CITY OF MARTINEZ
CALIFORNIA

2009-10 AND 2010-11
BIENNIAL BUDGET

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PHILIP VINCE, CITY MANAGER

JUNE 3, 2009

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City of Martinez
525 Henrietta Street, Martinez CA 94553-2394

June 3, 2009

Honorable Mayor and City Council Members:

I respectfully submit to you the Proposed Biennial Budget for the City of Martinez for fiscal years 2009-2011. In the Goal Setting Session held on March 21, 2009, the City Council established the following goals for the next two years, which I believe are reflected in this budget:

- **Economic development, revitalization, and redevelopment.**
- **Marina improvements.**
- **Public safety and emergency preparedness.**
- **Adoption of an unreinforced masonry ordinance.**
- **Improvements to the City's parks, library and pool.**
- **Alhambra/North Pacheco annexation.**
- **Implement Specific Plan with an emphasis on additional housing.**
- **General Plan revision.**
- **Parking structure.**
- **Ferry system.**

This budget process has been especially challenging given the very difficult economic environment that exists today. The budget includes some expenditure reductions; however, we have made every effort to support the Council's goals and to minimize service impacts on the community. It also reflects the fundamental City Council policies of funding current operating expenditures with current year revenues, allocating resources to the highest priority services, and preserving adequate reserves for the City to draw on during economic downturns or for unforeseen emergencies. The 2009-11 objectives found in the General Government, Departmental Operating, Enterprise Funds, and Capital Improvement Program sections that most closely relate to Council goals are indicated with the symbol .

RECAP OF 2007-2009

The General Fund is expected to end fiscal year 2008-09 with an unreserved fund balance of $5.1 million.

The City can be proud of its many accomplishments in support of the goals that the Council set for 2007-09. These achievements are enumerated in each department's budget narrative, and key ones are highlighted below:

Economic development, revitalization, and redevelopment.

- Completed acquisition of the Zocchi property.
- Completed feasibility and fiscal impact analysis of annexing areas in Alhambra Valley and North Pacheco.
- Selected developer for 630 Court Street and negotiated Exclusive Negotiating Rights, and Purchase and Sale agreements.
- Completed Downtown market feasibility analysis and business recruitment collateral.
- Worked with a developer on a downtown affordable senior housing project.

Marina improvements.

- Completed a dredge of the marina.
- Completed the removal of the old ferry pier.
- Completed a marina landscape project at the Harbormasters' office.

Public safety and emergency preparedness.

- Expanded the Community Emergency Response Team (CERT) Program to include 120 members and trained all City employees in Emergency Operation Center activities.
- Completed partnership with Stand! Against Domestic Violence resulting in $5,000 in training funds.
- Participated in a countywide Sexual Predator Apprehension and Compliance Enforcement (SPACE) task force.
- Participated in a countywide auto theft task force (VSET), resulting in recovery of several stolen vehicles.
- Reduced the number of DUI accidents by 19% through directed DUI Enforcement.
- Recovered 3.3 million dollars worth of stolen property, a 13% increase.

Adopt unreinforced masonry ordinance

- Worked with the Unreinforced Masonry (URM) Subcommittee to develop a draft ordinance.

Enhance park maintenance.

- Achieved voter approval for the $30 million Measure H bond measure for parks, library and pool improvements, and completed sale of $15 million in bonds.
- Completed the 2007-12 Parks System Master Plan.
- Completed major park improvements at Nancy Boyd and Hidden Valley Parks.
- Improved ball fields for youth and adult sports programs.
- Completed improvements at Boys' and Girls' Club, Veterans' Monument, and Waterfront Park ball fields.

Continue street repairs and maintenance.

- Obtained $670,000 in grants for Alhambra Avenue paving and safety improvements.
- Completed Alhambra Avenue paving project from Highway 4 to John Muir Road.
- Managed street rehabilitation projects in various neighborhoods.

Upgrade and program amphitheater.

- Scheduled seven programs at the amphitheater, including a 6 week schedule of the Willows Theatre Company.

Provide efficient, high quality service.

- Enhanced City's website to add online access to Municipal Code, subscription services, and community videos.
- Implemented automatic utility billing payments through ACH and EFT to improve customer convenience.
- Expanded swim and nature camps to two 2-week sessions at full capacity.
- Held successful downtown Restaurant Tours to fund children's programs.

Embrace community in governmental process.

- Upgraded equipment in Council chambers to improve quality of recorded City Council meetings.
- Worked with the various stakeholders in the community to develop a Community Based Transportation Plan.
- Partnered with Muir Heritage Land Trust and Martinez Unified School District on Alhambra Environmental Enhancement projects.
- Conducted a public workshop to solicit input in developing a community Climate Action Plan and hosted a climate planning booth at the Earth Day celebration on the grounds of the John Muir historic site.

Maintain fiscal health.

- Received State and national excellence awards for the City's budget and annual financial reports.

Other Significant Accomplishments

- Developed and implemented a new Ordinance regulating the parking and storage of recreation vehicles.
- Updated the City's smoking ordinance.

FINANCIAL SUMMARY

The U.S. economy is in crisis, the likes of which have not been seen since the Great Depression of the 1930's. The federal government has taken unprecedented steps including reducing overnight lending rates to near zero, implementing new government guaranty programs designed to restore stability and liquidity to the markets, and a massive expansion of the Federal Reserve's balance sheet. A federal stimulus bill was authorized in February to inject nearly $800 billion into the economy through a combination of tax cuts; funding for programs to create jobs through investments in infrastructure, health care, and energy programs; and continuing unemployment benefits for the millions of citizens who have lost their jobs. Congress also passed a housing bill to address the problem of foreclosures and prevent further deterioration of property values. The third component, intended to rescue the financial sector and unfreeze the credit markets, includes a plan to clean banks' balance sheets of toxic assets. However, the federal deficit will soar past $1.8 trillion this year, eventually driving up interest rates and inflation. There are few positive economic signs on the horizon. Most economists predict that we may begin to see signs of recovery in late 2010, but that it will take years, not months, for the country to recover.

In California, the Governor and Congress reached agreement on a budget that closes an estimated $42 billion gap through a combination of tax increases, expenditure reductions and loans. However, revenues are coming in below projections and further action will be needed to balance the budget for next fiscal year. A special election held in May 2009 included a number of budget balancing propositions which failed to pass. As a result, the State is forecasting even deeper spending cuts and emergency measures. The Governor indicated in his May revise that should the ballot propositions fail, he will recommend invoking the fiscal hardship provisions of Proposition 1A, passed in 2004, that allow the State to borrow up to 8% of local government property taxes twice in a 10 year period. Such an action will

require a two-thirds vote of the Legislature, and have to be repaid with interest within 3 years. The City stands to lose between $800,000 and $850,000 in 2009-10 property taxes under this scenario.

The East Bay has been hard hit by the housing slowdown. Home values continue to drop, with the median home price in Contra Costa County falling to $216,500 in January 2009, a 51.9% decline from February 2008, due in large part to foreclosure related sales. The first quarter of 2009 brought dramatic job losses and further declines in home prices. Unemployment hit a record high of 11.2% in March, and held at 11.0% in April 2009, a figure that could go even higher over next several months, according to leading economists. ABAG presented its Bay Area Economic Outlook in January 2009, and predicted an inflation rate of 2.0% in 2009 and 2.5% in 2010; economic growth of 0% in 2009 and .5% in 2010; and a loss of 56,800 jobs in 2009 and another 5,600 in 2010. Economists predict that the recovery, when it does happen, will be slow.

LOCAL ISSUES AND CONCERNS

The economic crisis has triggered significant reductions in revenues to the City. Estimating revenue is always a challenge, and that is especially true at this time, with the economy in such a volatile state. The City's two largest sources of revenue, property and sales taxes, have already experienced significant declines from prior years. Relative to the latest 2008-09 projections, general fund revenues (excluding transfers in) are expected to remain basically flat in 2009-2010, and decrease by 1.0% in 2010-11. Projected general fund revenues for the major revenue sources are summarized in the Budget Highlights section.

The City has applied for several federal economic stimulus grants to fund two public safety positions; obtain police equipment; pave numerous streets; and implement energy and transportation projects. We expect to receive grants of $217,218 in 2009-10 and $230,390 in 2010-11 for two police officers; $50,437 in 2009-10 for police communications equipment; $850,000 for transportation projects; and $150,800 for energy-related programs.

On the expenditure side, the City has made reductions and adjustments of $1.1 million and $1.3 million, respectively, from the budget in 2009-10 and 2010-11, in order to operate within the reduced revenues and to minimize the use of reserves. These reductions and adjustments were partially offset by salary and benefit increases based on provisions in the current Memorandums of Understanding. The budget adjustments are also summarized in the Budget Highlights section of this message. It is important to note that departmental budgets have been trimmed to the point that leaves

little margin for error and less ability to absorb additional expenses. Fortunately, the City has been fiscally prudent and built sufficient reserves to afford breathing room in this difficult economic environment. However, it is all the more important to preserve fund balance for unanticipated expenses.

The City already has a small staff. During the "boom years," the City did not use increased revenues to grow its staff, but rather increased its reserves. In this budget, two positions, the Economic Development Director and the Deputy Director of Community and Economic Development – Recreation, Community Services and Marina, have been eliminated, bringing the total number of full time positions to 129.8. In addition, one position, Senior Building Inspector, will remain vacant, with a small amount budgeted for temporary salaries. We have also assumed that we will receive the aforementioned federal stimulus money to fund two vacant police officer positions. If we are not successful in obtaining those funds, we will recommend use of Economic Uncertainty Reserves.

All of the labor contracts expire during this budget cycle. No cost of living adjustments beyond those provided for in the existing MOUs are included in the budget. The City may face increased retirement costs in future years due to dramatic market losses, which have eroded the value of the CalPERS pension fund. Several years ago, the City set aside a PERS reserve to help smooth the impact of rate increases. We recommend that a portion of any surplus at the close of 2008-09 be added to that reserve to help offset future rate increases. The City's liability and workers compensation insurance rates have increased significantly based on our poor experience. In the first year of the budget, the City is receiving a one-time dividend that partially offsets the increase. Although the City has set aside an insurance reserve to be used to smooth the impact of rate increases, the City must strive to reduce the number of claims in order to control costs in the future.

Given the current uncertainty of the economy, it was especially difficult to prepare projections beyond this budget. At this time, future year projections indicate that the City may face operating deficits unless new sources of revenue are identified; current revenue sources rebound more dramatically than estimated; or additional operational efficiencies are identified. The City's priority of economic development is particularly important to increase and diversify our revenues. Several key projects are underway that will add to our tax base in the long term, including the implementation of the Downtown Specific Plan; the development of the 630 Court Street and the Zocchi properties; the possible annexations of Alhambra Valley and Pacheco Blvd.; improvements to the marina and the marina landside; and the formation of a redevelopment agency. These priorities are essential to addressing long term fiscal health.

BUDGET HIGHLIGHTS

Revenues

Total General Fund operating revenues (excluding transfers in) relative to the adjusted 2008-09 revenue estimates are projected to increase by 0.3% to $19,292,062 in 2009-10, and decrease by 1.0% to $19,050,688 in 2010-11. Property taxes are expected to decrease by 2.7% from the current year to $6,531,074 in 2009-10, then remain flat in 2010-11, according to the City's property tax consultant. Sales Tax (including Sales Tax In Lieu) is projected to increase by 2.4% to $3,791,204 in 2009-10, and 2.0% to $3,867,029 in 2010-11. The budgeted increases reflect anticipation of backfilled revenue in 2009-10, which will offset a one-time loss in 2008-09. The VLF Property Tax Swap is projected to decline 2.6% to $2,593,784 in 2009-10 and remain flat in 2010-11. Franchise fees, which include fees from utility companies, cable providers, and garbage haulers, are expected to increase marginally by 1.2% to $1,407,000 in 2009-10, and 1.4% to $1,427,000 in 2010-11.

Expenditures

General Fund expenditures are budgeted at $19,573,867 in 2009-10 and $19,277,475 in 2010-11, which includes interfund transfers to the Water System for lifeline expenditures of $16,605 each year. Various one-time investments, from either fund balance or designated reserves, are also included in each year's expenses.

The current fiscal year 2008-09 was adjusted from the baseline budget as a result of the challenging economic conditions. These adjustments were expected to be one-time measures, but as the economy continued to worsen, it became clear that future budgets would also have to be significantly reduced. To illustrate the extent to which the City has reduced its operating budgets, the following citywide reductions and savings measures are expressed relative to the baseline 2008-09 budget:

Reductions

- Reduced staffing by one position, resulting in savings of $152,275 in 2009-10, and $156,130 in 2010-11.
- Reduced Professional Services by $150,370 in 2009-10, and $146,660 in 2010-11. These cuts include reductions to funding for the Green Program Coordinator and AB 939 Programs by a total of $30,000. The City is applying for federal stimulus funds for energy efficiency related programs and is eligible to receive a block grant of $150,800 for this purpose that will offset the General Fund reductions.

- Reduced Overtime by $90,975 each year. Most of these savings will be realized in the Police Department, which is near full staffing for the first time in several years for officer positions and in dispatch operations.
- Reduced Travel and Training by $71,693 in 2009-10, and $71,823 in 2010-11. Although the budget has been significantly reduced, training necessary to maintain licenses and certifications remains funded.
- Reduced Supplies by $71,409 in 2009-10, and $104,157 in 2010-11.
- Reduced computer expenditures for hardware replacements by $50,000 each year.
- Reduced funding for various community programs and events, including funding to civic and business organizations, by $34,000 each year.
- Reduced Furniture, Equipment, and Utilities budgets by $19,738 in 2009-10 and $24,702 in 2010-11.

Savings Measures

- Assigned staff to various non-General Fund project/program assignments, resulting in savings of $306,704 in 2009-10 and $368,888 in 2010-11. These totals include charges to other funds of $150,564 in 2009-10 and $203,191 in 2010-11; allocations of planning staff time to the General Plan totaling $136,140 in 2009-10 and $145,697 in 2010-11; and planning staff time to Measure C in the amount of $20,000 each year.
- Reduced vehicle replacement costs by $85,205 in 2009-10, and $108,984 in 2010-11, by postponing purchase of a new police vehicle for one year and adjusting vehicle replacement costs for inflation from 4.5% to 2% to reflect the depressed auto market, reducing charges to departments.
- Utilized $31,705 each year of IT Fund balance for purchase of equipment, reducing charges to departments.
- Planned closure of Rankin Pool, resulting in $119,114 savings in 2010-11.

The Budget Adjustments table below highlights the aforementioned reductions and savings measures:

BUDGET ADJUSTMENTS (from baseline 2008-09 Budget)	**2009-10**	**2010-11**
Citywide Reductions		
Deputy Director Position	$152,275	$156,130
Professional Services	$150,370	$146,660
Overtime	$90,975	$90,975
Travel & Training	$71,693	$71,823
Supplies	$71,409	$104,157
Information Systems	$50,000	$50,000
Community Programs & Events	$34,000	$34,000
Furniture, Equipment, & Utilities	$19,738	$24,702
Citywide Savings Measures		
Project/Program Assignments	$306,704	$368,888
Vehicle Replacement	$85,205	$108,984
Information Systems	$31,705	$31,705
Closing of Rankin Pool		$119,114
Total Savings:	**$1,064,074**	**$1,307,138**

The City's salary and benefit increases are based on provisions of the various Memorandums of Understanding. The City adjusted its baseline for labor and benefits costs in 2008 following the retirement of numerous senior individuals that were at top step to reflect new hires which would start out at a lower pay scale.

The table below highlights the changes from the adjusted budget:

CITYWIDE INCREASES	2009-10	2010-11
Salaries	$411,989	$552,400
PERS & Benefit Cost Increases	$143,774	$221,975
Retiree Health Cost Increases	$45,735	$143,182
Total Salary and Benefit Increases:	**$601,498**	**$917,557**

Other budget changes specific to major departments or organizational areas are highlighted in the respective department sections.

It is essential in this time of economic uncertainty that the City maintains a healthy fund balance. The budget includes very limited use of undesignated reserves for continued funding of various community groups and special projects that are outlined in the table below. Allocations have been reduced from the prior budget.

PROGRAM	2008-09 ORIGINAL BUDGET	2009-10 BUDGET	DIFFERENCE FROM 08-09	2010-11 BUDGET	DIFFERENCE FROM 08-09
Chamber of Commerce	$50,000	$47,500	($2,500)	$47,500	($2,500)
Main Street	$50,000	$47,500	($2,500)	$47,500	($2,500)
Community Groups	$30,000	$15,000	($15,000)	$15,000	($15,000)
Ferry Project Consultant	$36,000	$18,000	($18,000)	$18,000	($18,000)
Total One-Time Funding	$166,000	**$128,000**	($38,000)	**$128,000**	($38,000)

Additionally, one-time contributions from designated reserves for the City's Other Post Employment Benefits (OPEB) obligation are scheduled each of the next two fiscal years, totaling $151,896 in 2009-10, and $83,731 in 2010-11.

This budget maintains an undesignated fund balance of 25.82% in 2009-10 and 25.38% in 2010-11. The table on the following page summarizes the General Fund revenues, expenditures, transfers and fund balances for each of the two budget years.

GENERAL FUND SUMMARY	2009-10	2010-11
Revenues	$19,292,062	$19,050,688
Expenditures	$19,277,366	$19,049,139
Excess Revenues/(Expenditures)	$14,696	$1,549
Transfer to CIPs	$0	$0
Transfer to Other funds (Water/Information Systems)	($16,605)	($16,605)
Transfers to/from Designated Reserves (Retiree Benefits)	$151,896	$83,731
One-time Investments from Reserves	($279,896)	($211,731)
Beginning Fund Balance	$5,108,189	$4,978,280
Net Change to Fund Balance	($129,909)	($143,056)
Ending Fund Balance	**$4,978,280**	**$4,835,224**

The total budgeted revenue for all City funds in 2009-10 is $39,776,424, with expenditures of $45,280,140. In 2010-11, revenues are budgeted at $35,072,453, with expenditures of $40,638,442. All City funds include: General, Gas Tax, Transportation, Equipment Replacement, Information Services, NPDES-Stormwater, Parking, Water, Marina, Lighting and Landscaping Districts, Debt Service, and Special Assessment Funds. Each of these funds consolidates the revenues, expenditures, and one-time investments for specific activities.

Other Funds

The Water Fund's 2009-10 budget includes decreases of $673,000 in revenue due to water sales losses related to drought restrictions, which was partially offset by a small decrease to expenditures of $180,000 in raw water charges. Revenues for 2009-10 are budgeted at $9,994,055, which includes transfers in of $16,605 from the General Fund for "lifeline" customer support. The Water System's overall budget in 2009-10 is $10,587,557, including CIP expenses of $1,150,000 and debt service of $897,142. Revenues for 2010-11, including transfers in of $16,605 from the General Fund for lifeline support, are budgeted at $10,166,008. The Water System's overall budget in 2010-11 is $10,274,029, including CIP expenses of $675,000 and debt service of $898,592. Capital improvement projects for the Water System include water main replacement; raw water line replacement; upgrades to two pump stations; repairs to the Alhambra Way transmission line; repairs to the water plant alum tank; and painting of the water plant building. All CIPs for the Water System can be found within Section 10, Enterprise Funds.

The Parking Fund revenues for 2009-10 are projected at $438,701, with the operating budget at $556,399, including CIP expenses of $125,000 for parking lot improvements. Revenues for 2010-11 are projected to remain steady at $438,701, with the operating budget at $436,722.

