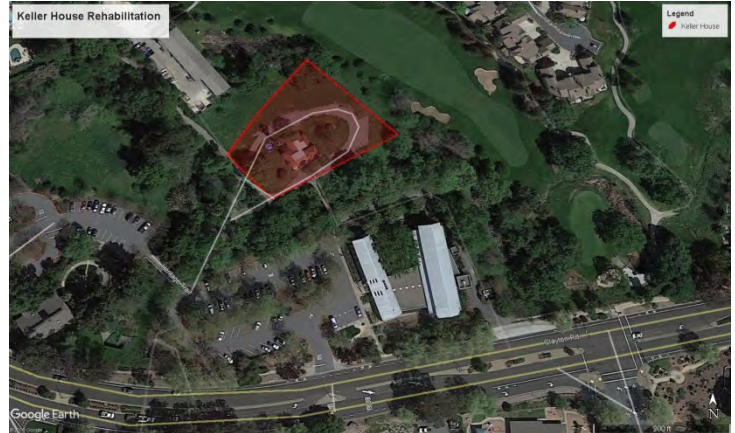
Project Number	Project Category	Project	Project Number	Project Category	Project
10330	Streets	Overlays*	10391	Streets	Pavement Rehab 2006*
10331	Streets	Slurry Seals (Deleted)*	10392	Sewers	Oak - High Street*
10332	Streets	High Street Bridge*	10393	Parks	Skateboard Park
10333	Streets	Marsh Creek Road - TEA-21*	10394	Streets	Handicap Ramps - RDA Area*
10334	Parks	Community Dog Park*	10394A	Streets	ADA Compliance Program
10335	Parks	El Molino Park*	10395	Streets	Catch Basin Modifications
10336	Parks	Lydia Lane Park Ph. H*	10396	Streets	East Marsh Creek Road Signal
10337	Facilities	Keller House Preservation*	10397	Streets	Utility Undergrounding
10337A	Facilities	Keller House Rehabilitation	10398	Streets	Clayton Rd. MCR Slurry Seal*
10338	Facilities	Endeavor Hall	10399	Sewers	Pine Hollow Area*
10339	Facilities	Youth Center/Gym*	10400	Other	Downtown Economic Development
10340	Landscape	Marsh Creek Road LS*	10400A	Other	Town Center Property Purchase*
10341	Streets	Center Street Crossing*	10401	Streets	Pedestrian Xing Signals**
10342	GHAD	Windmill Debris Basin*	10402	Streets	Clayton Road Trail Connection*
10343	GHAD	Crow Debris Basin	10403	Streets	Downtown Entry Signs*
10344	GHAD	Obsidian Landslide*	10404	Streets	Marsh Creek Rd. Retaining Wall*
10345	GHAD	Clayton Rd. Landslides*	10405	Streets	2007 Pavement Patching Project**
10346	GHAD	Black Diamond Landslide**	10406	Streets	2008 Pavement Rehab Project*
10347	GHAD	V-ditch Repairs*	10407	Parks	Community Park Upgrades*
10347A	GHAD	Eagle Peak Slope Repair	10408	Streets	2009 Pavement Rehab Project**
10348	GHAD	Keller Ridge Slope Repair	10409	Streets	2010 Pavement Rehab Project*
10349	GHAD	Community Park Slide Repair	10410	Streets	2011 Neighborhood Street Project**
10350	Facilities	Downtown Elec. Conn.*	10411	Streets	2012 Neighborhood Street Project*
10351	Facilities	Fire Station*	10412	Streets	2009 Arterial Overlay Project*
10352	Landscape	Library Landscaping*	10413	Parks	Community Park Parking Lot Expan.*
10353	Streets	Downtown Revitalization*	10414	Streets	East March Creek Rd. Upgrade**
10354	Streets	Four Oaks Area*	10415	Parks	Well Renovation*
10355	Streets	Oak Street Bridge*	10416	Streets	Marsh Creek Rd. (old) Overlay*
10356	Landscape	Westwood Open Space*	10417	Streets	2013 Neighborhood Street Project*
10357	Facilities	Old City Hall Renovation*	10418	Streets	2014 Neighborhood Street Project*
10358	Facilities	Grove Property Acquisition*	10419	Parks	Community Park Lighting, etc.
10359	Facilities	Endeavor Hall Parking I*	10420	Parks	School Bridge Area Improvements
10360	Facilities	Endeavor Hall Parking II*	10421	Creeks	Cardinet Trail Restoration*
10361	Facilities	Stanley Property**	10422	Sewers	El Molino Drive Sanitary Sewer Impr.*
10362	Facilities	Stanley Property Parking*	10423	Facilities	Library Upgrades
10363	Facilities	Corp. Yard Expansion*	10424	Streets	2015 Neighborhood Street Project*
10364	Streets	Downtown Signage**	10425	Streets	Keller Ridge Dr. Collector Street Rehab.*
10365	Facilities	Library Parking Expansion*	10426	Facilities	City Hall Parking Area Rehabilitation*
10366	Facilities	Police Parking Expansion*	10427	Facilities	Library Parking Lot Rehabilitation*
10367	Parks	Downtown Park*	10428	Facilities	Lydia Lane Park Parking Rehabilitation*
10368	Parks	City Hall Park*	10429	Facilities	2012 Trail Repaving Project*
10369	Streets	March Creek Road Narrowing**	10430	Landscape	Clayton Road Median Landscaping*
10370	Creeks	Creek Revitalization	10431	Landscape	Daffodil Hill Landscaping*
10371	Streets	Survey Monuments*	10432	Streets	2016 Neighborhood Street Project*
10372	Streets	Traffic Signal Modifications*	10433	Streets	DVMS Safety Signing*
10373	Streets	Peacock Creek Dr. Signal*	10434	Parks	CCCP Scoreboard Replacement*
10374	Parks	North Valley Park*	10435	Facilities	Library HVAC Replacement*
10375	Parks	Samuel Ct. Park	10436	Streets	2018 Neighborhood Street Project*
10376	Facilities	Equestrian Staging Area*	10437	Streets	2016 Arterial Rehabilitation Project*
10377	Streets	DVMS - Right Turn Lane*	10438	Streets	Arterial Streetlight LED Project*
10378	Streets	Keller Ridge Drive Planters*	10439	Streets	El Portal Drive Restoration Project*
10379	Streets	Pine Hollow Road - Upgrade	10440	Parks	CCP - Field #1 Rehab
10380	Parks	Community Park - Rt. Turn Lane**	10441	Streets	OBAG 2 - 2018 Pavement Rehab**
10381	Parks	Bocce Ball Courts**	10442	Parks	North Valley Park Playground Rehab
10382	GHAD	Inclinometers*	10443	Facilities	ADA Accessibility - City Hall*
10383	GHAD	Keller Ridge Drive Subdrain*	10444	Facilities	City Hall HVAC Replacement*
10384	Streets	Mitchell Canyon Rd. Overlay*	10445	Facilities	1005 & 1007 Oak St Building Demolition*
10385	Parks	Community Park Tot Lot*	10446	Other	Oak/Grassland Savanna Management
10386	GHAD	Wells (cancelled)*	10447	Facilities	Emergency Auxiliary Power
10387	Streets	Pavement Rehab 2002/03*	10448	Streets	School Intersection Improvement
10388	Streets	Pavement Rehab 2003/04*	10449	Streets	2020 Neighborhood Streets Repave
10389	Streets	Pavement Rehab 2004*	10450	Streets	Downtown Pedestrian Improvement
10390	Streets	Pavement Rehab 2005*	10451	Other	Green Infrastructure*