The Marina Fund includes revenues of $322,254 and expenditures of $220,430 in 2009-10, and revenues of $322,254 and expenditures of $220,543 in 2010-11. The General Fund has made a number of loans in recent years totaling $692,000 to the Marina Fund for several projects including removal of the ferry pier and dredging. The balance outstanding on this debt service as of June 30, 2008 is $623,194.

Capital Improvement Program

The City Council adopted the five-year Capital Improvement Program on February 7, 2007. The Capital Improvement Program (CIP) budget, excluding enterprise funds, is $10,019,000 for 2009-10 and $5,705,000 in 2010-11. These budgets include $10 million in bond funds over the next two years for projects to renovate the swimming pool and library, and make significant improvements to City parks. Also included in the CIP budget is $850,000 of federal stimulus funds for street projects. These projects and others are described in detail in Section 13, Capital Improvement Projects.

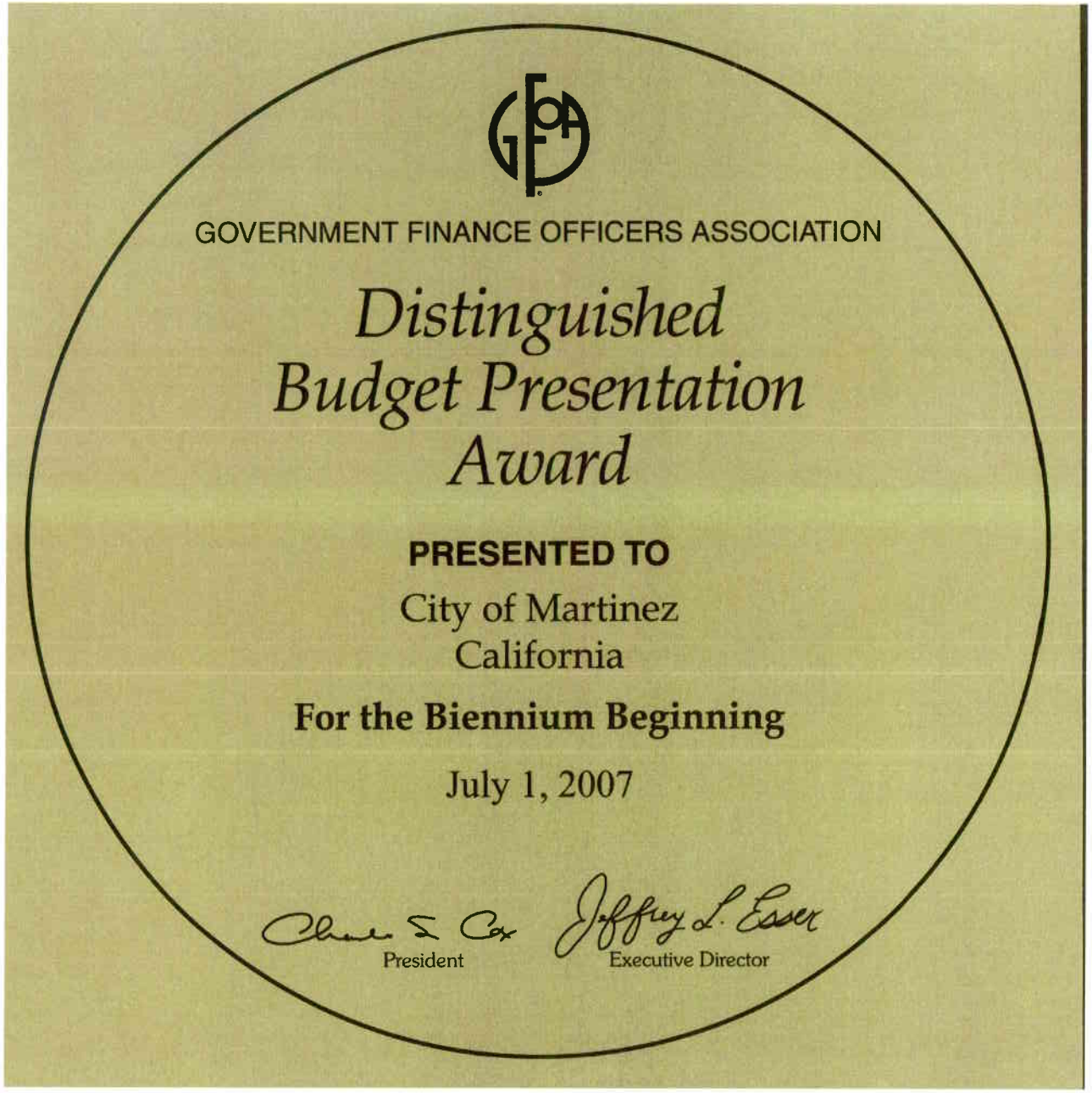
CONCLUSION

This budget process has not been easy and I would like to acknowledge the Budget Subcommittee for their leadership and guidance, as well as all of the staff that were involved in this effort. The 2009-11 Budget maintains a high level of services to the community, while continuing our practice of living within our means. However, it is critical for the City to continue to aggressively pursue opportunities to strengthen our economic base in order to ensure our ability to continue to provide these services in the future.

Respectfully Submitted,

Philip Vince
City Manager

The Government Finance Officer's Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO) offer recognition programs for public entities to determine whether the City conforms to the highest level of governmental accounting and financial reporting standards. The City of Martinez received the Distinguished Budget Presentation Award from GFOA and the Excellence in Operating Budgeting Award from CSMFO for its two-year budget beginning Fiscal 2007-09. This achievement represents a significant accomplishment by a government and its management.


GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Martinez
California

For the Biennium Beginning

July 1, 2007

President

Executive Director

California Society of Municipal Finance Officers

Certificate of Award
For
Excellence in Operating Budgeting

Fiscal Year 2007-2009

The California Society of Municipal Finance Officers (CSMFO) proudly presents this certificate to

City of Martinez

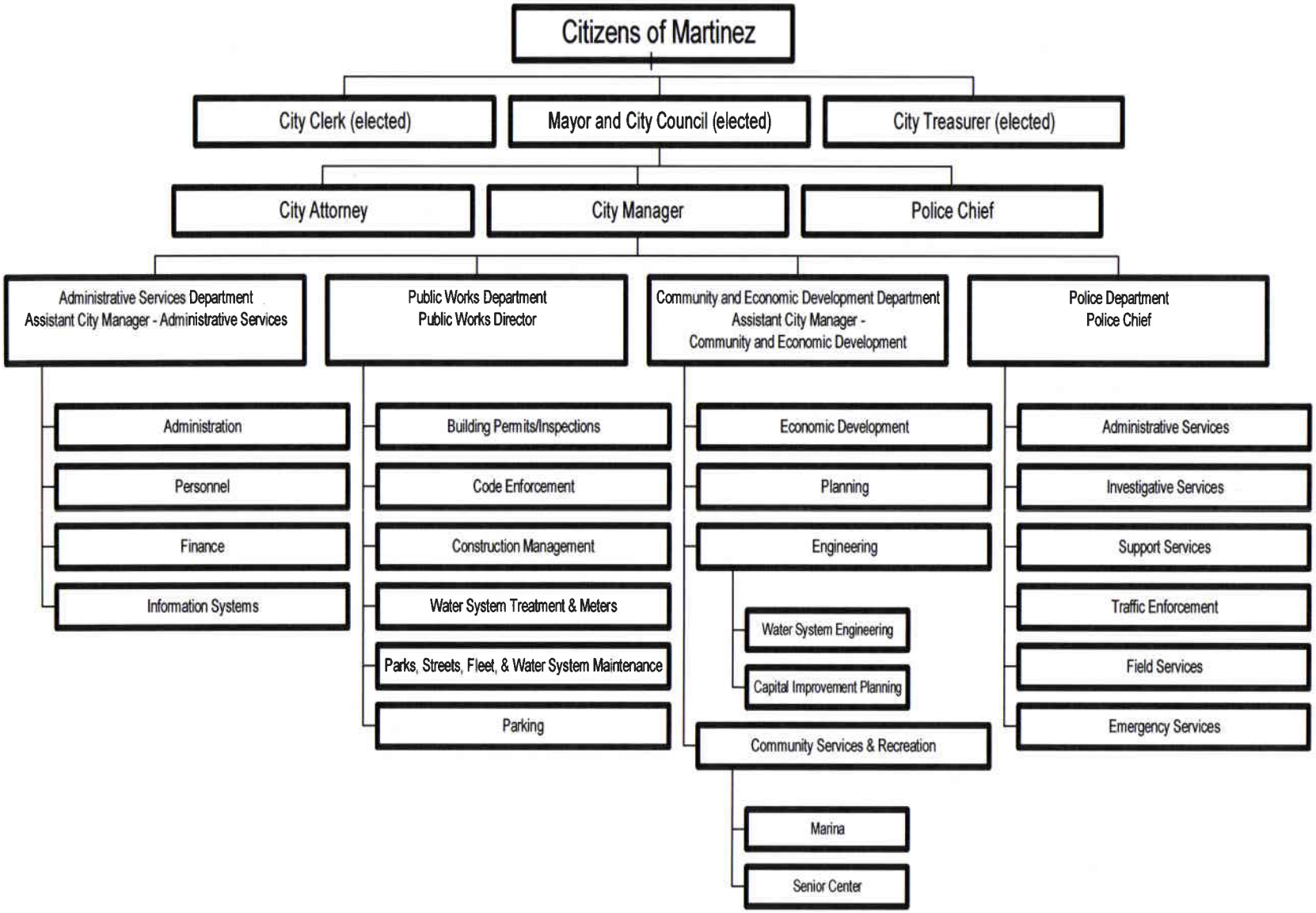
For meeting the criteria established to achieve the Excellence Award in the OPERATING BUDGET CATEGORY.

March 5, 2008

Brad Grant
CSMFO President

Cindy Guziak, Chair
Budgeting & Financial Reporting

CITY OF MARTINEZ ORGANIZATION CHART



AREA MAP

Benicia
Rodeo
West
Pinole
4
Martinez, CA
Martinez
101
San Rafael
680
Concord
Pleasant Hill
Richmond
580
El Cerrito
Mill Valley
Walnut Creek
Lafayette
Albany
Tiburon
Orinda
Berkeley
Alamo
24
Moraga Town
80
Piedmont
Danv
San Francisco
980
580
Oakland

MARTINEZ AT A GLANCE

GENERAL INFORMATION AND HISTORY

Established in 1876, Martinez is the County seat of Contra Costa County. It is located along the Sacramento and San Joaquin rivers in the central part of the County. The City's roots can be traced to the late 1840's, when it served as a ferryboat transit point across the Carquinez straits on the way to the gold fields. By the time of its incorporation, Martinez had evolved into one of the area's most significant trading posts and shipping ports. Today, the City covers 12.5 square miles and has approximately 36,348 residents. As one of California' first towns, Martinez retains a strong sense of history and family. The renowned naturalist John Muir made Martinez his home for nearly a quarter of a century and in 1914, the year of Muir's death, the legendary baseball great Joe DiMaggio was born here. One of the unique aspects of Martinez is its architecture. Many of the downtown shops still retain their early 20th century look and charm, with some homes dating back more than 125 years.

CITY GOVERNMENT

The City operates under the Council-Manager form of government. The City Manager is responsible for the efficient implementation of Council policy and the effective administration of all City government affairs. The City is organized into four departments reporting directly to the City Manager. They are Administrative Services, Community and Economic Development, Police, and Public Works.

PARKS AND RECREATIONAL FACILITIES

Martinez citizens of all ages continue to enjoy the outdoors. The commitment of both the City and the community to enhancing and preserving nature in Martinez led to the City's designation as a Tree City USA in April 2003 by the National Arbor Day Foundation. With 17 City parks, 14 playgrounds, 9 trails, 10 tennis courts, 11 baseball/softball diamonds, 7 soccer fields, 1 skateboard park and a marina, there are plenty of recreational opportunities available to the public. The waterfront's top-flight bocce ball courts are host to the nation's largest bocce federation. Next door, the 10,000 square foot Skate Park offers an attraction for the youth of the entire region. The John Muir Amphitheater, constructed in August 2001, is a 1000-seat amphitheater at the Marina that has accommodated a variety of special events, including the *Willows Theater Group* presentation of the John Muir musical "*Mountain Days.*" The City's continued investment in the amphitheater will help ensure that it remains a fixture on the Martinez waterfront for many years to come.

MISCELLANEOUS STATISTICS

AREA (Miles)	12.5
MILES OF STREETS	122
AVERAGE MINIMUM TEMPERATURE	57 degrees
AVERAGE MAXIMUM TEMPERATURE	92 degrees
AVERAGE RAINFALL	18"
NUMBER OF HOUSEHOLDS	14,308
MEDIAN HOME VALUE	$358,853
AVERAGE AGE OF REAL ESTATE	31 years

HOSPITALS

- Contra Costa Regional Medical Center
- Kaiser Permanente Hospital
- Veterans Administration Medical Center

EDUCATION

Elementary Schools	4
Middle Schools	1
High Schools	1
Continuation Schools	1
Private - Elementary/Middle	1

MAJOR EMPLOYERS

- Contra Costa County
- Kaiser Permanente Hospital
- Shell Oil Refinery
- Veterans Administration Medical Center
- Private - Elementary/Middle

COMMUNITY SERVICES

City Parks	17
City Park acreage (developed)	271
Playgrounds	14
City Trails	9
Community gardens	1
Senior Centers	1
Swimming pools	1
Tennis Courts	10
Skateboard park	1
Baseball/softball diamonds	11
Soccer fields	7
Number of recreation classes	596
Number of community events	55

PUBLIC SAFETY

Police Stations	1
Police sworn officers	39
Canine units	3
Motorcycle units	2
School resource officer	1

EMPLOYMENT

Total Labor Force in Martinez	22,300
Total Employed	20,500
Total Unemployed	1,800
Unemployment Rate	7.9%

Sources: Various City Records
Martinez Area Chamber of Commerce
Sperling's Best Places
RealtyTrac/DataQuick Information Systems (February 2009)
The Real Estate Report - Contra Costa County (March 2009)
California Employment Development Department (March 2009)

DEMOGRAPHICS INFORMATION

POPULATION

State Dept of Finance (1/09)	36,348
2000 Census	35,866

ELECTION & REGISTERED VOTERS

Registered Voters (11/08)	21,716
% Voting Last Election (11/08)	88.45%

2000 CENSUS DEMOGRAPHICS

GENDER

Male	17,794	49.6%
Female	18,072	50.4%

AGE

Under 5 Years	2,000	5.6%
5 - 19 Years	6,946	19.4%
20 - 44 Years	13,504	37.7%
45 - 64 Years	9,788	27.3%
65 - 84 Years	3,248	9.1%
Over 85 Years	380	1.1%

MEDIAN AGE 38.6

SCHOOL ENROLLMENT

Preschool	817
Kindergarten	362
Elementary School	3,750
High School	2,182

RACE

White	27,096	75.5%
Hispanic or Latino	3,660	10.2%
Asian & Pacific Island	2,462	6.9%
African American	1,201	3.3%
American Indian & Alaska Native	264	0.7%
All Other	1,183	3.3%

INCOME

Per Capita	$ 29,701
Median Household	$ 77,411
$0 - $14,999	8.8%
$15,000 - $24,999	6.1%
$25,000 - $34,999	7.9%
$35,000 - $49,999	13.8%
$50,000 - $74,999	22.6%
$75,000 - $99,999	16.8%
$100,000 - >	24.0%

Source: US Bureau of Census, Census 2000

ELEMENTS OF THE BUDGET DOCUMENT

The Budget for 2009-11 is a policy document that describes the City's goals and objectives and indicates how resources are allocated to achieve these goals. In addition, it serves as a financial plan, an operations guide, and a communications tool.

The document includes the following key elements:

Introduction

The Introduction includes the City Manager's Budget Message to the City Council. The Budget Message highlights the Council's goals, summarizes the City's financial position, highlights key issues that are addressed in the budget, documents proposed new programs, and recommends strategies for ensuring financial stability while continuing to provide high quality services to the community. The Introduction also has the overall City organization chart, area map, and miscellaneous statistics and demographics.

Budget Guide

The Budget Guide section includes the budget schedule, an explanation of the budget process, structure of the City's finances, revenue descriptions, key assumptions used to build the budget, and the City's long term debt.

Summary Schedules

This Summary Schedules section provides summary financial information regarding fund balances, projected revenues, expenditures and transfers for all funds in the City. This section also includes a summary of positions by department.

General Fund, General Government, and Departmental Operating Budgets

The General Fund section provides financial detail for this fund, including 10-year revenue and expenditure history and 4-year projections. The General Government section provides descriptive information on the functions, accomplishments, objectives, and budget highlights of this budget group, and a listing of both historical and proposed expenditures for this area.

The Departmental Operating Budgets are divided into individual sections for the following operating departments: Administrative Services, Community and Economic Development, Police, and Public Works. Each section includes a departmental organization chart, staffing summary, and a list of major responsibilities. Additionally, each department budget provides summary narrative and

financial information for each of its divisions/program areas that includes significant accomplishments for 2007-09, objectives for 2009-11, and budget highlights. The historical and proposed two year budget expenditures by division are provided.

Enterprise Funds

The Enterprise section provides information on the City's three enterprise funds: Water System, Marina and Parking Services.

Special Revenue Funds

This section provides information on the City's ten special revenue funds: Public Safety Grants, Gasoline Tax, Traffic Congestion Relief, Measure C, NPDES, Proposition 1B, Housing In-Lieu, PEG Access, Lighting and Landscaping, and Mitigation/Impact Fees.

Internal Service Funds

This section includes information on the City's two internal service funds: Equipment Replacement and Information Systems.

Capital Improvement Program

The Capital Improvement Program section details the proposed capital projects for the 2009-10 fiscal years and those projects carried forward from the prior year. This section includes projects that have been reviewed and approved by the City Council. Projects recommended for funding have been selected based on criteria approved by the City Council.