2020/21-2024/25 Capital Improvement Program

<i>Category</i>	Project Number	Project
<i>Facilities</i>	10337A	Keller House Rehabilitation

DESCRIPTION - LOCATION

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



COMMENTS

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/ Execution							\$1,780,477	\$1,780,477
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
TOTAL							\$1,780,477	\$1,780,477

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$1,780,477	\$1,780,477
TOTAL							\$1,780,477	\$1,780,477

2020/21-2024/25 Capital Improvement Program

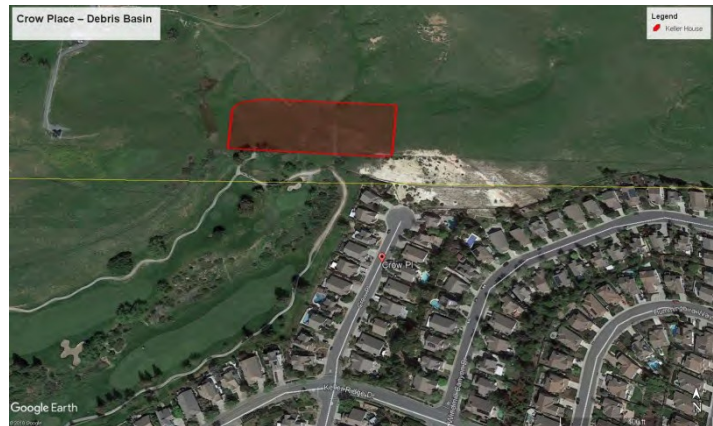
Category	Project Number	Project
GHAD	10343	Crow Place – Debris Basin

DESCRIPTION - LOCATION

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

COMMENTS

Subject to approval of increased assessments.



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$10,000	\$10,000
Construction/ Execution							\$95,000	\$95,000
Monitoring/ Inspections							\$5,000	\$5,000
Close-out/ Punch List								
Other								
TOTAL							\$110,000	\$110,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$110,000	\$110,000
TOTAL							\$110,000	\$110,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
GHAD	10347A	Eagle Peak Slope Repair

DESCRIPTION - LOCATION

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

COMMENTS

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



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$70,000	\$70,000
Construction/ Execution							\$1,140,000	\$1,140,000
Monitoring/ Inspections							\$30,000	\$30,000
Close-out/ Punch List							\$10,000	\$10,000
Other								
TOTAL							\$1,250,000	\$1,250,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$1,250,000	\$1,250,000
TOTAL							\$1,250,000	\$1,250,000

2020/21-2024/25 Capital Improvement Program

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

DESCRIPTION - LOCATION

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

COMMENTS

Subject to approval of increased assessments.



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$5,000	\$5,000
Construction/ Execution							\$50,000	\$5,000
Monitoring/ Inspections							\$5,000	\$50,000
Close-out/ Punch List								
Other								
TOTAL							\$60,000	\$60,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$60,000	\$60,000
TOTAL							\$60,000	\$60,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
GHAD	10349	Community Park - Landslide

DESCRIPTION - LOCATION

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

COMMENTS

Subject to approval of increased assessments.



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$7,000	\$7,000
Construction/Execution							\$95,000	\$95,000
Monitoring/Inspections							\$8,000	\$8,000
Close-out/Punch List								
Other								
TOTAL							\$110,000	\$110,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$110,000	\$110,000
TOTAL							\$110,000	\$110,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Creeks	10370	Creek Revitalization

DESCRIPTION - LOCATION

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



COMMENTS

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/ Execution							\$3,000,000	\$3,000,000
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
TOTAL							\$3,000,000	\$3,000,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$3,000,000	\$3,000,000
TOTAL							\$3,000,000	\$3,000,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Streets	10375	Samuel Ct. Park

DESCRIPTION - LOCATION

Install landscaping and irrigation improvements.

COMMENTS



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$5,000	\$5,000
Construction/ Execution							\$75,000	\$75,000
Monitoring/ Inspections							\$5,000	\$5,000
Close-out/ Punch List								
Other								
TOTAL							\$85,000	\$85,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$85,000	\$85,000
TOTAL							\$85,000	\$85,000

2020/21-2024/25 Capital Improvement Program

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

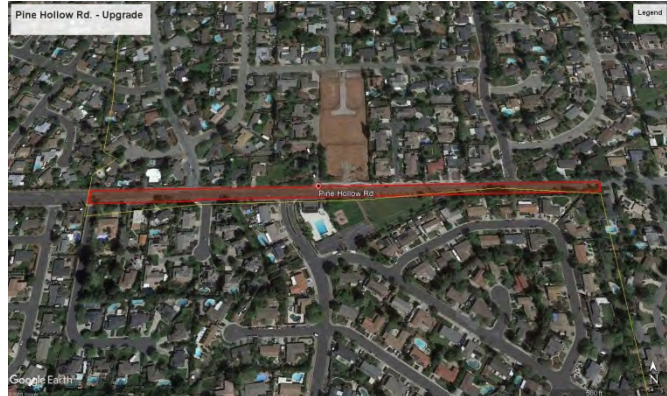
DESCRIPTION - LOCATION

Improve Pine Hollow Rd. as complete Street including pedestrian and bicycle Facilities and green streets drainage.

COMMENTS

Grant funds are at risk of reduction due to current financial circumstances of CCTA due to reduced tax revenue caused by Covid-19 pandemic.

Clayton and Concord awarded Caltrans grant to perform cooperative complete street study for entire length of Pine Hollow Road through both cities.



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/ Design	\$28,500	\$100,000	\$100,000					\$228,500
Construction/ Execution				\$853,319				\$853,319
Monitoring/ Inspections				\$45,000				\$45,000
Close-out/ Punch List				\$15,000				\$15,000
Other								
TOTAL	\$28,500	\$100,000	\$100,000	\$913,319				\$1,141,819

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Measure J Grant	\$28,500	\$50,000	\$100,000	\$196,500				\$375,000
Caltrans Grant		\$50,000						\$50,000
OBAG II (Federal)				\$308,000				\$308,000
HUTA Gas Tax				\$200,000				\$200,000
RMRA Gas Tax				\$208,819				\$208,819
TOTAL	\$28,500	\$100,000	\$100,000	\$913,319				\$1,141,819

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Parks	10393	Skateboard Park

DESCRIPTION - LOCATION

Construct Skateboard Park at an as yet
Undetermined location.

COMMENTS

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$45,000	\$45,000
Construction/ Execution							\$660,000	\$660,000
Monitoring/ Inspections								
Close-out/ Punch List								
TOTAL							\$750,000	\$750,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$750,000	\$750,000
TOTAL							\$750,000	\$750,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Streets	10394A	ADA Compliance Program

DESCRIPTION - LOCATION

ADA Compliance City-wide.

COMMENTS

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/ Execution							\$500,000	\$500,000
Monitoring/ Inspections								
Close-out/ Punch List								
TOTAL							\$500,000	\$500,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
HUTA Gas Tax	\$21,276	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000		\$51,276
Unfunded							\$448,724	\$448,724
TOTAL	\$21,276	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$448,724	\$500,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Streets	10395	Catch Basin Modifications

DESCRIPTION - LOCATION

Add cross-bar to openings

COMMENTS

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/ Execution							\$100,000	\$100,000
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
TOTAL							\$100,000	\$100,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded								\$100,000
TOTAL								\$100,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Streets	10396	East Marsh Creek Road Traffic Signal

DESCRIPTION - LOCATION

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

COMMENTS

Project postponed by Council action.

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$45,000	\$45,000
Construction/ Execution							\$350,000	\$350,000
Monitoring/ Inspections							\$35,000	\$35,000
Close-out/ Punch List								
Utility Relocation							\$80,000	\$80,000
Other								
TOTAL							\$510,000	\$510,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$510,000	\$510,000
TOTAL							\$510,000	\$510,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Streets	10397	Utility Undergrounding

DESCRIPTION - LOCATION

Underground overhead utility lines at as
Yet undetermined locations.