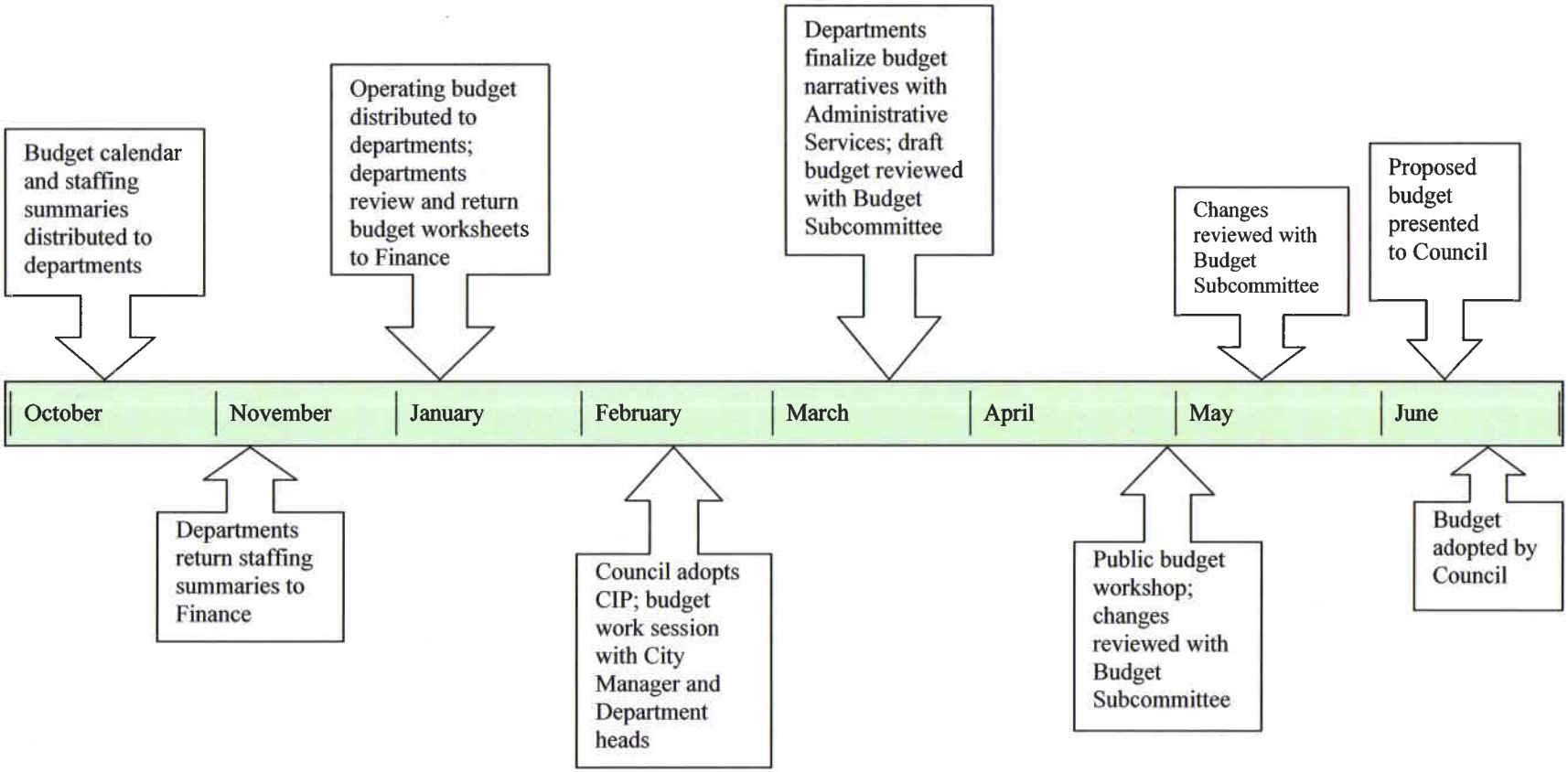
Financial Policies

This section includes copies of all of the City's financial policies, including the Budget, Capital Financing and Debt Management, CIP, Fixed Assets Capitalization and Inventory Control, and Investment policies. The City's Fees Resolution is also included.

Appendices

The Appendices section includes: Budget Resolution; Appropriation (Gann) Limit Resolution and Description; Summary of Benefits by Representative Unit; Guide to Funds by Number; Budget Glossary; List of Acronyms; and Budget Index.

BUDGET TIMELINE



2009-10 AND 2010-11 BUDGET SCHEDULE	
Date	**Event**
Tuesday, October 14, 2008	Budget calendar and staffing summaries/personnel listings distributed to departments
Tuesday, November 4, 2008	Departments return staffing summaries/personnel listings to Finance with corrections
Thursday, January 6, 2009	Program revenue and operations budget instructions and worksheets distributed to departments
Tuesday, January 27, 2009	Departments return program revenue and operations budget worksheets to Finance
Tuesday, January 27, 2009	Budget narrative instructions and worksheets distributed to departments
Wednesday, February 4, 2009	Council adopts 5-year Captial Improvement Program (CIP) and CIP Policy
Tuesday, February 24, 2009	Finance completes initial draft of budget and assembles workbooks
Turesday, February 24, 2009	Departments return budget narratives to Administrative Services
Tuesday, March 3 - Thursday, March 5, 2009	Budget work sessions with City Manager and Department Heads
Wednesday, March 17, 2009	Budget Subcommittee meeting
Thursday, March 17, 2009	Final budget narratives distributed to departments
Tuesday, March 24, 2009	Departments return final budget narratives to Administrative Services
Wednesday, April 29, 2009	Public Budget workshop
Monday, May 11, 2009	Budget Subcommittee meeting
Wednesday, June 3, 2009	Present proposed Budget to Council
Wednesday, June 17, 2009	Budget adopted by Council
Wednesday, July 1, 2009	Budget printed and available for distribution

BUDGET DEVELOPMENT

Budget Process

The proposed budget includes estimated revenues and expenditures for operating and capital improvement projects for the two fiscal years on a basis consistent with Generally Accepted Accounting Principles (GAAP). The data is presented to the City Manager for review and a public meeting is conducted to obtain public comments. The City Council adopts the budget by June 30 through passage of an adopting resolution.

As with any budget preparation, the ongoing process includes the phases of development, proposal, adoption, and monitoring. The process began with the preparation and distribution of budget instructions and guidelines by the Administrative Services Department in October 2008. Departments were instructed to submit their budget requests to the City Manager by mid-January 2009, and the City Manager met with department heads in February 2009 to develop recommendations to present to the Budget Subcommittee. On April 29, 2009, the City Council held a public workshop for the Council to provide staff direction to finalize the proposed budget and on June 3, 2009, the Council was presented with the proposed budget. The budget – and an appropriations resolution to fund both years of the budget – were adopted at a public City Council meeting on June 17, 2009.

The monitoring phase begins after the budget has been adopted. Department heads will maintain control over their respective funds and ensure adequate resources are available. A mid-year budget review will be conducted in February of each of the two fiscal years. The City will conduct an annual budget review in June of the first year, and at that time make any changes to update the second budget year. Any necessary adjustments to the budget will be enacted by City Council resolution.

Level of Budget Control

The 2-year budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within their respective departments. The City Manager is authorized to revise the budget so long as the total revisions in any single budget year do not exceed 5% of the budget, and provided that sufficient revenues are available to offset such revisions. Council approval is required for additional appropriation from fund balances or new revenue sources. The legal level of budgetary control is the department level.

Cost Allocation

The City uses three methods to allocate costs associated between funds and for grant purposes. These are direct costs, used to allocate, by percent, the cost of specific positions among funds; indirect costs, which allocate overall department costs, by percent, to the other departments and other funds; and job costing, which charges projects and service funds an hourly rate based times the hours spent. The methodology for computing these costs are as follows:

Direct Costs

The employee's annual salary and total benefit costs are added together to get a total cost for the employee. All services that the employee is involved in providing are identified, as well as the percent of time spent on providing each service. The total annual cost of the employee is then multiplied by the percent and charged to the appropriate fund receiving the service. This allocation is charged out with every payroll.

Indirect Costs

All services that a department provides to other departments or funds are identified by a percent. The department costs multiplied by the percent are then charged out to the identified departments and funds on a monthly basis.

Job costing

The employee's annual salary and total benefit costs are added together and then divided by 2,080 hours to get an hourly rate. Hours spent by employees for specific projects and jobs are then multiplied by the hourly rate and charged to the project or job monthly.

Reporting Entity

The City of Martinez was incorporated in 1876 under the laws of the State of California and enjoys all the rights and privileges applicable to a General Law City. The City operates under a Council-Manager form of government, and currently provides a wide variety of services to its citizens, including police, public services, community development, engineering, recreation, and general administrative services. The financial statements for the City of Martinez are prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the City's accounting policies are described on the following pages.

Fund Accounting

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The City maintains both governmental and proprietary fund types.

Governmental Fund Types

General Fund: The General Fund is the general operating fund of the City and accounts for all unrestricted financial resources except those required to be accounted for in another fund.
Special Revenue Funds: Special Revenue Funds account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or capital projects) that are restricted by law or administrative action to expenditures for specified purposes.
Debt Service Funds: Debt Service Funds account for the accumulation of resources for the payment of interest and principal on general long-term debt and related costs.
Capital Projects Funds: Capital Projects Funds account for financial resources segregated for the acquisition of major capital projects or facilities (other than those financed by proprietary fund types.)

Proprietary Fund Types

Enterprise Funds: Enterprise Funds account for operations in a manner similar to private business enterprises where the intent is that the costs of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges.
Internal Service Funds: Internal Service Funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the City or to other governmental units, on a cost-reimbursement basis.

Basis of Accounting

Basis of accounting refers to how revenues and expenditures are recognized in the accounts and reported in the financial statements, regardless of the measurement of focus applied. Governmental fund types use a modified basis of accounting. Revenues are recognized when available and measurable. Revenues which are accrued include Federal and State grants and subventions; transient occupancy taxes; document transfer tax; sales taxes collected by the State on behalf of the City prior to year-end; interest; and certain charges for current services. Revenues which are not considered susceptible to accrual include certain licenses, permits, fines, forfeitures and penalties. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt and special assessment debt are recorded as expenditures when paid.

All proprietary funds are accounted for using the accrued basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred. Depreciation of all proprietary fund fixed assets is charged as an expense against operations each year, and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the proprietary fund's balance sheet as a reduction in the book value of fixed assets.

Basis of Budgeting

The budgets of *General Governmental Type Funds* are prepared on a modified accrual basis, which means that obligations of the City are budgeted as expenditures, but revenues are recognized only when they are measurable and available.

The *Enterprise Funds* also recognize expenditures as encumbrances when a commitment is made. Revenues, on the other hand, are recognized when they are obligated to the City, for example water user fees are recognized as revenue when service is provided.

In all cases for the General Governmental and Enterprise funds, when goods and services are not received by year end, the encumbrances lapse. The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "Generally Accepted Accounting Principles" (GAAP). In most cases, the way the City prepares its budget conforms to GAAP, with the following exceptions:

- Principal payments on long-term debt within the Enterprise Funds are applied to the outstanding liability on a GAAP basis, but are expended on a Budget basis.
- Capital Outlay within Enterprise Funds are recorded as assets on a GAAP basis and expended on a Budget basis.
- Depreciation expense is recorded on a GAAP basis only.

STRUCTURE OF THE CITY'S FINANCES

The City's finances are structured in a variety of funds, which are the basic accounting and reporting entities in governmental accounting. The funds that comprise the 2009-11 Budget are described as follows:

General Fund

The General Fund is the City's primary reporting entity for current general government operations of the City of Martinez. It accounts for all financial resources not required by law or administrative action to be accounted for in another fund. Section 4 of this Budget provides detailed financial information of the General Fund. Section 5 provides narrative and financial information on the General Government group. The budget by department can be found under Sections 6-9.

Enterprise Funds

The City's Enterprise Funds include the Water System, Marina, and Parking Services. Each is financed and operated in a manner similar to a private business enterprise. The intent is that the costs of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Section 10 provides the financial information for the City's Enterprise Funds, which includes their respective Capital Improvement Program (CIP) information.

Water System Fund

The Water System Fund accounts for the funds received from customers receiving water service provided by the City and the related expenditures for administration, system improvements, maintenance and repair, and debt service issue related to the provision of water service to the customers.

Marina Fund

The Marina Fund revenues include lease payments, sales and property taxes.

Parking Services Fund

The Parking Services Fund accounts for the activities related to the various parking lots and parking meters in the City. Revenue is generated from parking meters and parking permits.

Special Revenue Funds

Special Revenue Funds account for revenue sources that are legally restricted to specific purposes. These funds can be found in detail under Section 11.

Public Safety Grants

These are Federal and State grants received by the Police Department for improvements in public safety technology and other special projects.

National Pollution Discharge Elimination System (NPDES)

The City participates in the Contra Costa County Flood Control and Water Conservation District for the collection, administration, distribution, and expenditure of funds derived from stormwater utility assessments. The assessment is collected with property taxes received by the County Tax Collector and is used for pollution control improvements and drainage system maintenance.

Measure C

Measure C funds are from a voter-approved, half cent countywide sales tax levied to fund transportation improvements and disburses these funds to pay for local street improvements.

Gasoline Tax

Gasoline tax is a tax on each gallon of fuel used to propel a motor vehicle or aircraft. Gas tax revenue is distributed to cities using several formulas. These funds must be used exclusively for engineering costs, maintenance and repair, and capital improvement projects related to City streets.

Traffic Congestion Relief

This fund accounts for the revenue received from the State of California under AB2928. The allocation must be spent on local streets and roads maintenance, rehabilitation and reconstruction projects according to the State's Traffic Congestion Relief Plan.

Proposition 1B

This fund accounts for the 2006 voter approved Proposition 1B funds to be used for street improvements, including pavement rehabilitation projects.

Housing In-Lieu
This fund accounts for deposits received from a developer who may be required to pay a fee in lieu of affordable housing. The funds are to be used at the City's discretion for the provision of affordable housing to low and moderate income households.

PEG Access
This fund accounts for the payments received by the City's cable provider to be used for public, educational and governmental capital support as provided by the City's franchise agreement.

Lighting and Landscaping
This fund accounts for the installation, maintenance and improvements of subdivision lighting and landscaping within the various special assessment districts. Monies are collected through an annual levy on the property owners within each district.

Mitigation/Impact Fees
This fund accounts for fees collected from developers to mitigate the impact of new development. The City established the following impact fees: traffic, park in-lieu, child care, drainage, cultural facilities, police facilities, and park and recreation.

Internal Service Funds

Internal Service Funds are proprietary funds used by the City to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The following are the City's two Internal Service Funds, which can be found under Section 12:

Equipment Replacement
The Equipment Replacement Fund accounts for the accumulation of funds for the maintenance and subsequent replacement of the equipment under City control. Costs are charged to departments by way of "rental charges" of City vehicles and equipment.

Information Systems
The Information System Fund accounts for the services rendered to all City departments for management of the City's hardware and software needs. Costs are charged to departments by percent based on the number of computer work stations and overall use of technology.

Capital Improvement Program

The Capital Improvement Program (CIP) budget is for expenditures on capital projects such as major street or park improvements, building construction, and major facility maintenance. Section 13 provides information on those projects that are in progress or will be undertaken in the next two budget years (other than those paid for by Enterprise Funds).

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs (other than those paid for by the Enterprise Funds). Information on the debt service of the General Fund can be found in Section 4.

REVENUE DESCRIPTIONS

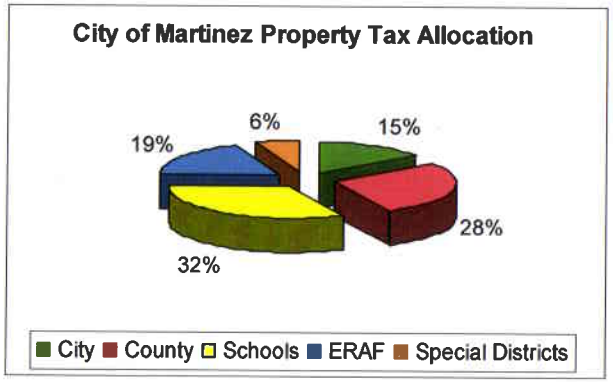
General Fund Revenues

The General Fund is the City's primary reporting entity for current general government operations of the City of Martinez. It accounts for all financial resources not required by law or administrative action to be accounted for in another fund. All revenues not restricted to specific purposes are recorded in the General Fund, and likewise all services that are of a general nature – police, routine public works activities, development-related functions, leisure activities, and general administrative support – are budgeted here. The General Fund is the City's largest operating fund.

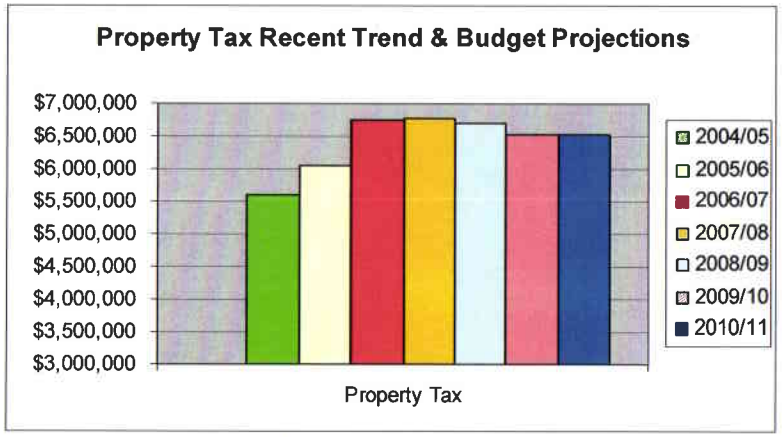
The City of Martinez relies on four major revenue sources to balance the General Fund which make up 76% of the General Fund budget. They are Property Tax; Sales and Use Tax (and Sales Tax In-Lieu); VLF Property Tax Swap and Motor Vehicle In-Lieu Tax; and Franchise Fees.

Property Tax

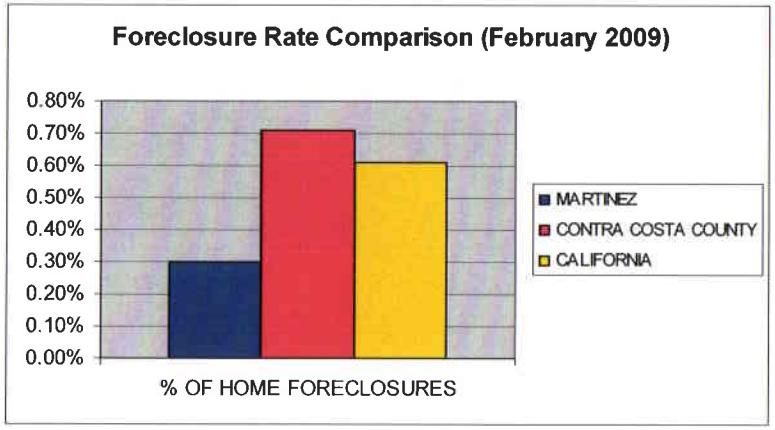
Property tax revenue is expected to decrease by 2.66% in 2009-10 to $6.5 million and remain flat in 2010-11. Property taxes are levied by the County and are based on an annual assessed valuation of the property by the County Assessor. The property tax is limited to 1% of the assessed value, of which Martinez receives approximately 15% as its share. The balance is shared by the following: Contra Costa County (28%), school districts (32%), the Education Revenue Augmentation Fund (ERAF 19%), and special districts (6%). The chart below illustrates how the City shares property tax with other agencies.