COMMENTS

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

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/ Execution							\$3,000,000	\$3,000,000
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
TOTAL							\$3,000,000	\$3,000,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
PG&E Rule 20A	\$484,352	\$20,500	\$20,500	\$20,500	\$20,500	\$20,500		\$586,852
Unfunded							\$2,413,148	\$2,413,148
TOTAL	\$484,352	\$20,500	\$20,500	\$20,500	\$20,500	\$20,500	\$2,413,148	\$3,000,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Other	10400	Downtown Economic Development

DESCRIPTION - LOCATION

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

COMMENTS

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



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/Execution								
Monitoring/Inspections								
Close-out/Punch List								
Other							\$1,286,240	\$1,286,240
TOTAL							\$1,286,240	\$1,286,240

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
CIP Const. Fund	\$1,286,240							\$1,286,240
TOTAL	\$1,286,240							\$1,286,240

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Parks	10419	Community Park Lighting & Resurfacing

DESCRIPTION - LOCATION

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



COMMENTS

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

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/Execution								
Monitoring/Inspections								
Close-out/Punch List							\$4,084,000	\$4,084,000
Other								
TOTAL							\$4,084,000	\$4,084,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$4,084,000	\$4,084,000
TOTAL							\$4,084,000	\$4,084,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Streets	10420	School Bridge Area Improvements

DESCRIPTION - LOCATION

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

COMMENTS

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

No design or construction currently scheduled.

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$20,000	\$20,000
Construction/ Execution							\$172,263	\$172,263
Monitoring/ Inspections							\$10,000	\$10,000
Close-out/ Punch List							\$5,000	\$5,000
TOTAL							\$207,263	\$207,263

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
CIP Const. Fund	\$207,263							\$207,263
TOTAL	\$207,263							\$207,263

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Facilities	10423	Library Upgrades

DESCRIPTION - LOCATION

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

COMMENTS

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



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/ Execution							\$850,000	\$850,000
Monitoring/ Inspections								
Close-out/ Punch List								
Other							\$150,000	\$150,000
TOTAL							\$1,000,000	\$1,000,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded							\$1,000,000	\$1,000,000
TOTAL							\$1,000,000	\$1,000,000

2020/21-2024/25 Capital Improvement Program

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

DESCRIPTION – LOCATION

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

COMMENTS

Council direction on funding and level of priority for next year still needed.



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/ Execution			\$100,000					\$100,000
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
TOTAL			\$100,000					\$100,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Unfunded			\$48,903					\$48,903
Garbage Franchise Community Enhancement Fee	\$51,097							\$51,097
TOTAL	\$51,097		\$48,903					\$100,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Parks	10442	North Valley Park Playground Rehabilitation

DESCRIPTION - LOCATION

Install new playground equipment, shade structures and play surface.



COMMENTS

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/ Execution	\$88,575	\$80,000						\$168,575
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
TOTAL	\$88,575	\$80,000						\$168,575

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Open Space DIF	\$142,000							\$142,000
CIP Interest earnings	\$23,800							\$23,800
Project Interest	\$2,775							\$2,775
TOTAL	\$168,575							\$168,575

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Facilities	10446	Oak/Grassland Savanna Management

DESCRIPTION - LOCATION

Management and enhancement of oak/grassland savanna open space parcels citywide. These parcels provide wildfire protection for the City by creating a low-fuel buffer zone between open space and developed neighborhoods. These parcels require management to prevent noxious and invasive plants from invading and taking over the grassland savanna. Noxious and invasive plants provide higher fuel loading and deplete the buffer protecting developed neighborhoods.



COMMENTS

We will seek Federal FEMA mitigation grant funding for this project.

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$100,000	\$100,000
Construction/Execution								
Monitoring/Inspections								
Close-out/Punch List								
Other								
TOTAL							\$100,000	\$100,000

Funding (Sources)	Prior Yrs.	2019-20	2020-21	2021-22	2022-23	2023-24	Future	TOTAL
FEMA Grant							\$100,000	\$100,000
Total							\$100,000	\$100,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Facilities	10447	Emergency/Auxiliary Power at City Hall Complex

DESCRIPTION – LOCATION

Design and ultimately construct/install emergency/auxiliary power (generator) to the City Hall complex including City Hall, Corporation Yard and Library building allowing the City to remain functional during a power outage or disaster.