According to HdL, the City's property tax analyst, valuations for the entire region have been severely impacted by the national housing and financial markets crisis, prompting the County Tax Assessor to make significant downward adjustments, ultimately resulting in a decrease to the City's property tax revenue. The following table shows the recent trend in the City's property tax revenues through the second budget year:

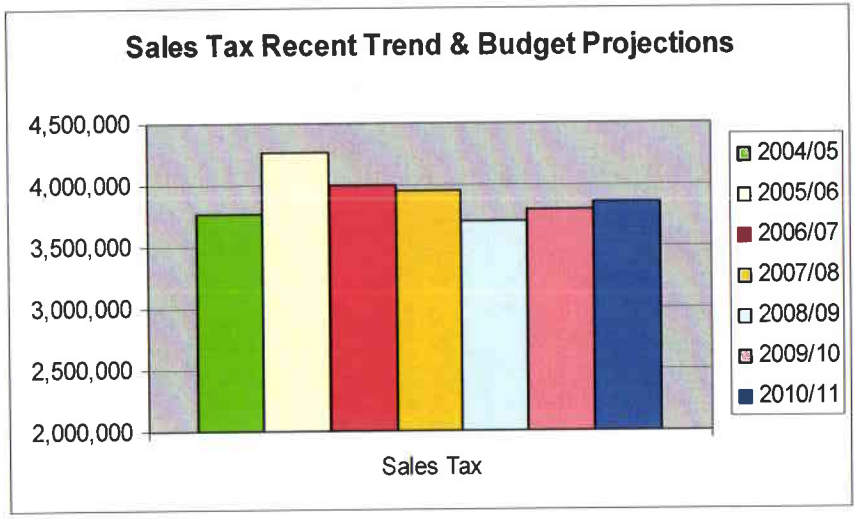


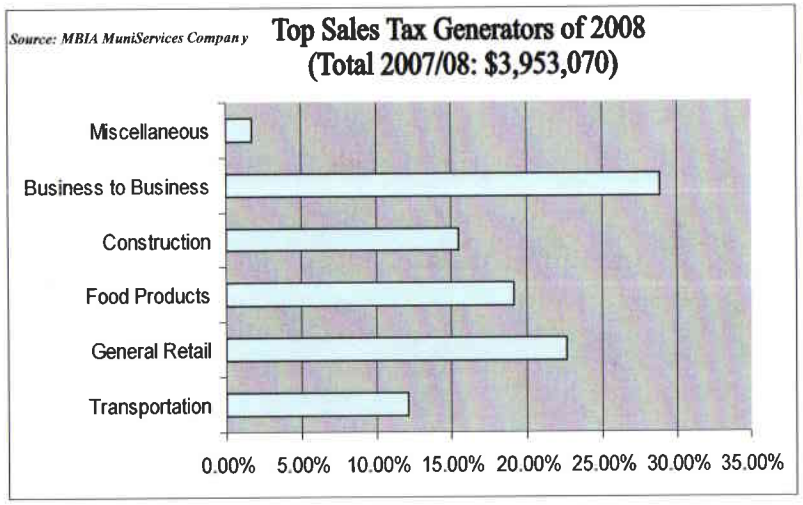
Predicting the housing market, and its resulting impact on local property tax revenues, is one of the more challenging aspects of City budgeting. The chart below illustrates how the City's foreclosure rate as of February 2009 compares to Contra Costa County and the State (information courtesy of *RealtyTrac/DataQuick Information Systems*):



Sales and Use Tax & Sales Tax In-Lieu

Sales tax revenue, including the Sales Tax In-Lieu, is projected to increase by 2.4% to $3,791,204 in 2009-10, and increase 2.0% to $3,867,029 in 2010-11, based on estimates provided by City's Sales Tax Analyst MBIA. The sharp decline in 2008-09 sales tax revenues reflects both a softening retail market, and the one-time loss of a revenue source. The increase in 2009-10 Sales Tax revenue reflects the anticipated backfill of the loss from 2008-09. The Sales tax is imposed on retailers for the privilege of selling tangible personal property. Use tax is imposed on the user of a product purchased out-of-state and delivered for use in California. Local sales tax revenue is distributed by the State. Prior to 2004-05, cities received 1% of sales tax revenue, or $1 of every $100 spent, based on a point-of-sale formula. As of July 1, 2004, the State reduced the local allocation by .25%, and uses this portion as security for the State's "Economic Recovery Bonds." The State has replaced the .25% reduction of sales tax with a dollar-for-dollar allocation of local property tax, which is referred to as "Sales Tax In-Lieu." The State increased Sales Tax by 1% in April 2009 as part of the February 2009 budget agreement between the Governor and Legislature to help close the multi-billion dollar gap in the State budget. The increase does not impact the percentage designated for the City.





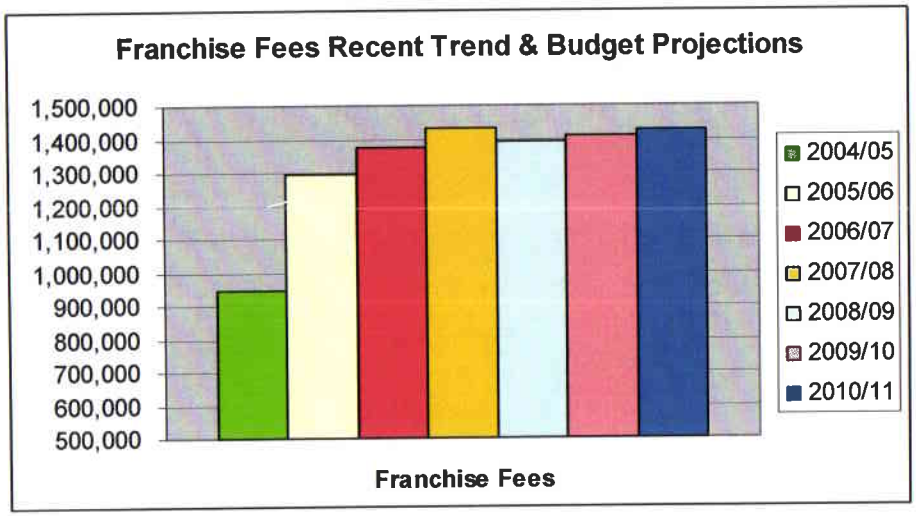
VLF Property Tax Swap & Motor Vehicle In-Lieu Tax

VLF Property Tax Swap and Motor Vehicle In-Lieu Tax revenue is estimated to be $2,593,784 and $141,500 for both years, respectively. Prior to fiscal year 2004-05, a license fee equivalent to 2% of the market value of motor vehicles was imposed annually

by the State "in lieu" of personal property taxes. This rate was dropped to .67%, and the difference between the old and new VLF rate is being made up with a revenue source referred to as the "VLF Property Tax Swap," which trends with property taxes.

Franchise Fees

Based on current trends, revenues are projected to increase by 1.2% to $1,407,000 in 2009-10, and marginally thereafter to $1,427,000 in 2010-11. The City imposes fees on certain utility companies and other businesses for "rental" of the City streets and rights-of-way. In Martinez, franchise fees based upon a percentage of total revenue are collected from several agencies including PG&E (gas and electric utilities), Comcast (cable television), and Allied Waste (refuse collection, disposal, recycling). The City also receives franchise fees for pipelines that are based upon specific dimensions; these calculations are periodically adjusted to reflect CPI increases. Franchise fees decreased in 2008-09 due primarily to a one-time correction of an overpayment from Allied Waste that was booked in 2007-08. The following table shows the projected trend in the City's franchise fees from 2004-05 through the 2010-11 budget year:



Other revenue sources that generate at least $100,000 annually and comprise 17% of the General Fund budget are listed on the pages that follow.

Sales and Use Tax Proposition 172 – Public Safety
This is a one-half cent sales tax received from the County based on our local sales tax and is earmarked for local public safety. Projected revenues are $397,800 for 2009-10 and $405,756 for 2010-11.

Water System In-Lieu Tax
This tax is assessed to the water district as "rent" to cover the cost of using the City's infrastructure. This revenue is projected to rise by 2% in 2009-10 to $3399,322, and 2% in 2010-11 to $407,308.

Documentary Transfer Tax
The documentary transfer tax is based on the transfer of ownership of real estate. The City shares in the $1.10 tax per $1,000 of sale price that is collected by the County. This revenue source is projected to remain flat for the next two years at $90,000.

Transient Occupancy Tax
The transient occupancy tax is a 10% tax imposed by the City on hotel and motel room charges. The revenue is projected to remain flat in 2009-10 at $325,000 and increase a modest 2% $331,500 in 2010-11.

Business License Tax
The business license tax is imposed on businesses for the privilege of conducting business within the City. This revenue source is estimated to increase by 3% in 2009-10 to $618,000 and by 3% in 2010-11 to $636,540. These projections are based on trend and the completion of a three-year business license tax audit.

Building and Mechanical Permits
Building permit fees are collected to cover the cost of regulating the construction of new buildings. This regulation allows cities the means to protect the overall community interests. Building permit revenue is estimated at $566,500 in 2009-10 and $583,495 in 2010-11.

Parking Citations
This revenue includes fines for parking violations. The annual revenue is estimated to increase to $225,000 in 2009-10 and increase to $230,000 in 2010-11.

Public Works Inspection and Engineering Plan Check Fees
These fees cover the costs of inspection, review and plan check. Combined revenues are expected to be $309,000 in 2009-10 and $318,270 in 2010-11.

Interest Income
This is the interest the City earns on investment of its funds. The City invests in the State investment pool referred to as the Local Agency Investment Fund (LAIF). Interest income of $357,000 is projected in 2009-10 and $364,140 in 2010-11.

Daycare Fees
These fees are collected to offset the cost of providing contract child daycare services. This revenue is expected to drop by 19% in 2009-10 to $77,000 and then increase slightly for 2010-11 to $87,000.

Enterprise Funds

The City's Enterprise Funds include the Water System, Marina, and Parking Services funds. Each is financed and operated in a manner similar to a private business, and receives its revenues primarily through user fees. Section 10 provides the financial information for the City's Enterprise Funds, which includes their respective Capital Improvement Program (CIP) information.

Water System Fund
Water Sales: The City has four elevation zones and each zone has a consumption rate charge of between $2.82 and $3.30 per hundred cubic feet, based on the customer's meter above mean sea level. This consumption charge represents water sales, which is estimated at $5,391,200 for 2009-10 and $5,552,936 for 2010-11.
Service Charges: Monthly service charges are based on the size of the customer's meter. Of the City's 10,100 meters, 91% are 5/8 of an inch with a charge of $20. The balance of meters is between 1 to 10 inches, with the charges between $45 and $2,391. Service charges are projected at $3,100,000 for both years. Rate increases have been applied each of the past 3 years to remain on pace with the costs incurred from the operation of the water system.
Fire Service Charges: This charge is for water system capacity to supply water to automatic fire protection systems. Approximately 100 accounts benefit from this service and revenue is approximately $220,000 for both years.
Other revenues: The balance of revenues amount to $623,955 (which includes interest income, backflow charges, connection fees and other miscellaneous revenue) for both years.

Marina Fund
Revenues to the Marina fund include lease payments, sales and property taxes, and a State loan for capital improvement projects. Major renovations including breakwater controls, harbor dredging, and slip replacement and expansion are expected in the coming years. Because many of these upgrades or repairs will not be completed during this budget cycle (and the benefits not yet realized), operating revenue is estimated to remain constant at $322,254 for each of the next two years

Parking Services Fund
Parking Services Fund revenue is generated from parking meters and estimated to be $330,000 for both fiscal years. Other revenues in the Parking Fund amount to $108,701 for both fiscal years.

Special Revenue Funds
Special revenue funds account for revenue sources that are legally restricted to specific purposes. A list of each fund and its revenue source(s) is provided with projected revenues. Please refer to Section 11 for additional detail on these funds.

Public Safety Grants
These are State and Federal grants received by the Police Department for improvements in public safety technology and other special projects. The City will receive Supplemental Law Enforcement Service Funds, (SLESF), which provides supplemental funding to local jurisdictions for front-line municipal services. An allocation of $100,000 is expected in 2009-10 and at this time there are no grants budgeted in 2010-11.

National Pollution Discharge Elimination System (NPDES)
The City participates in the Contra Costa County Flood Control and Water Conservation District for the collection, administration, distribution and expenditure of funds derived from stormwater utility assessments. The assessment is collected by the County Tax Collector with the property tax. The revenue received from the assessment is used for pollution control improvements and drainage system maintenance. Revenue is projected at $500,000 for both years.

Measure C
These funds are from a voter-approved, half cent countywide sales tax levied to fund transportation and local street improvements. Revenue is projected at $403,200 in 2009-10 and $405,000 in 2010-11.

Gasoline Tax
Gasoline tax is a tax on each gallon of fuel used to propel a motor vehicle or aircraft. The gasoline tax revenue is distributed to cities using several formulas. These funds must be used exclusively for engineering costs, maintenance and repair, and capital improvement projects related to City streets. The City of Martinez will receive an estimated $671,000 in both fiscal years.

Lighting and Landscaping
Revenue comes from an annual levy on property owners within the Lighting and Landscaping Assessment districts that is collected with property taxes. Revenue is projected at $120,000 for each of the next two years.

Mitigation/Impact Fees
Fees are collected from developers to mitigate the impact of new development. The total projected revenue is estimated at $91,400 for each of the next two years.

KEY BUDGET ASSUMPTIONS

A number of assumptions were used to develop the 2-year operating budget. These assumptions will be carefully monitored throughout the budget period, and adjusted as necessary during the budget cycle. Here are the key budget assumptions for the 2-year budget include both revenues and expenditures.

Revenue Assumptions

- Property tax revenues are expected to decrease by 2.7% in 2009-10 and stay flat in 2010-11. According to the City's property tax consultant, revenues for the entire region have been impacted by the national housing and financial markets crises, followed by significant downward adjustments by the county tax assessor resulting in decline in property tax revenue.
- Sales tax revenues will increase by approximately 2.4% in 2009-10, and increase by 2.0% in 2010-11. These projections are based on trend and input from the City's sales tax consultant.
- Motor Vehicle In-Lieu Tax revenues are budgeted flat for both fiscal years.
- VLF Property Tax Swap revenue is projected to decrease 2.7% in 2009-10 and stay flat in 2010-11.
- Franchise fee revenues are expected to grow by 1.2% in 2009-10 over the current year, and increase 1.4% in 2010-11.
- Projections for other major general fund tax revenues are: Business License Tax, 3%; Documentary Transfer Tax, flat; and Transient Occupancy Tax, 2%; for both fiscal years.
- Revenues from Police Services and Fines & Forfeitures are expected to increase by 2% in each fiscal year.

Expenditure Assumptions

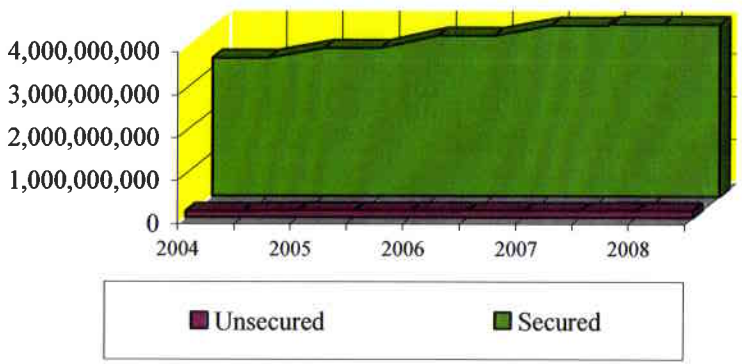
- Salary increases for all employee groups are anticipated for both budget years based upon the provisions of each bargaining unit's MOU.
- Employer PERS contribution rates for Police Sworn personnel are budgeted at 37.304% in 2009-10 and 2010-11. Employer PERS contribution rates for miscellaneous personnel in both City and JFA are budgeted at 9.263% and 10.343%, respectively, in both fiscal years. These figures were provided by PERS.
- Healthcare costs are expected to increase by 14% in both fiscal years, with medical costs for retirees increasing by 8% in 2009-10 and 14% in 2010-11.
- Worker's Compensation premiums are budgeted at $839,728 in 2009-10 and $500,000 in 2010-11.
- Liability and ERMA insurance has been budgeted at $602,228 in 2009-10 and $550,000 in 2010-11.

LONG-TERM DEBT

The City of Martinez has a Capital Financing and Debt Management Policy that sets the parameters for issuing debt and provides guidance in the timing and structuring of long-term debt commitments. This policy can be found under Section 14, Financial Policies. The City of Martinez total long-term debt obligations are listed below. These schedules contain audited numbers from the June 30, 2008 Comprehensive Annual Financial Report. Audited numbers for 2009 were not yet available at the time this budget was prepared.

The legal debt limit as of June 30, 2008, is $160,386,084. This figure is based on the total assessed value of all real property of $4,276,962,241 and the debt limit percentage of 3.75%, per Government Code 25 and 43605. The debt margin available as of June 30, 2008 was $160,386,084. Assessed value is secured property, which includes real property and personal property located upon the property of the same owner, and unsecured property which is property where the value of the lien is not sufficient to assure payment of the tax. Below is a chart of the Assessed Value of taxable property for the last five years.

5 Year Assessed Valuation of Taxable Property



Fiscal Year	Unsecured	Secured	Total Assessed
2004	138,013,747	3,214,477,646	3,352,491,393
2005	158,892,616	3,444,627,895	3,603,520,511
2006	154,169,708	3,734,280,945	3,888,450,653
2007	153,320,879	3,973,975,586	4,127,296,465
2008	164,132,730	4,276,962,241	4,441,094,971

Bonds

1999 Certificates of Participation

On August 1, 1999, the City issued Certificates of Participation (COPs) in the amount of $6,040,000 to fund and retire the construction of various improvements to the City's existing municipal water system. Interest and principal payments are payable from net revenues derived from the operation of the Water System.

Year Ending June 30,	Principal	Interest	Total
2009	$ 170,000	$ 265,044	$ 435,044
2010	175,000	257,172	432,172
2011	185,000	248,731	433,731
2012	195,000	239,609	434,609
2013	200,000	229,930	429,930
2014	210,000	219,677	429,677
2015	225,000	208,638	433,638
2016	235,000	196,878	431,878
2017	245,000	184,364	429,364
2018	260,000	170,981	430,981
2019	275,000	156,804	431,804
2020	290,000	141,831	431,831
2021	305,000	126,064	431,064
2022	320,000	109,381	429,381
2023	335,000	91,778	426,778
2024-2027	1,540,000	170,925	1,710,925
Total	$ 5,165,000	$ 3,017,807	$ 8,182,807

2003 Certificates of Participation

On March 11, 2003, the City issued Certificates of Participation (COPs) in the amount of $7,795,000 to refund and retire the outstanding 1992 City Hall Refurbishment COPs and the 1993 Water System Improvements COPs. Interest and principal payments are payable from lease revenues on City Hall and net revenues derived from the operation of the water system.

	General Fund		Water System		Total
Year Ending June 30,	Principal	Interest	Principal	Interest	
2009	$ 215,000	$ 42,519	$ 315,000	$ 141,283	$ 713,802
2010	220,000	36,532	325,000	132,470	714,002
2011	230,000	29,638	335,000	122,361	716,999
2012	235,000	21,931	345,000	111,089	713,020
2013	245,000	13,531	355,000	98,839	712,370
2014	255,000	4,622	370,000	85,920	455,920
2015			380,000	72,184	452,184
2016			395,000	57,649	452,649
2017			415,000	42,103	457,103
2018			430,000	25,731	455,731
2019			435,000	8,700	443,700
Total	$ 1,400,000	$ 148,773	$ 4,100,000	$ 898,329	$ 6,547,102

2009 General Obligation Bonds

On May 5, 2009, the City issued General Obligation Bonds in the amount of $15,000,000 to finance the costs of acquiring and constructing parks, library improvements, and pool and safety improvements within the City. Interest and principal payments are payable from *ad valorem* property tax levied by the City and collected by the County.

Year Ending June 30,	Principal	Interest	Total
2010		$ 546,025	$ 546,025
2011	340,000	783,144	1,123,144
2012	360,000	757,144	1,117,144
2013	160,000	744,344	904,344
2014	5,000	740,444	745,444
2015	45,000	739,444	784,444
2016	65,000	737,244	802,244
2017	85,000	734,244	819,244
2018	110,000	730,344	840,344
2019	135,000	725,444	860,444
2020	165,000	719,444	884,444
2021	195,000	712,244	907,244
2022	225,000	703,844	928,844
2023	255,000	693,925	948,925
2024	290,000	682,162	972,162
2025	330,000	668,394	998,394
2026-2030	2,340,000	3,050,625	5,390,625
2031-2035	3,860,000	2,290,780	6,150,780
2036-2039	6,035,000	907,833	6,942,833
Total	$ 15,000,000	$ 17,667,072	$ 32,667,072

Loans Payable

State of California

The City entered into agreements on separate occasions with the State of California to fund various projects at the marina. The loans are as follows:

In January 1960, a loan of $1,300,000 was granted to the City for the construction of a marina. At June 30, 2008, the amount payable to the State including interest amounted to $2,483,527.

On December 20, 1973, a loan of $450,000 was granted to the City to complete a small craft harbor at the marina. At June 30, 2008, the amount payable to the State including interest amounted to $301,523.

On January 30, 1978, a loan of $175,000 was granted to the City for construction of marina improvements. At June 30, 2008, the amount payable to the State including interest amounted to $157,623.

On November 1, 1982, a loan of $300,000 was granted to the City for construction on new berthings and improvements to the marina. At June 30, 2008, the amount payable to the State including interest amounted to $370,071.

On January 14, 1983, a loan of $770,425 was grant to the City to fund twelve capital improvements projects at the marina. At June 30, 2008, the amount payable to the State including interest amounted to $987,936.

The above loan agreements, except the 1960 loan which has no specific repayment terms, require the marina to remit principal and interest payments annually. However, the marina did not make any principal or interest payments on the above loans between fiscal 1996 and fiscal 2004. The City resumed scheduled interest payments in 2005 when the State authorized the City to postpone principle payments on the above loans. This agreement was in effect through August 1, 2008. The City has requested hat interest-only payments be extended for another 3-5 years as reconstruction occurs at the marina.

Retiree Health Care Costs

In June 2004, the Governmental Accounting Standards Board (GASB) issued GASB Statement 45, a directive to public agencies to report the costs and financial obligations for post-employment healthcare and other post-employment benefits (OPEB) much like the existing accounting requirement to report pension obligations. This statement replaces and significantly modifies prior guidance. Post-employment healthcare benefits are a significant financial commitment for many government agencies, including Martinez.

In 2008-09, staff engaged a consultant to prepare the City's second actuarial report as required by GASB 45. The results of the actuarial report indicate that the City has a current unfunded actuarial accrued liability of $10,067,000. The City in 2007-08 established an irrevocable trust for the amounts contributed solely for the payment of current and future retiree healthcare premiums. The annual required contribution (ARC) for the 2009-10 and 2010-11 budget years are $903,000 and $934,000 respectively. In conjunction with the pay-as-you-go, which is budgeted in operating of $751,104 in 2009-10 and $850,269 in 2010-11, the balance needed to meet the ARC will come from a retiree health care designated reserve established by Council back in 2002-03.

Budget for Fiscal Years 2009-10 and 2010-11

ALL FUNDS BUDGET SUMMARY

		2008-09			2009-10			2010-11		
	Undesignated Fund Balance at 6/30/08	Budget Revenues 08/09	Budget Appropriations 08/09	Undesignated Fund Balance at 6/30/09	Budget Revenues 09/10	Budget Appropriations 09/10	Undesignated Fund Balance at 6/30/10	Budget Revenues 10/11	Budget Appropriations 10/11	Undesignated Fund Balance at 6/30/11
General Fund	$ 6,896,775	$ 19,430,619	$ 21,219,205	$ 5,108,189	$ 19,443,958	$ 19,573,867	$ 4,978,280	$ 19,134,419	$ 19,277,475	$ 4,835,224
Enterprise Funds										
Water System	11,764,673	10,707,067	16,515,391	5,956,349	9,984,055	10,587,557	5,352,847	10,166,008	10,274,029	5,244,826
Marina	(402,491)	322,254	695,814	(776,051)	322,254	220,430	(674,227)	322,254	220,543	(572,516)
Parking Services	695,720	419,320	400,471	714,569	438,701	556,399	596,872	438,701	436,722	598,850
Sub-total of Enterprise Funds	12,057,902	11,448,641	17,611,676	5,894,867	10,745,010	11,364,386	5,275,492	10,926,963	10,931,294	5,271,160
Special Revenue Funds										
Public Safety Grants	167,081	238,070	303,290	101,861	101,500	103,361	100,000		100,000	-
NPDES	181,555	545,000	591,488	135,067	473,658	496,554	112,172	473,658	450,685	135,144
Measure C - Local	537,699	551,000	592,931	495,768	411,200	434,003	472,965	413,000	435,976	449,988
Gas Tax	353,826	724,500	774,154	304,172	675,000	774,463	204,709	675,000	735,636	144,073
Traffic Congestion Relief		302,985	155,689	147,296			147,296			147,296
Housing In-Lieu Fund										-
Proposition 1B	589,965		581,915	8,050	550,278		558,328			558,328
PEG Access Fund	526,705	50,000	185,699	391,006	55,000	41,255	404,751	55,000	24,275	435,476
Lighting & Landscape	234,424	131,200	138,585	227,039	120,106	138,585	208,560	120,106	138,585	190,081
Mitigation/Impact Fees	968,612	165,500	60,000	1,074,112	86,400	110,000	1,050,512	86,400		1,136,912
Sub-total of Special Revenue	3,559,867	2,708,255	3,383,751	2,884,371	2,473,142	2,098,221	3,259,292	1,823,164	1,885,157	3,197,299
Capital Improvement Programs	2,768,123	31,976,219	19,744,342	15,000,000	5,219,000	10,019,000	10,200,000	505,000	5,705,000	5,000,000
Internal Service Funds										
Equipment Replacement	2,025,065	1,219,508	1,255,419	1,989,154	981,557	982,209	1,988,502	932,672	1,028,581	1,892,593
Information Systems	655,783	484,564	478,665	661,682	383,701	436,401	608,982	383,954	424,654	568,282
Sub-total of Internal Service	2,680,848	1,704,072	1,734,084	2,650,836	1,365,257	1,418,609	2,597,484	1,316,625	1,453,234	2,460,875
Debt Service Funds										
2003 Debt Service	39,351	259,519	259,519	39,351	260,031	260,031	39,351	243,138	263,138	19,351
2009 Debt Service		160,000	-	160,000	386,025	546,025	-	1,123,144	1,123,144	-
Sub-total of Debt Service	39,351	419,519	259,519	199,351	646,056	806,056	39,351	1,366,282	1,386,282	19,351
Totals	**$ 28,002,866**	**$ 67,687,325**	**$ 63,952,577**	**$ 31,737,615**	**$ 39,892,424**	**$ 45,280,139**	**$ 26,349,899**	**$ 35,072,453**	**$ 40,638,442**	**$ 20,783,909**

CHANGES OF FINANCIAL POSITION ALL FUNDS

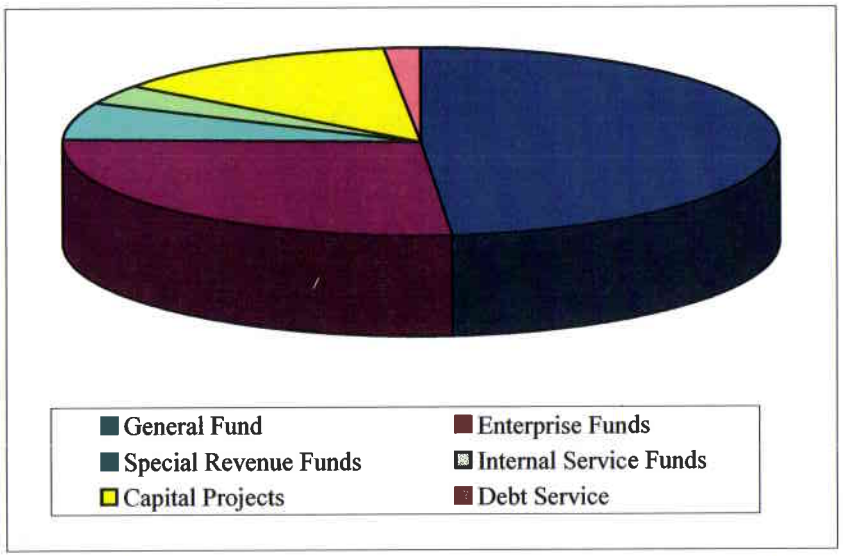
	2007-08 Actuals	2008-09 Budget	2009-10 Budget	2010-11 Budget
Revenue				
Taxes	$ 16,307,304	$ 15,930,401	$ 15,819,774	$ 15,948,625
Special Assessments	586,764	664,000	972,789	1,709,908
Licenses & permits	600,052	550,182	568,000	584,995
Fines, forfeits & penalties	360,409	427,836	373,200	381,158
Intergovernmental	8,239,079	32,090,764	7,172,796	2,034,946
Charges for services	3,471,120	3,422,135	2,959,339	2,878,935
Use of money & property	1,531,640	911,164	877,004	889,899
Water Sales & Service	9,819,826	10,372,872	9,679,450	9,861,403
Other Revenue	701,215	929,057	586,570	177,248
Total Revenues	41,617,410	65,298,411	39,008,923	34,467,117
Expenditures				
General Government	1,055,630	1,123,120	1,091,483	1,097,034
Nondepartmental Services	5,294,070	1,213,812	1,157,605	1,147,391
Administrative Services	1,200,828	1,473,232	1,285,142	1,231,971
Public Works	3,533,821	3,844,115	3,819,013	3,791,918
Police	9,858,756	10,374,675	10,249,533	10,231,496
Community Development	4,922,384	5,389,872	4,476,420	4,382,720
Water System	9,590,759	8,625,954	8,540,415	8,700,437
Marina	201,648	209,045	140,430	140,543
Parking Services	419,993	400,471	556,399	436,722
Capital Improvement Program	7,593,980	27,146,221	11,169,000	6,380,000
Debt Service	838,396	1,233,846	1,783,198	2,364,873
Total Expenditures	44,510,266	61,034,363	44,268,638	39,905,106

Budget for Fiscal Years 2009-10 and 2010-11

Other Sources (Uses)				
Operating Transfers In	6,539,490	2,388,914	883,501	605,336
Operating Transfers Out	(1,929,727)	(2,918,214)	(731,605)	(521,605)
Transfer In (Out) General Fund Reserves	(4,609,763)	529,300	(151,896)	(83,731)
Total Transfers In (Out)	0	0	0	0
One-time Expenditures			(279,896)	(211,731)
OPEB Contribution	(4,000,000)			
Total Other Sources (Uses)	(4,000,000)	0	(279,896)	(211,731)
Revenues and Other Sources (Uses) Over (Under) Expenditures and Other Uses	(6,892,855)	4,264,049	(5,539,612)	(5,649,720)
Fund Balance/ Working Capital, Beginning of Year	37,590,546	30,697,691	34,961,739	29,422,128
Fund Balance/ Working Capital, End of Year, Unreserved				
Unreserved-Designated	2,720,029	3,249,329	3,097,433	3,013,702
Unreserved-Undesignated	28,162,866	31,737,615	26,349,899	20,783,908
Total Fund Balance/Working Capital	**$ 30,697,691**	**$ 34,961,739**	**$ 29,422,128**	**$ 23,772,407**

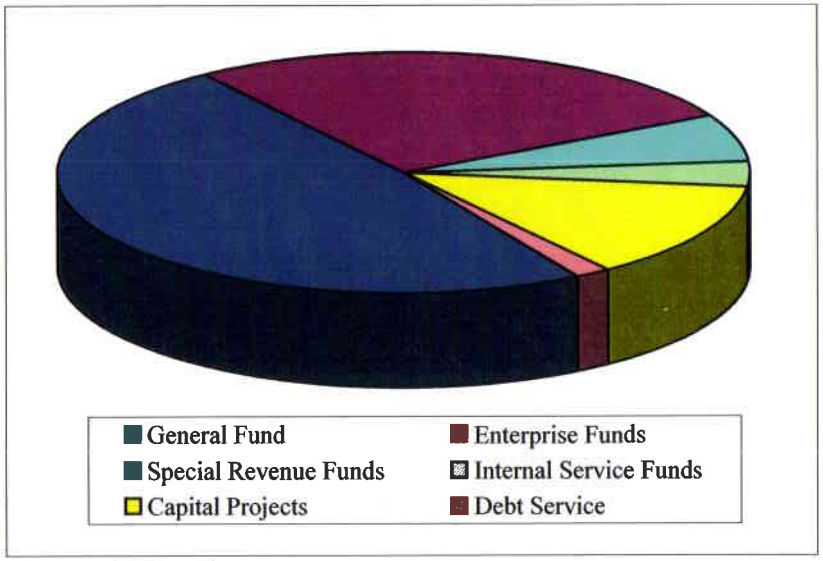
SUMMARY OF ALL FUNDS REVENUE

FISCAL YEAR 2009-10



General Fund	48.74%	19,443,958
Enterprise Funds	26.93%	10,745,010
Special Revenue Funds	6.20%	2,473,142
Internal Service Funds	3.42%	1,365,257
Capital Projects	13.08%	5,219,000
Debt Service	1.62%	646,056
Total All Funds		**$ 39,892,424**

FISCAL YEAR 2010-11



General Fund	54.56%	19,134,419
Enterprise Funds	31.16%	10,926,963
Special Revenue Funds	5.20%	1,823,164
Internal Service Funds	3.75%	1,316,625
Capital Projects	1.44%	505,000
Debt Service	3.90%	1,366,282
Total All Funds		**$ 35,072,453**

SUMMARY OF REVENUE BY FUND TYPE & CATEGORY

REVENUE - By Fund Type	2007-08 Actuals	2008-09 Budget	2009-10 Budget	2010-11 Budget
General Fund	$ 23,737,397	$ 19,430,619	$ 19,443,958	$ 19,134,419
Enterprise Funds	11,766,651	11,448,641	10,745,010	10,926,963
Special Revenue Funds	3,743,475	2,708,255	2,473,142	1,823,164
Capital Improvement Program	6,781,573	31,976,219	5,219,000	505,000
Internal Service Funds	1,848,344	1,704,072	1,365,257	1,316,625
Debt Service Fund	279,461	419,519	646,056	1,366,282
Total Revenues Including Transfers In	**$ 48,156,900**	**$ 67,687,325**	**$ 39,892,424**	**$ 35,072,453**

REVENUE - By Category	2007-08 Actuals	2008-09 Budget	2009-10 Budget	2010-11 Budget
Taxes	$ 16,307,304	$ 15,930,401	$ 15,819,774	$ 15,948,625
Special Assessments	586,764	664,000	972,789	1,709,908
Licenses & permits	600,052	550,182	568,000	584,995
Fines, forfeits & penalties	360,409	427,836	373,200	381,158
Intergovernmental	8,239,079	32,090,764	7,172,796	2,034,946
Charges for services	3,471,120	3,422,135	2,959,339	2,878,935
Use of money & property	1,531,640	911,164	877,004	889,899
Water Sales & Service	9,819,826	10,372,872	9,679,450	9,861,403
Other Revenue	701,215	929,057	586,570	177,248
Total Revenues	41,617,410	65,298,411	39,008,923	34,467,117
Transfers From Other Funds	6,539,490	2,388,914	883,501	605,336
Total Revenues Including Transfers In	**$ 48,156,900**	**$ 67,687,325**	**$ 39,892,424**	**$ 35,072,453**

REVENUE CATEGORIES BY FUND

	2007-08 Actual	2008-09 Projected	2009-10 Budget	2010-11 Budget
GENERAL FUND (01)				
Taxes	$ 16,244,064	$ 15,870,391	$ 15,755,383	$ 15,884,234
License, permits & fees	600,052	550,182	568,000	584,995
Fines & forfeitures	352,119	345,300	373,200	381,158
Intergovernmental	719,327	688,895	942,818	958,946
Charge for services	714,190	802,344	721,050	711,172
Use of money & property	768,876	395,000	402,740	410,635
Other revenue	267,869	591,670	528,870	119,548
Transfers	4,070,900	186,837	151,896	83,731
TOTAL GENERAL FUND REVENUE	**23,737,397**	**19,430,619**	**19,443,958**	**19,134,419**
ENTERPRISE FUNDS				
Water System (71)				
Use of money & property	425,794	310,000	286,000	286,000
Water sales & service	9,819,826	10,372,872	9,679,450	9,861,403
Other revenue	2,859	1,000	2,000	2,000
Transfers	23,195	23,195	16,605	16,605
Total Water System Fund	**10,271,674**	**10,707,067**	**9,984,055**	**10,166,008**
Marina (73)				
Taxes	11,274	11,390	11,390	11,390
Intergovernmental	430,343			
Charge for services	206,307	250,000	250,000	250,000
Use of money & property	65,191	60,864	60,864	60,864
Other revenue	8,100			
Transfers	290,000	-	-	
Total Marina Fund	**1,011,215**	**322,254**	**322,254**	**322,254**

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Projected	2009-10 Budget	2010-11 Budget
Parking Services (75)				
Taxes	51,966	48,620	53,001	53,001
Charge for services	405,353	360,000	370,000	370,000
Use of money & property	26,444	10,000	15,000	15,000
Other revenue		700	700	700
Total Parking Services	**483,762**	**419,320**	**438,701**	**438,701**
TOTAL ENTERPRISE FUND REVENUE	**11,766,651**	**11,448,641**	**10,745,010**	**10,926,963**
SPECIAL REVENUE FUNDS				
Public Safety Grants (20)				
Fines, forfeits & penalties	8,290.10	21,222.00	-	-
Intergovernmental	150,539	214,471	100,000	
Use of money & property	4,817	1,100	1,500	0
Other Revenue	4,102	1,277	0	0
Total Police Grants	**167,749**	**238,070**	**101,500**	-
NPDES (21)				
Special Assessments	472,658	544,000	472,658	472,658
Use of money & property	3,914		1,000	1,000
Other Revenue	2,810			
Total NPDES	**479,383**	**545,000**	**473,658**	**473,658**
Measure C - Local (22)				
Intergovernmental	502,895	549,000	403,200	405,000
Grant	250,700	-	-	-
Use of money & property	21,285	2,000	8,000	8,000
Total Measure C - Local	**774,880**	**551,000**	**411,200**	**413,000**

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Projected	2009-10 Budget	2010-11 Budget
Gas Tax (23)				
Intergovernmental	658,928	716,000	671,000	671,000
Use of money & property	7,942	8,500	4,000	4,000
Transfer In	54,995	-	-	-
Total Gas Tax	**721,865**	**724,500**	**675,000**	**675,000**
Traffic Congestion Relief (24)				
Intergovernmental	0	302,985		
Use of money & property	4,244			
Total Traffic Congestion Relief	**4,244**	**302,985**	-	-
Housing In-Lieu Fund (27)				
Housing In-Lieu Fee	5,000	-	-	-
Interest	8	-	-	-
Total Housing In-Lieu	**5,008**	-	-	-
Proposition 1B (28)				
Proposition 1B	581,915	-	550,278	-
Interest	8,050	-	-	-
Total Proposition 1B	**589,965**	-	**550,278**	-
Lighting & Landscape (33)				
Special Assessments	114,106	120,000	114,106	114,106
Use of money & property	10,088	4,500	6,000	6,000
Other Revenue				
Transfers In	0	6,700		
Total Lightening & Landscape	**124,194**	**131,200**	**120,106**	**120,106**
Traffic Mitigation Fees (34)				
Charge for services	16,632	45,000	15,000	15,000
Use of money & property	16,056	-	5,000	5,000
Total Traffic Mitigation Fees	**32,688**	**50,000**	**20,000**	**20,000**