COMMENTS

We will seek Federal FEMA mitigation grant funding for this project.

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design							\$100,000	\$100,000
Construction/ Execution								
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
TOTAL							\$100,000	\$100,000

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
FEMA Grant							\$100,000	\$100,000
Total							\$100,000	\$100,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Facilities	10448	School Intersection Enhancement Project

DESCRIPTION - LOCATION

Functional and operational enhancements to the intersections of Clayton Road and Marsh Creek Road adjacent to Diablo View Middle School and Clayton Road and Mt. Zion Drive adjacent to Mount Diablo Elementary School.



COMMENTS

Additional future project costs may be eligible candidates for Safe Routes to School grant funding.

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/Execution		\$70,211						\$70,211
Monitoring/Inspections								
Close-out/Punch List								
Other								
TOTAL		\$70,211						\$70,211

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Measure J LSM		\$36,163						\$36,163
Measure J Co-op		\$34,048						\$34,048
TOTAL		\$70,211						\$70,211

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Facilities	10449	2020 Neighborhood Streets Repave

DESCRIPTION - LOCATION

Council approved streets for the 2020 Pavement Preservation Project include:

- North Mitchell Canyon Road
- Caulfield Court
- Kenston Drive
- Tiffin Drive
- Chardonnay Circle
- Peacock Creek Drive
- Pebble Beach Drive
- Mount Dell Drive
- Herriman Court
- Fleming Drive
- El Molino Drive
- Capistrano Court



Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design	\$20,000							\$20,000
Construction/ Execution		\$822,360						\$822,360
Monitoring/ Inspections		\$20,000						\$20,000
Close-out/ Punch List		\$10,000						\$10,000
Other								
TOTAL	\$20,000	\$852,360						\$872,360

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
HUTA Gas Tax	\$20,000	\$330,535						\$350,535
Measure J LSM		\$214,412						\$214,412
Measure J Co-op		\$34,530						\$34,530
RMRA Gas Tax		\$189,883						\$189,883
CalRecycle Grant		\$83,000						\$83,000
TOTAL	\$20,000	\$852,360						\$872,360

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Facilities	10450	Downtown Pedestrian Improvement

DESCRIPTION - LOCATION

Construction of two raised and lighted crosswalks at Oak St and Center St. Also tabletop lighted intersection at Old Marsh Creek Rd and Main St.



COMMENTS

Grant funds are at risk of reduction due to current financial circumstances of CCTA due to reduced tax revenue caused by Covid-19 pandemic. City Council approved master co-op agreement with CCTA (10/17/17) for Measure J Transportation for Livable Communities (TLC) program funds.

Estimated Cost	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Planning/Design								
Construction/Execution								
Monitoring/Inspections								
Close-out/Punch List								
Other								
TOTAL								

Funding (Sources)	Prior Yrs.	2020-21	2021-22	2022-23	2023-24	2024-25	Future	TOTAL
Measure J (TLC)		\$252,000						\$252,000
TOTAL		\$252,000						\$252,000

2020/21-2024/25 Capital Improvement Program

Category	Project Number	Project
Facilities	10451	Green Infrastructure Plan

DESCRIPTION - LOCATION Preparation of green infrastructure (GI) Plan identifying opportunity areas for the inclusion of GI projects.

COMMENTS

Mandated in MRP 2.0 by SF Regional Water Quality Board. Report due October 2019.



Estimated Cost	Prior Yrs.	2019-20	2020-21	2021-22	2022-23	2023-24	Future	TOTAL
Planning/Design		\$50,000						\$50,000
Construction/ Execution							TBD	TBD
Monitoring/ Inspections								
Close-out/ Punch List								
Other								
TOTAL		\$50,000					TBD	TBD

Funding (Sources)	Prior Yrs.	2019-20	2020-21	2021-22	2022-23	2023-24	Future	TOTAL
General Fund Excess		\$50,000						\$50,000
Unfunded							TBD	TBD
TOTAL		\$50,000					TBD	TBD