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Projected	2009-10 Budget	2010-11 Budget
Park In-Lieu Fees (34)				
Charge for services	117,488	25,000	10,000	10,000
Use of money & property	13,490		5,000	5,000
Total Park In-Lieu Fees	**130,978**	**30,000**	**15,000**	**15,000**
Child Care Fees (34)				
Charge for services	8,973	6,500	5,000	5,000
Use of money & property	6,211	2,000	2,000	2,000
Total Child Care Impact Fees	**15,183**	**8,500**	**7,000**	**7,000**
Drainage Fees (34)				
Charge for services	13,845	10,000	5,000	5,000
Use of money & property	2,201		2,000	2,000
Total Drainage Fees	**16,046**	**12,000**	**7,000**	**7,000**
Cultural Facilities (34)				
Charge for services	74,548	42,000	20,000	20,000
Use of money & property	6,702		3,000	3,000
Total Cultural Facilities	**81,250**	**45,000**	**23,000**	**23,000**
Police Facilities (34)				
Charge for services	9,364	4,600	1,000	1,000
Use of money & property	1,288	400	400	400
Total Police Facilities Impact Fees	**10,651**	**5,000**	**1,400**	**1,400**
Park & Recreation Fees (34)				
Charge for services	55,502	12,000	12,000	12,000
Use of money & property	7,184	3,000	1,000	1,000
Total Park & Recreation Fees	**62,686**	**15,000**	**13,000**	**13,000**

Budget for Fiscal Years 2009-10 and 2010-11

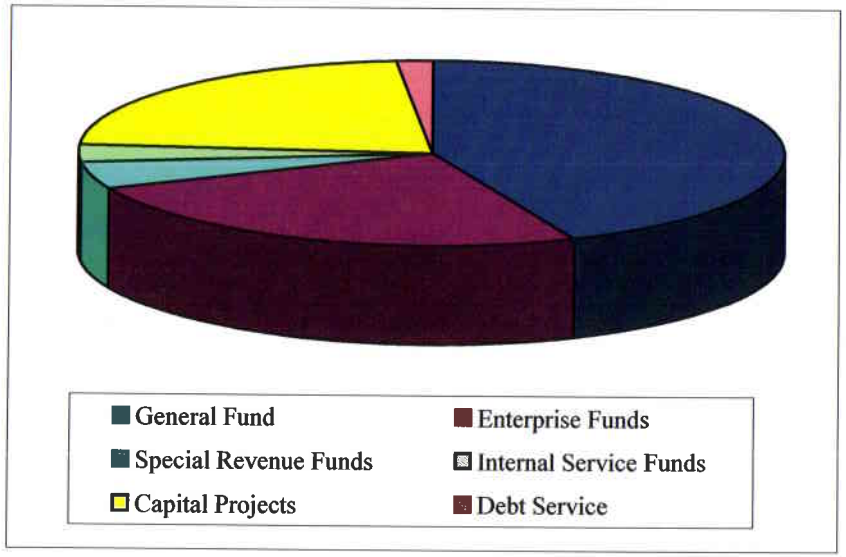
	2007-08 Actual	2008-09 Projected	2009-10 Budget	2010-11 Budget
PEG Access (36)				
Grants	57,971	50,000	55,000	55,000
Transfers In	468,733	-	-	-
Total PEG Access	**526,705**	**50,000**	**55,000**	**55,000**
TOTAL SPECIAL REVENUE FUND	**3,743,475**	**2,708,255**	**2,473,142**	**1,823,164**
INTERNAL SERVICE FUNDS				
Equipment Replacement (81)				
Charge for services	1,120,788	1,130,608	916,557	862,672
Use of money & property	84,770	88,900	65,000	70,000
Other revenue	471	-	-	-
Total Equipment Replacement	**1,206,029**	**1,219,508**	**981,557**	**932,672**
Informations Systems (82)				
Charge for services	468,876	474,564	373,701	373,954
Use of money & property	26,698	10,000	10,000	10,000
Other revenue	8,960	-	-	-
Transfers In	137,781	-	-	-
Total Information Systems	**642,315**	**484,564**	**383,701**	**383,954**
TOTAL INTERNAL SERVICE REVENUE	**1,848,344**	**1,704,072**	**1,365,257**	**1,316,625**
DEBT SERVICE FUNDS				
2003 Debt Service (41)				
Charge for services	254,256	259,519	260,031	243,138
Use of money & property	25,205			
TOTAL DEBT SERVICE REVENUE	**279,461**	**259,519**	**260,031**	**243,138**

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Projected	2009-10 Budget	2010-11 Budget
2009 Debt Service (44)				
Tax Levy		-	386,025	1,123,144
Bond Premium		160,000		
Use of money & property	-			
TOTAL DEBT SERVICE REVENUE	-	**160,000**	**386,025**	**1,123,144**
CAPITAL PROJECTS (31)				
Intergovernmental	5,190,314	29,679,627	4,504,000	-
Miscellaneous	97,372	124,410		
Transfers In	1,493,886	2,172,182	715,000	505,000
TOTAL CAPITAL PROJECTS REVENUE	6,781,573	31,976,219	5,219,000	505,000
TOTAL REVENUES	**$ 48,156,900**	**$ 67,687,325**	**$ 39,892,424**	**$ 35,072,453**

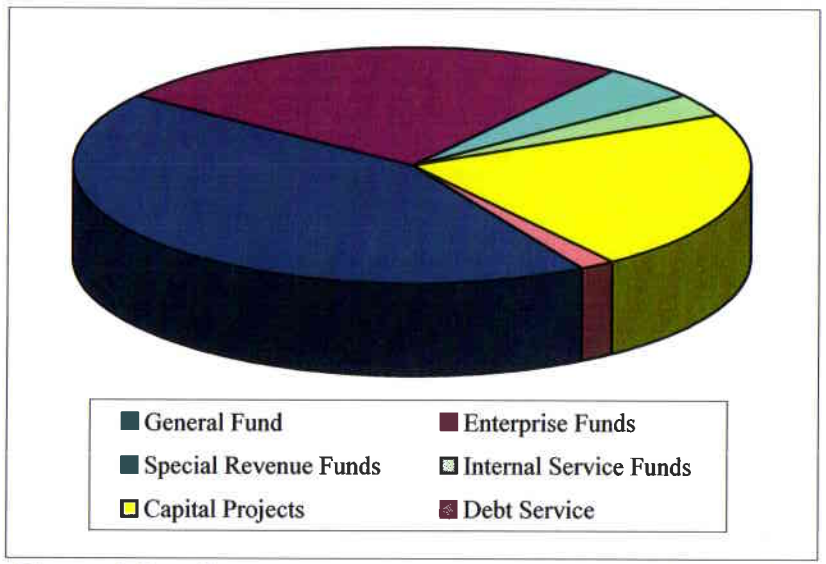
SUMMARY OF ALL FUNDS EXPENDITURES

FISCAL YEAR 2009-10



General Fund	43.23%	19,573,867
Enterprise Funds	25.10%	11,364,386
Special Revenue Funds	4.63%	2,098,221
Internal Service Funds	3.13%	1,418,609
Capital Projects	22.13%	10,019,000
Debt Service	1.78%	806,056
Total All Funds		**$ 45,280,139**

FISCAL YEAR 2010-11



General Fund	47.44%	19,277,475
Enterprise Funds	26.90%	10,931,294
Special Revenue Funds	4.64%	1,885,157
Internal Service Funds	3.58%	1,453,234
Capital Projects	14.04%	5,705,000
Debt Service	3.41%	1,386,282
Total All Funds		**$ 40,638,442**

SUMMARY OF EXPENDITURES BY FUND TYPE & CATEGORY

EXPENSE - By Fund Type	2007-08 Actuals	2008-09 Budget	2009-10 Budget	2010-11 Budget
General Fund	$ 23,788,453	$ 21,219,205	$ 19,573,867	$ 19,277,475
Enterprise Funds	12,070,701	17,611,676	11,364,386	10,931,294
Special Revenue Funds	2,433,969	3,383,751	2,098,221	1,885,157
Capital Improvement Program	6,398,315	19,744,342	10,019,000	5,705,000
Internal Service Funds	1,492,925	1,734,084	1,418,609	1,453,234
Debt Service Fund	255,630	259,519	806,056	1,386,282
Total Expenditures Including Transfers Out	**$ 46,439,993**	**$ 63,952,577**	**$ 45,280,139**	**$ 40,638,442**

EXPENSE - By Category	2007-08 Actuals	2008-09 Budget	2009-10 Budget	2010-11 Budget
General Government	$ 1,055,630	$ 1,123,120	$ 1,091,483	$ 1,097,034
Nondepartmental Services	5,294,070	1,213,812	1,157,605	1,147,391
Administrative Services	1,200,828	1,473,232	1,285,142	1,231,971
Public Works	3,533,821	3,844,115	3,819,013	3,791,918
Police	9,858,756	10,374,675	10,249,533	10,231,496
Community Development	4,922,384	5,389,872	4,476,420	4,382,720
Water System	9,590,759	8,625,954	8,540,415	8,700,437
Marina	201,648	209,045	140,430	140,543
Parking Services	419,993	400,471	556,399	436,722
Capital Improvement Program	7,593,980	27,146,221	11,169,000	6,380,000
Debt Service	838,396	1,233,846	1,783,198	2,364,873
Total Expenditures	44,510,266	61,034,363	44,268,638	39,905,106
Transfers To Other Funds & One-time Expenditures	1,929,727	2,918,214	1,011,501	733,336
Total Expenditures Including Transfers Out	**$ 46,439,993**	**$ 63,952,577**	**$ 45,280,139**	**$ 40,638,442**

ALL FUNDS EXPENDITURES BY DEPARTMENT

	2007-08 Actual	2008-09 Budget	2009-10 Budget	2010-11 Budget
GENERAL FUND				
City Council	318,659	305,365	273,441	279,246
City Clerk	135,275	169,998	159,264	181,318
City Treasurer	11,559	13,068	14,452	14,921
City Manager	432,611	396,087	517,898	495,222
City Attorney	157,526	238,602	126,428	126,327
Total General Government Expenditures	1,055,630	1,123,120	1,091,483	1,097,034
General Services	145,830	196,308	189,255	159,255
Franchise	99,247	95,188	81,299	81,638
Contingencies		195,500	212,500	124,500
Retiree Benefits	5,048,993	726,816	674,551	781,998
Total Non-departmental Expenditures	5,294,070	1,213,812	1,157,605	1,147,391
Administration	159,530	172,275	177,252	172,262
Personnel	112,961	147,927	167,779	156,430
Finance	437,672	488,666	462,456	454,351
Total Administrative Services Expenditures	710,163	808,868	807,486	783,043
Inspection	724,636	756,928	751,777	742,948
Code Enforcement	119,774	126,632	136,391	135,221
Traffic Control Maintenance	213,928	223,051	226,022	229,166
Street Lighting	323,076	362,542	355,332	356,475
Parks/Grounds Maintenance	1,232,115	1,317,663	1,298,025	1,285,203
Cemetery Maintenance	44,148	45,662	53,074	54,166
Open Space Maintenance	94,988	90,758	97,756	98,812
Public Facilities Maintenance	144,879	151,763	169,673	171,621
City Hall Building Maintenance	0	0	0	0
Maintenance Services	636,277	769,116	730,963	718,305
Total Public Works Expenditures	3,533,821	3,844,115	3,819,013	3,791,918

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Budget	2009-10 Budget	2010-11 Budget
Police Administration	1,148,312	1,348,559	1,349,908	1,362,394
Investigative Services	1,347,293	1,300,986	1,270,514	1,225,457
Support Services	1,504,250	1,583,405	1,556,875	1,588,379
Traffic Enforcement - Patrol	418,259	491,095	630,570	614,973
Field Services - Patrol	5,269,957	5,326,385	5,322,457	5,324,445
Emergency Services	25,486	20,955	15,848	15,848
Total Police Department Expenditures	9,713,557	10,071,385	10,146,172	10,131,496
Community Development	261,584	299,823	307,352	303,869
Economic Development	252,488	239,165	16,790	16,790
Planning	519,323	514,643	450,715	447,658
Engineering	345,993	354,844	374,590	360,791
Community Services Administration	488,309	497,644	369,607	365,781
Cultural & Arts	174,341	206,405	76,570	52,570
General Recreation	79,616	60,866	64,127	62,906
Municipal Swimming Pool	127,533	120,437	114,376	1,323
Amphitheatre	11,581	10,550	11,562	11,564
Day Care	64,774	69,806	57,147	64,149
Sports Programs	65,934	92,717	81,835	80,410
Senior Center Programs	287,774	327,910	321,855	321,666
Alzheimer Respite	5,986	8,900	9,082	8,780
Total Community Development	2,685,236	2,803,710	2,255,606	2,098,257
Total General Fund Operating	22,992,477	19,865,010	19,277,366	19,049,139
One-time expenditures			279,896	211,731
Transfers Out	795,976	1,354,195	16,605	16,605
TOTAL GENERAL FUND	**23,788,453**	**21,219,205**	**19,573,867**	**19,277,475**

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Budget	2009-10 Budget	2010-11 Budget
ENTERPRISE FUNDS				
Water System				
Water Administration	3,436,155	1,929,393	1,829,030	1,869,571
Water Treatment	4,514,634	4,969,234	4,952,383	5,059,315
Water Distribution	1,639,970	1,727,327	1,759,002	1,771,552
Transfers Out	79,870	-	-	-
Capital Improvement Program	655,454	6,995,110	1,150,000	675,000
Debt Service	504,622	894,327	897,142	898,592
Total Water System	10,830,705	16,515,391	10,587,557	10,274,029
Marina				
Administraion	107,804	108,210	59,855	59,962
Operations	93,844	100,835	80,575	80,580
Capital Improvement Program	540,211	406,769	-	
Debt Service	78,144	80,000	80,000	80,000
Total Marina	820,003	695,814	220,430	220,543
Parking Services				
Parking Services	419,993	400,471	431,399	436,722
Capital Projects			125,000	
Total Parking Services	419,993	400,471	556,399	436,722
TOTAL ENTERPRISE FUNDS	**12,070,701**	**17,611,676**	**11,364,386**	**10,931,294**
DEBT SERVICE				
Debt Service	255,630	259,519	806,056	1,386,282
TOTAL DEBT SERVICE FUND	**$ 255,630**	**$ 259,519**	**$ 806,056**	**$ 1,386,282**

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Budget	2009-10 Budget	2010-11 Budget
SPECIAL REVENUE FUNDS				
Public Safety Grants				
OJP-GMC Award	10,680	-	-	-
911 Equipment Grants	2,442	58,871	-	-
Federal Block Grant	7,920	-	-	-
Office of Traffic Safety	5,000	8,276	-	-
ABC Grant	-	44,881	-	-
Supplemental Law Enforcement	103,619	105,550	103,361	100,000
OCJP-PAL Grant	-	34,861	-	-
Swat Fund	1,946	2,079	-	-
Asset Seizure	9,543	44,089	-	-
Canine Fund	3,226	3,615	-	-
Donation Fund	824	1,068	-	-
Total Public Safety	145,200	303,290	103,361	100,000
NPDES				
Municipal Maintenance	222,617	207,428	213,775	213,461
Agency Administration	228,877	308,360	232,779	237,224
Transfers Out	75,000	75,700	50,000	0
Total NPDES	526,494	591,488	496,554	450,685
Measure C				
Measure C - Local	76,792	192,931	134,003	135,976
Transfers Out	450,000	400,000	300,000	300,000
Total Measure C	526,792	592,931	434,003	435,976
Gas Tax				
Street Maintenance	289,406	307,342	335,254	340,460
Arterial Maintenance	151,673	176,097	184,209	190,176
Transfers Out	200,000	290,715	255,000	205,000
Total Gas Tax	641,080	774,154	774,463	735,636
Traffic Congestion Relief				
Transfers Out	13,881	155,689		
Total Traffic Congestion Relief	13,881	155,689	-	-

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Budget	2009-10 Budget	2010-11 Budget
Proposition 1B				
Transfers Out	0	581,915	0	0
Total Proposition 1B	0	581,915	-	-
Mitigation Fees				
Traffic			15,000	0
Park In Lieu	150,000	0	0	
Child Care	---	60,000	---	
Zone 5 Drainage	---	0	0	
Cultural & arts	---	0	10,000	
Police Facilities			---	
Park & Recreation	161,852	0	0	
Total Mitigation Fees	440,852	60,000	110,000	0
Lighting & Landscape				
Village Oaks	6,622	5,216	5,216	5,216
Muir Station	9,849	9,775	9,775	9,775
Creekside	5,836	5,915	5,915	5,915
Brittany Hills	64,841	60,387	60,387	60,387
Vista Oaks	16,971	15,789	15,789	15,789
Costco Center	7,372	7,733	7,733	7,733
Terra Vista	6,323	8,435	8,435	8,435
LL AD 2003	21,858	25,335	25,335	25,335
Total Lighting & Landscape	139,671	138,585	138,585	138,585
PEG Access				
PEG Access	0	185,699	41,255	24,275
Total PEG Access	0	185,699	41,255	24,275
TOTAL SPECIAL REVENUE FUNDS	**2,433,969**	**3,383,751**	**2,098,221**	**1,885,157**

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Budget	2009-10 Budget	2010-11 Budget
INTERNAL SERVICE FUNDS				
Equipment Replacement				
Equipment Replacement	1,002,260	1,255,419	982,209	1,028,581
Total Equipment Replacement	1,002,260	1,255,419	982,209	1,028,581
Information Systems				
Information Systems	490,665	478,665	436,401	424,654
Total Information Systems	490,665	478,665	436,401	424,654
TOTAL INTERNAL SERVICE FUNDS	**1,492,925**	**1,734,084**	**1,418,609**	**1,453,234**
CAPITAL PROJECTS				
Drainage				
Annual Storm Drain Project	-	222,813	50,000	25,000
Alhambra Creek Channel Maintenance	-	65,482	25,000	-
Alhambra Creek Channel Silt Removal	30,807	169,193	-	-
Alhambra Way Creek Bank Repair	11,084	107,506	-	-
Alhambra Creek Bank Stabilization	-	381,863	-	-
Total Drainage	41,891	946,857	75,000	25,000
Public Buildings				
Amphitheater	3,393	35,758	-	-
Old Train Depot	14,264	185,736	-	-
Senior Center Improvements	23,555	11,445	10,000	-
Boys & Girls Club	-	7,903	-	-
Police Parking Lot Security Fence	-	-	35,000	-
Kiwanis Building	3,782	-	50,000	-
Sub-total Public Buildings	44,994	240,842	95,000	0

Budget for Fiscal Years 2009-10 and 2010-11

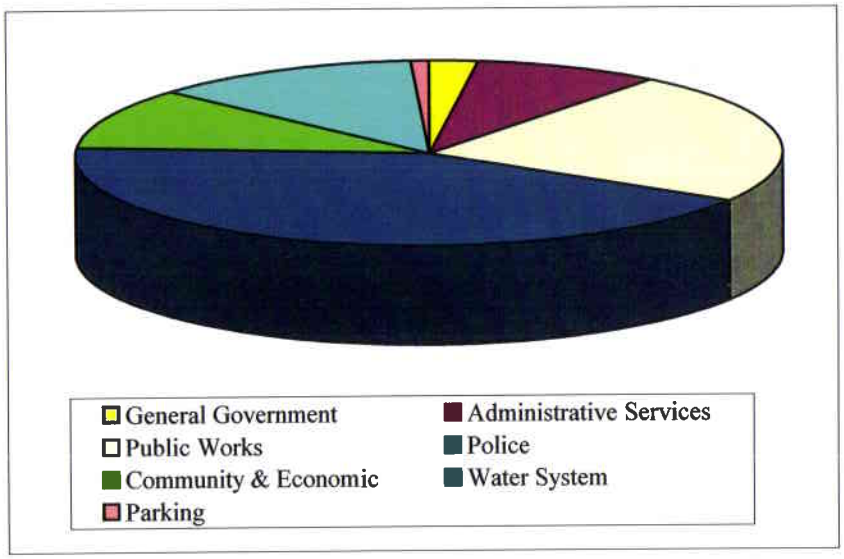
	2007-08 Actual	2008-09 Budget	2009-10 Budget	2010-11 Budget
Parks and Trails				
Nancy Boyd Park	6,409	784,744	-	-
Hidden Valley Park	39,046	279,631	-	-
Waterfront Road Open Space	16,813	0	-	-
Hidden Lakes Open Space	24,148	0	-	-
Alhambra Ave Pedestrian Safety Project	0	92,000	-	-
Alhambra Creek Plaza Improvements		50,000	-	-
Sub-total Parks and Trails	86,416	1,206,375	0	0
Streets				
Annual Pavement Mgt.	970,499	1,237,604	1,350,000	450,000
Alhambra Avenue Improvements	5,091,118	496,207	-	-
Alhambra Avenue Overlay Project	25,355	697,089	-	-
Handicap Access Program	0	45,000	20,000	20,000
Sidewalk Repair Project	0	0	10,000	10,000
Marina Vista Streetscape	5,332	1,375,947	-	-
Marina Vista Phase II	0	787,494	-	-
Railroad Quiet Zone	1,303	8,698	15,000	-
Main Street Streetscape	0	25,000	-	-
Downtown Tree Lighting	82,248	17,751	-	-
Hwy 4/Alhambra Ave. Beautification	0	35,000	-	-
Hillside Drive Emergency Access	3,198	1,802	-	-
Intermodal Phase III	28,461	11,980,177	3,654,000	-
Total Streets	6,207,514	16,707,769	5,049,000	480,000
Community Programs				
Community Based Transportation Plan	17,501	42,499	-	-
General Plan		600,000	-	-
Total Community Programs	17,501	642,499	0	0

Budget for Fiscal Years 2009-10 and 2010-11

	2007-08 Actual	2008-09 Budget	2009-10 Budget	2010-11 Budget
Measure H				
Rankin Pool Reconstruction	-	-	1,800,000	4,200,000
Library Renovations	-	-	2,000,000	-
Park Improvements	-	-	1,000,000	1,000,000
Total Measure H	0	0	4,800,000	5,200,000
TOTAL CAPITAL PROJECTS	**6,398,315**	**19,744,342**	**10,019,000**	**5,705,000**
TOTAL EXPENDITURES ALL FUNDS	**$ 46,439,993**	**$ 63,952,577**	**$ 45,280,139**	**$ 40,638,442**

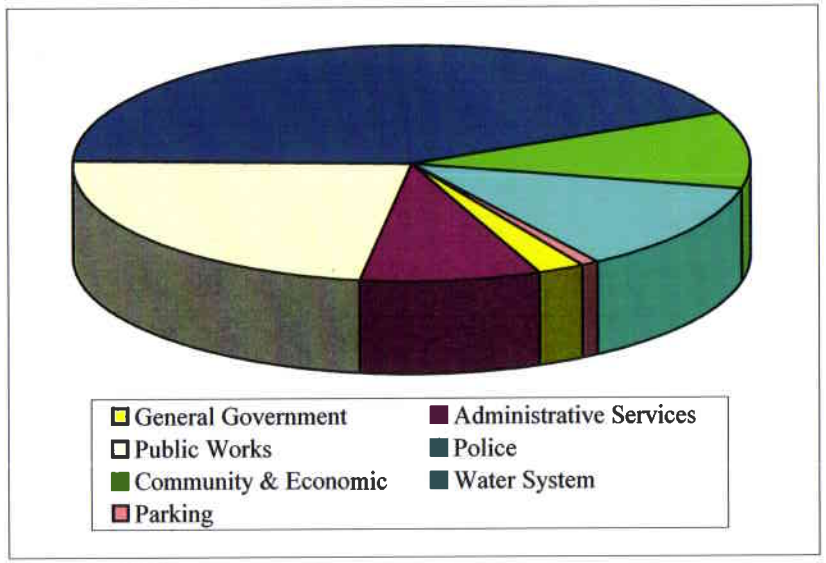
STAFFING SUMMARY

FISCAL YEAR 2009-10



General Government	2.31%	3.0
Administrative Services	8.47%	11.0
Public Works	23.11%	30.0
Police	42.37%	55.0
Community & Economic	10.63%	13.8
Water System	12.33%	16.0
Parking	0.77%	1.0
Total Staffing		**129.8**

FISCAL YEAR 2010-11



General Government	2.31%	3.0
Administrative Services	8.47%	11.0
Public Works	23.11%	30.0
Police	42.37%	55.0
Community & Economic	10.63%	13.8
Water System	12.33%	16.0
Parking	0.77%	1.0
Total General Fund		**129.8**

SUMMARY OF POSITIONS

	BUDGETED 2007-08	BUDGETED 2008-09	BUDGETED 2009-10	BUDGETED 2010-11
GENERAL GOVERNMENT				
City Manager	1.0	1.0	1.0	1.0
Secretary to City Manager	1.0	1.0	1.0	1.0
Deputy City Clerk	1.0	1.0	1.0	1.0
	3.0	3.0	3.0	3.0
ADMINISTRATIVE SERVICES				
Assistant City Manager	1.0	1.0	1.0	1.0
Sr. Management Analyst	1.0	1.0	1.0	1.0
Personnel Technician	1.0	1.0	1.0	1.0
Finance Manager	1.0	1.0	1.0	1.0
Accountant	1.0	1.0	1.0	1.0
Senior Account Technician	2.0	2.0	2.0	2.0
Account Technician III	1.0	1.0	0.0	0.0
Account Technician II	2.0	2.0	3.0	3.0
Information Systems Specialist	1.0	1.0	1.0	1.0
	11.0	11.0	11.0	11.0
PUBLIC WORKS DEPARTMENT				
Public Works Director	1.0	1.0	1.0	1.0
Deputy Public Works Director	1.0	1.0	1.0	1.0
Sr. Building Inspector	1.0	1.0	1.0	1.0 *
Construction Inspector	1.0	1.0	1.0	1.0
Code Enforcement Inspector	1.0	1.0	1.0	1.0
Building Inspector II	2.0	2.0	2.0	2.0
Permit Technician I	1.0	1.0	1.0	1.0
Public Works Superintendent	1.0	1.0	1.0	1.0
Maintenance Supervisor	1.0	1.0	1.0	1.0
Maintenance Lead Worker	2.0	2.0	2.0	2.0
Maintenance Worker II	2.0	2.0	2.0	2.0
Maintenance Worker I	1.0	2.0	2.0	2.0

	BUDGETED 2007-08	BUDGETED 2008-09	BUDGETED 2009-10	BUDGETED 2010-11
PUBLIC WORKS DEPARTMENT (continued from previous page)				
General Laborer	1.0	1.0	1.0	1.0
Equipment Mechanic	2.0	2.0	2.0	2.0
Account Technician II	1.0	1.0	1.0	1.0
Senior Custodian	1.0	1.0	1.0	1.0
Park Supervisor	1.0	1.0	1.0	1.0
Park Lead Caretaker	3.0	3.0	3.0	3.0
Park Caretaker II	3.0	3.0	3.0	3.0
Park Caretaker I	3.0	2.0	2.0	2.0
	30.0	30.0	30.0	30.0
POLICE DEPARTMENT				
Police Chief	1.0	1.0	1.0	1.0
Police Commander	2.0	2.0	2.0	2.0
Police Sergeant	6.0	6.0	6.0	6.0
Police Officer	30.0	30.0	30.0	30.0
Records Supervisor	1.0	1.0	1.0	1.0
Dispatch Supervisor	1.0	1.0	1.0	1.0
Police Clerk Dispatcher	6.0	7.0	7.0	7.0
Administrative Secretary	1.0	1.0	1.0	1.0
Evidence/Property Technician	1.0			
Police Assistant	4.0	4.0	4.0	4.0
Records Clerk	2.0	2.0	2.0	2.0
	55.0	55.0	55.0	55.0
COMMUNITY and ECONOMIC DEVELOPMENT DEPARTMENT				
Assistant City Manager	1.0	1.0	1.0	1.0
Deputy Director Parks & Community Services	1.0	1.0		
Deputy Community Development Director	1.0			
Economic Development Director	1.0	1.0		
Planning Manager		1.0	1.0	1.0
Administrative Aide III	3.0	3.0	3.0	3.0
Senior Planner	1.0	1.0	1.0	1.0
Assistant Planner	1.0	1.0	1.0	1.0

	BUDGETED 2007-08	BUDGETED 2008-09	BUDGETED 2009-10	BUDGETED 2010-11
COMMUNITY and ECONOMIC DEVELOPMENT DEPARTMENT (continued from previous page)				
City Engineer	1.0	1.0	1.0	1.0
Senior Civil Engineer	1.0	1.0	1.0	1.0
Associate Civil Engineer	1.0	1.0	1.0	1.0
Assistant Engineer	1.0	1.0	1.0	1.0
Recreation Supervisor	1.0	1.0	1.0	1.0
Senior Citizen Supervisor	1.0	1.0	1.0	1.0
Senior Citizen Coordinator	0.8	0.8	0.8	0.8
	15.8	15.8	13.8	13.8
WATER SYSTEM				
Water Superintendent	1.0	1.0	1.0	1.0
Assistant Water Superintendent	1.0	1.0	1.0	1.0
Maintenance Supervisor	1.0	1.0	1.0	1.0
Maintenance Lead Worker	1.0	1.0	1.0	1.0
Maintenance Worker II	1.0	1.0	1.0	1.0
Senior Meter Service Worker	1.0	1.0	1.0	1.0
Meter Service Worker	1.0	1.0	1.0	1.0
Meter Repair Worker	1.0	1.0	1.0	1.0
Senior Instrument Technician	1.0	1.0	1.0	1.0
Instrument Technician	1.0	1.0	1.0	1.0
Water Operations Supervisor	1.0	1.0	1.0	1.0
Water Plant Operator II	3.0	3.0	3.0	3.0
Water Plant Operator I	2.0	2.0	2.0	2.0
Water Plant Operator in Training				
	16.0	16.0	16.0	16.0
PARKING				
Parking Meter Maintenance Worker	1.0	1.0	1.0	1.0
	1.0	1.0	1.0	1.0
TOTAL PERSONNEL	**131.8**	**131.8**	**129.8**	**129.8**

*This position will not be funded in 2009/10 and 2010/11.

GENERAL FUND - FUND BALANCE, Unreserved

	2007/08 Actuals	2008/09 Budget	2009/10 Budget	2010/11 Budget
Revenues	$ 19,666,497	$ 19,243,782	$ 19,292,062	$ 19,050,688
Expenditures	22,992,477	19,865,010	19,277,366	19,049,139
Excess of Revenues/(Expenditures)	(3,325,979)	(621,228)	14,696	1,549
One-Time				
OPEB			(151,896)	(83,731)
Chambers			(47,500)	(47,500)
Main Street			(47,500)	(47,500)
Community Group Funding			(15,000)	(15,000)
Consultant for Ferry Project			(18,000)	(18,000)
Total One-Time Funding	0	0	(279,896)	(211,731)
Other Sources				
Transfers In	4,070,900	186,837	151,896	83,731
Transfers Out	(795,976)	(1,354,195)	(16,605)	(16,605)
Total Other Sources (Uses)	3,274,924	(1,167,358)	135,291	67,126
Excess (deficiency) of revenues and other financing sources over (under) expenditures and othe financing uses	(51,055)	(1,788,586)	(129,909)	(143,056)
Beginning Unreserved Fund Balance	6,947,830	6,896,775	5,108,189	4,978,280
Ending Unreserved Fund Balance	**$ 6,896,775**	**$ 5,108,189**	**$ 4,978,280**	**$ 4,835,224**

GENERAL FUND - FUND BALANCE, Reserved & Unreserved

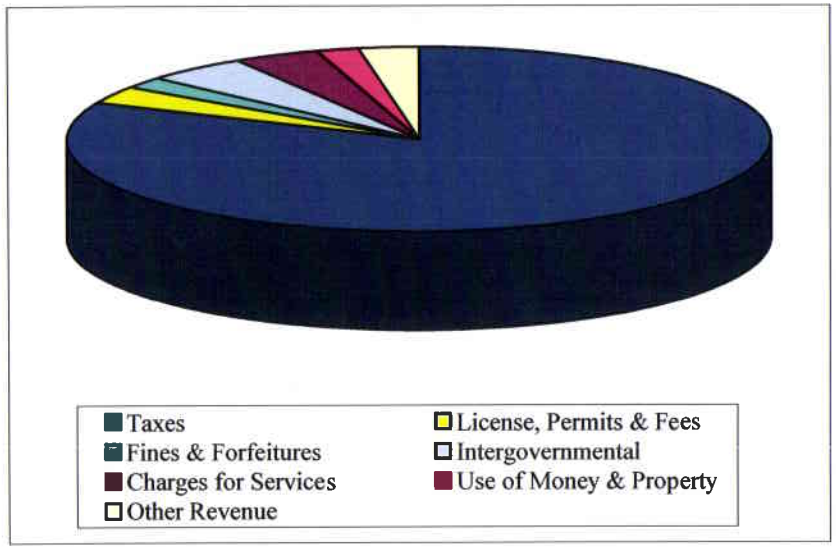
	2007/08 Actuals	2008/09 Transfers	2008/09 Budget	2009/10 Transfers	2009/10 Budget	2010/11 Transfers	2010/11 Budget
Fund Balance:							
Reserved							
Catastrophes	$ 300,000		$ 300,000		$ 300,000		$ 300,000
Contingencies	100,000		100,000		100,000		100,000
Economic Uncertainty		300,000	300,000		300,000		300,000
Retiree Health Benefits	871,449	200,000	1,071,449	(151,896)	919,553	(83,731)	835,822
Future Pension Obligations	250,000		250,000		250,000		250,000
Insurance	332,425	250,000	582,425		582,425		582,425
Account for DBAW Loan	0	350,000	350,000		350,000		350,000
Legal	500,000	(500,000)	0		0		0
Capital Improvements	289,300	(70,700)	218,600		218,600		218,600
Deferred Maintenance	76,855		76,855		76,855		76,855
Total Reserved	2,720,029	529,300	3,249,329	(151,896)	3,097,433	(83,731)	3,013,702
Unreserved							
Undesignated	6,896,775		5,108,189		4,978,280		4,835,224
Total Fund Balance (Reserved & Unreserved)	**$ 9,616,804**		**$ 8,357,518**		**$ 8,075,713**		**$ 7,848,926**

GENERAL FUND TRANSFER SUMMARY

To Fund	From Fund	Purpose	Transfer In (Transfer Out) 2007/08	Transfer In (Transfer Out) 2008/09	Transfer In (Transfer Out) 2009/10	Transfer In (Transfer Out) 2010/11
Transfers In						
General Fund	Designated Reserves	Loan to Willows Theatre	75,000	100,000		
General Fund	Designated Reserves	Legal Expenses		76,137		
General Fund	Designated Reserves	Loan to Marina for dredging	110,000			
General Fund	Designated Reserves	Capital Equipment	10,700	10,700		
General Fund	Designated Reserves	Insurance costs				
General Fund	Designated Reserves	OPEB	3,825,200		151,896	83,731
General Fund	Designated Reserves	Economic Dev. & Marketing Plan	50,000			
	Sub-Total Transfer In		4,070,900	186,837	151,896	83,731
Transfers Out						
Transfer to Other Funds						
Water System	General Fund	Funding of Lifeline for Water	(23,195)	(23,195)	(16,605)	(16,605)
Information Ssytems	General Fund	Equipment from Comcast Grant	(137,781)			
Landscape District	General Fund	Lighting & Landscape		(6,000)		
		Sub-total transfers to other funds	(160,976)	(29,195)	(16,605)	(16,605)
Capital Projects	General Fund	Pavement Management Projects	(5,000)	0		
Capital Project	General Fund	Intermodal Project		(25,000)		
Capital Project	General Fund	Railroad Quiet Zone	(10,000)			
Capital Project	General Fund	General Plan Update	(200,000)	(200,000)		
Capital Project	General Fund	Alhambra Creek Silt Removal	(115,000)			
Capital Project	General Fund	Hillside Drive Emergency Access	(5,000)			
		Sub-total transfers to capital projects	(335,000)	(225,000)	0	0
Transfer to Designated Reserves						
Designated Reserves	General Fund	Retiree Benefits	(300,000)	(200,000)		
Designated Reserves	General Fund	Future Pension Benefit Costs				
Designated Reserves	General Fund	CIP				
Designated Reserves	General Fund	Account for DBAW Loan		(350,000)		
Designated Reserves	General Fund	Economic Uncertainty		(300,000)		
Designated Reserves	General Fund	Insurance		(250,000)		
		Sub-total transfers to designated reserves	(300,000)	(1,100,000)	0	0
	Sub-Total Transfer Out		(795,976)	(1,354,195)	(16,605)	(16,605)
	TOTAL INTERFUND TRANSFERS		**$ 3,274,924**	**$ (1,167,358)**	**$ 135,291**	**$ 67,126**

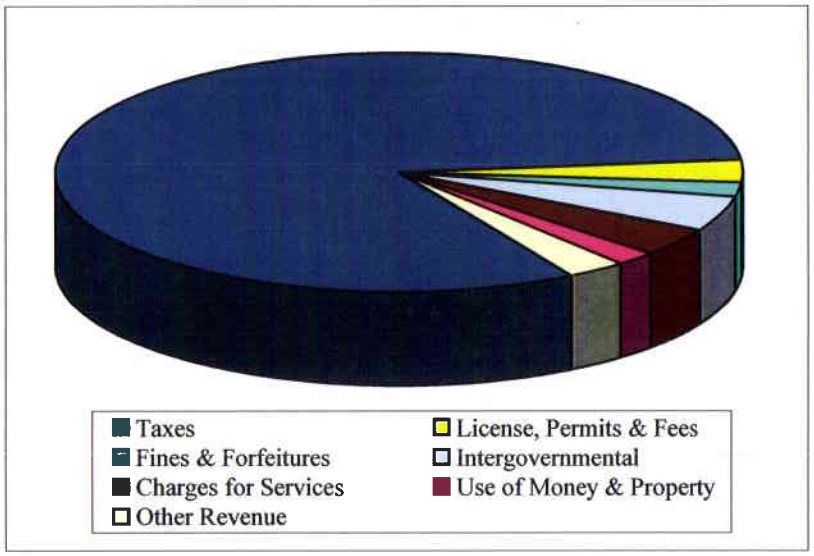
GENERAL FUND REVENUES

FISCAL YEAR 2009-10



Taxes	81.03%	15,755,383
License, Permits & Fees	2.92%	568,000
Fines & Forfeitures	1.92%	373,200
Intergovernmental	4.85%	942,818
Charges for Services	3.71%	721,050
Use of Money & Property	2.07%	402,740
Other Revenue	2.72%	528,870
Transfers In	0.78%	151,896
Total General Fund		**$ 19,443,958**

FISCAL YEAR 2010-11



Taxes	83.01%	15,884,234
License, Permits & Fees	3.06%	584,995
Fines & Forfeitures	1.99%	381,158
Intergovernmental	5.01%	958,946
Charges for Services	3.72%	711,172
Use of Money & Property	2.15%	410,635
Other Revenue	0.62%	119,548
Transfers In	0.44%	83,731
Total General Fund		**$ 19,134,419**

GENERAL FUND - REVENUES

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Taxes					
4111	Property Tax	$ 6,778,683	$ 6,709,548	$ 6,531,074	$ 6,531,074
4199	State Tax Shift				
4115	Sales & Use Tax	2,910,391	2,602,024	2,768,027	2,823,388
4116	Sales Tax In-Lieu	1,042,679	1,099,091	1,023,177	1,043,641
4117	VLF Property Tax Swap	2,619,831	2,663,236	2,593,784	2,593,784
4121	Transient Occupancy Tax	366,408	325,000	325,000	331,500
4122	Business License Tax	624,910	600,000	618,000	636,540
4123	Franchise Fees	1,432,161	1,390,000	1,407,000	1,427,000
4124	Document Transfer Tax	99,668	90,000	90,000	90,000
4130	Water System In-Lieu Tax	369,332	391,492	399,322	407,308
	Total Taxes	16,244,064	15,870,391	15,755,383	15,884,234
License, Permit & Fees					
4430	Building Permits	436,854	400,000	412,000	424,360
4480.1	Taxi/Card Room Fees	1,099	182	1,500	1,500
4440	Mechanical Permits	162,099	150,000	154,500	159,135
	Total License, Permit & Fees	600,052	550,182	568,000	584,995
Fines & Forfeitures					
4281	Court Fines	28,868	30,000	30,600	31,212
4282	Traffic Safety Fund	43,420	45,000	45,900	46,818
4283	Parking Citations	218,370	200,000	225,000	230,000
4285	Tow Releases	36,841	45,000	45,900	46,818
4287	Code Enforcement Citations	100	300	300	300
4290	Abandoned Vehicles	24,519	25,000	25,500	26,010
	Total Fines & Forfeitures	352,119	345,300	373,200	381,158

Budget for Fiscal Years 2009-10 and 2010-11

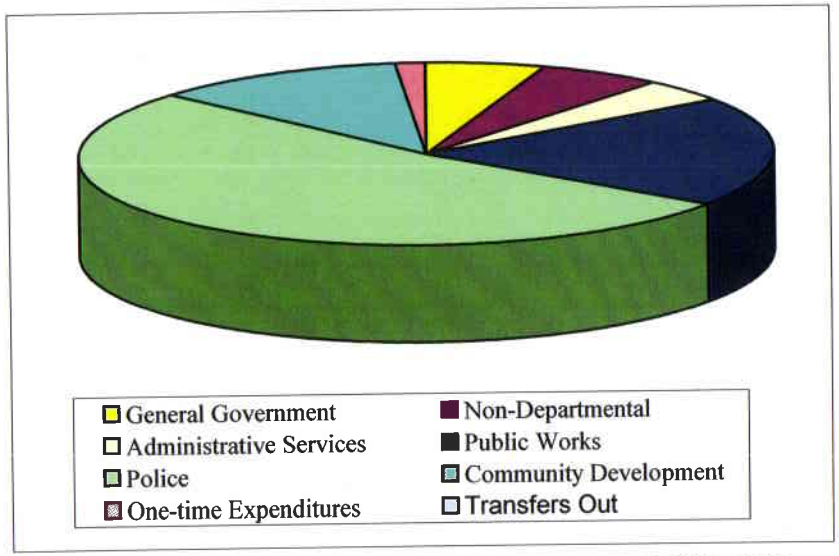
		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Intergovernmental Agencies					
4311	Public Safety Sales Tax Prop 172	382,990	390,000	397,800	405,756
4330	Motor Vehicle-In-Lieu VLF	163,512	141,500	141,500	141,500
4335	Off Highway				
4340	Homeowners Property Tax Relief	67,525	75,000	75,000	75,000
4521	State Grant-POST Reimbursement	21,357	35,000	35,000	35,000
4530	State Mandates	21,203	46,144	75,000	70,000
4531.1	Bulletproof Vest Grant		1,251	1,300	1,300
4380	Booking Fees Reimbursement				
4535	Stimulus Funds			217,218	230,390
4535.6	Recycling Grants	28,415			
4523	State Grants	34,324			
	Total Intergovernmental Revenues	719,327	688,895	942,818	958,946
Charges for Service					
4450	Planning Fees	55,479	65,000	56,000	57,680
4621	Public Works Inspections	132,101	150,000	154,500	159,135
4873	Construction & Demolition	5,100	600		
4625	Environmental Mitigation			50,000	50,000
4622	Engineering Plan Check Fees	163,809	261,244	154,500	159,135
4430.1	Accela Software/Micro-film Fees	4,765	5,000	5,150	5,305
4631	Police Services	20,194	20,500	25,000	25,000
4665	Park Maintenance Fee	30,000	30,000	30,000	30,000
4644.5	Field Usage Fees	18,478	15,000	15,450	15,914
4643	General Recreation Fees	31,831	25,000	25,750	26,523
4643.1	Recreation Class Fees	21,493	25,000	25,750	26,523
4644.1	Sports Programs	39,007	25,000	25,750	26,523
4644.2	Swimming Pool	52,868	45,000	35,000	0
4644.3	Tournament Revenue	10,089	15,000	15,450	15,914
4649	Day Care Fees	99,493	95,000	77,000	87,000
4651	Planning Plan Check Fees	29,484	25,000	25,750	26,523
	Total Charges for Services	714,190	802,344	721,050	711,172

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Use of Money & Property					
4752	Park Rental	17,111	15,000	15,300	15,606
4753	Concession	3,265	4,000	4,080	4,162
4701	Interest Income	715,640	350,000	357,000	364,140
4750	Rental Income	24,130	18,000	18,360	18,727
4751	Senior Center Rental	8,730	8,000	8,000	8,000
4760	Sale of Property				
	Total Use of Money & Property	768,876	395,000	402,740	410,635
Other Revenue					
4815	Water System Admin Fee	89,129	89,129		
4872	Solid Waste	1,884	600	1,000	1,000
4650	Maps & Publications		300	300	300
4825	Interest Payment on Loan	24,847	27,221	26,024	24,771
4826	Principal payment on loan		20,050	27,223	68,477
4870	Miscellaneous Revenue	10,032	47,219	10,000	10,000
4530	Grants	140,676			
4878	Litigation Settlement				
4875	Refunds and Rebates		5,304	5,000	5,000
4875.2	Workers Comp/Liability Rebate		355,826	449,323	
4875.3	Employee Workers Comp Reimbursement		35,472		
4830	Restitution, Damage & Recoveries	1,283	5,549	5,000	5,000
4802	Donations & Contributions	20	5,000	5,000	5,000
	Total Other Revenue	267,869	591,670	528,870	119,548
	Sub-total Operating Revenues	19,666,497	19,243,782	19,292,062	19,050,688
4001	Transfers In	4,070,900	186,837	151,896	83,731
	TOTAL REVENUE GENERAL FUND	**$ 23,737,397**	**$ 19,430,619**	**$ 19,443,958**	**$ 19,134,419**

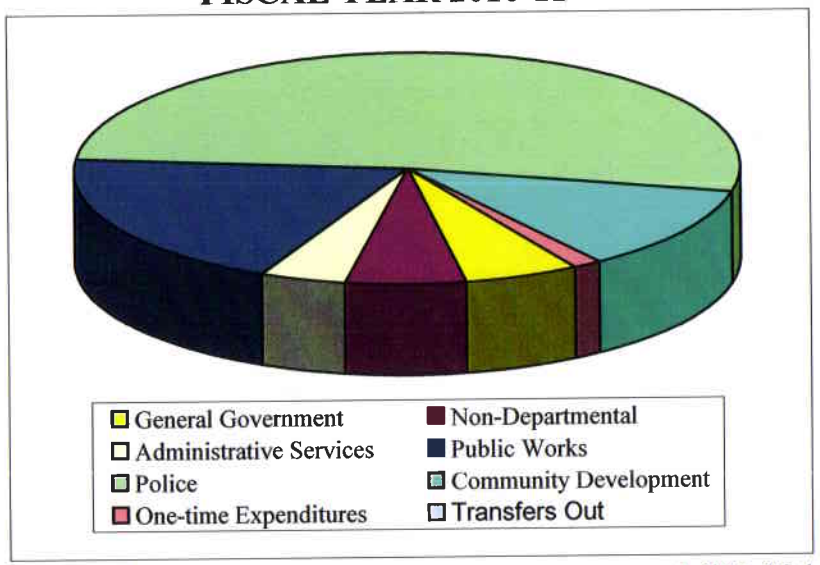
GENERAL FUND EXPENDITURES

FISCAL YEAR 2009-10



General Government	5.58%	1,091,483
Non-Departmental	5.91%	1,157,605
Administrative Services	4.13%	807,486
Public Works	19.51%	3,819,013
Police	51.84%	10,146,172
Community Development	11.52%	2,255,606
One-time Expenditures	1.43%	279,896
Transfers Out	0.08%	16,605
Total General Fund		**$ 19,573,867**

FISCAL YEAR 2010-11



General Government	5.69%	1,097,034
Non-Departmental	5.95%	1,147,391
Administrative Services	4.06%	783,043
Public Works	19.67%	3,791,918
Police	52.56%	10,131,496
Community Development	10.88%	2,098,257
One-time Expenditures	1.10%	211,731
Transfers Out	0.09%	16,605
Total General Fund		**$ 19,277,475**

GENERAL FUND EXPENDITURES BY DEPARTMENT

	2007/08 Actual	2008/09 Budget	2009/10 Budget	2010/11 Budget
0100101 City Council	318,659	305,365	273,441	279,246
0100102 City Clerk	135,275	169,998	159,264	181,318
0100103 City Treasurer	11,559	13,068	14,452	14,921
0100104 City Manager	432,611	396,087	517,898	495,222
0100105 City Attorney	157,526	238,602	126,428	126,327
Total General Government Expenditures	1,055,630	1,123,120	1,091,483	1,097,034
0100201 General Services	145,830	196,308	189,255	159,255
0100202 Franchise	99,247	95,188	81,299	81,638
0100203 Contingencies		195,500	212,500	124,500
0100204 Retiree Benefits	5,048,993	726,816	674,551	781,998
Total Non-departmental Expenditures	5,294,070	1,213,812	1,157,605	1,147,391
0100401 Administration	159,530	172,275	177,252	172,262
0100402 Personnel	112,961	147,927	167,779	156,430
0100404 Finance	437,672	488,666	462,456	454,351
Total Administrative Services Expenditures	710,163	808,868	807,486	783,043
0100502 Inspection	724,636	756,928	751,777	742,948
0100503 Code Enforcement	119,774	126,632	136,391	135,221
0100710 Traffic Control Maintenance	213,928	223,051	226,022	229,166
0100712 Street Lighting	323,076	362,542	355,332	356,475
0100720 Parks/Grounds Maintenance	1,232,115	1,317,663	1,298,025	1,285,203
0100723 Cemetery Maintenance	44,148	45,662	53,074	54,166
0100724 Open Space Maintenance	94,988	90,758	97,756	98,812
0100730 Public Facilities Maintenance	144,879	151,763	169,673	171,621
0100790 City Hall Building Maintenance (1)	0	0	0	0
0100791 Maintenance Services	636,277	769,116	730,963	718,305
Total Public Works Expenditures	3,533,821	3,844,115	3,819,013	3,791,918

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Budget	2009/10 Budget	2010/11 Budget
0100601 Police Administration	1,148,312	1,348,559	1,349,908	1,362,394
0100602 Investigative Services	1,347,293	1,300,986	1,270,514	1,225,457
0100603 Support Services	1,504,250	1,583,405	1,556,875	1,588,379
0100604 Traffic Enforcement - Patrol	418,259	491,095	630,570	614,973
0100605 Field Services - Patrol	5,269,957	5,326,385	5,322,457	5,324,445
0100607 Emergency Services	25,486	20,955	15,848	15,848
Total Police Department Expenditures	9,713,557	10,071,385	10,146,172	10,131,496
0100701 Community Development	261,584	299,823	307,352	303,869
0100702 Economic Development	252,488	239,165	16,790	16,790
0100703 Planning	519,323	514,643	450,715	447,658
0100704 Engineering	345,993	354,844	374,590	360,791
0100801 Community Services Administration	488,309	497,644	369,607	365,781
0100802 Cultural & Arts	174,341	206,405	76,570	52,570
0100803 General Recreation	79,616	60,866	64,127	62,906
0100804 Municipal Swimming Pool	127,533	120,437	114,376	1,323
0100805 Amphitheatre	11,581	10,550	11,562	11,564
0100806 Day Care	64,774	69,806	57,147	64,149
0100808 Sports Programs	65,934	92,717	81,835	80,410
0100809 Senior Center Programs	287,774	327,910	321,855	321,666
0108091 Alzheimer Respite	5,986	8,900	9,082	8,780
Total Community Development	2,685,236	2,803,710	2,255,606	2,098,257
Total General Fund Operating	22,992,477	19,865,010	19,277,366	19,049,139
One-time expenditures			279,896	211,731
Transfers Out	795,976	1,354,195	16,605	16,605
Total General Fund Expenditures & Transfers	**$ 23,788,453**	**$ 21,219,205**	**$ 19,573,867**	**$ 19,277,475**

1. City Hall Building Maintenance costs are distributed among the departments located in City Hall.

GENERAL FUND 10 YEAR HISTORY OF REVENUES

Description	Actual 2001/02	Actual 2002/03	Actual 2003/04	Actual 2004/05	Actual 2005/06	Actual 2006/07	Actual 2007/08	Budget 2008/09	Budget 2009/10	Budget 2010/11
Property Taxes	4,435,184	4,591,561	5,072,309	5,603,872	6,048,835	6,749,316	6,778,683	6,709,548	6,531,074	6,531,074
Sales Tax	3,730,588	2,981,530	3,683,973	3,770,933	4,271,279	3,995,664	3,953,070	3,701,115	3,791,204	3,867,028
VLF Property Tax Swap				1,971,541	2,387,675	2,438,135	2,619,831	2,663,236	2,593,784	2,593,784
Franchise Fees	883,750	926,379	962,045	946,323	1,294,839	1,253,130	1,432,161	1,390,000	1,407,000	1,427,000
Other Taxes	1,229,572	1,223,032	1,205,727	929,214	991,634	1,613,241	1,460,318	1,406,492	1,432,322	1,465,348
Licenses, Permits and Fees	380,802	381,300	330,785	462,333	609,979	818,761	600,052	550,182	568,000	584,995
Fines & Forfeitures	280,697	387,676	224,370	306,180	276,466	287,997	352,119	345,300	373,200	381,158
Intergovernmental Agencies	2,823,289	3,307,920	2,227,012	1,404,571	839,841	1,134,651	719,327	688,895	942,818	958,946
Charges for Services	674,532	593,072	617,611	686,358	988,135	751,967	714,190	802,344	721,050	711,172
Use of Money and Property	373,688	232,712	167,824	275,192	487,456	602,165	768,876	395,000	402,740	410,635
Other Revenue	454,247	262,239	157,940	124,021	1,692,389	1,182,514	267,869	591,670	528,870	119,548
Total Operating	15,266,349	14,887,421	14,649,595	16,480,540	19,888,527	20,827,540	19,666,497	19,243,782	19,292,062	19,050,688
Transfer In from Other Funds	8,093	213,318	150,000				4,070,900	186,837	151,896	83,731
Total General Fund Revenues	**$ 15,274,442**	**$ 15,100,739**	**$ 14,799,595**	**$ 16,480,540**	**$ 19,888,527**	**$ 20,827,540**	**$ 23,737,397**	**$ 19,430,619**	**$ 19,443,958**	**$ 19,134,419**

GENERAL FUND 10 YEAR HISTORY OF EXPENDITURES

Description	Actual 2001/02	Actual 2002/03	Actual 2003/04	Actual 2004/05	Actual 2005/06	Actual 2006/07	Actual 2007/08	Budget 2008/09	Budget 2009/10	Budget 2010/11
General Government	981,212	801,417	791,443	827,226	1,429,774	827,226	1,055,630	1,123,120	1,091,483	1,097,034
Non Departmental	672,191	1,157,970	583,170	262,262	722,956	262,262	5,294,070	1,213,812	1,157,605	1,147,391
Administrative Services	596,745	402,692	578,413	596,296	691,218	596,296	710,163	808,868	807,486	783,043
Community Development	4,182,718	4,171,614	4,458,028	4,547,174	4,615,527	4,547,174	2,685,236	2,803,710	2,255,606	2,098,257
Community Services										
Public Works							3,533,821	3,844,115	3,819,013	3,791,918
Building Department	580,976	609,678	618,245	763,635	826,781	763,635				
Police Services	6,505,642	7,255,249	7,355,196	8,295,540	8,342,456	8,295,540	9,713,557	10,071,385	10,146,172	10,131,496
Total Operating	13,519,484	14,398,620	14,384,495	15,292,133	16,628,712	15,292,133	22,992,477	19,865,010	19,277,366	19,049,139
One-time expenditures									279,896	211,731
Transfer To Other Funds	765,575	731,846	1,336,189	938,023	2,205,776	938,023	795,976	1,354,195	16,605	16,605
Total General Fund Expenditures	**$ 14,285,059**	**$ 15,130,466**	**$ 15,720,684**	**$ 16,230,156**	**$ 18,834,488**	**$ 16,230,156**	**$ 23,788,453**	**$ 21,219,205**	**$ 19,573,867**	**$ 19,277,475**

Note: The General Fund 10 Year History reflects reorganization of City Departments implemented in 2001/02.

1. Starting in 2005/06 Economic Development was moved from Community Development to General Government.
2. Starting in 2007/08 Maintenance Services was moved from Community Development to Public Works.
3. Starting in 2007/08 Building Department was moved to Public Works.
4. Starting in 2007/08 Economic Development was moved to Community Development.

GENERAL FUND FOUR YEAR BUDGET PROJECTIONS
2009-10 TO 2014-15

Revenues

- Property tax revenues will increase 1% in 2011/12 and 2% per year thereafter based on the assumption of slow growth to the housing market throughout the region.
- Sales Tax and Sales Tax In-Lieu are expected to increase 2% in 2011/12 and 3% thereafter.
- Water System In-Lieu Tax is expected to increase at the same rate as property taxes (1% & 2% for each year thereafter), along with Document Transfer Tax and VLF Property Tax Swap.
- Business License Tax, Transient Occupancy Tax and Franchise Fees will increase 3% each year.
- Licenses and permits is expected to increase by 3% in both years.
- Fines and forfeits, current fees and income from use of property are expected to increase by 2% in both years.
- Intergovernmental will increase 2% for Public Safety Sales Tax, Motor Vehicle In-Lieu Tax, and Homeowners' Property Tax Relief. All other intergovernmental revenues are projected to remain unchanged.

Expenditures

- Salaries will increase based on current MOU provisions and employee merit increases. Out years assume merit and for budgeting purposes are tied to property tax and sale tax increase of 1% in 2011/12 and 2% thereafter.
- Health benefits projections are based on the OPEB actuarial assumptions of 7% in 2011/12; 6.5% 2012/13; 6% 2013/14; and 5.5% in 2014/15.
- PERS employer rates (from PERS Actuary):

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Sworn	37.30%	37.30%	38.40%	41.70%	46.10%	46.10%
Misc JFA	10.34%	10.34%	10.74%	12.04%	13.84%	13.84%
Misc City	9.26%	9.26%	11.26%	12.26%	13.26%	13.26%

In addition, current MOU's provide for the City to pay the employee portion of 7% for Miscellaneous and 9% for Sworn. Non-salary/benefit operating expenditures are expected to match anticipated CPI increases of 2% annually. One-time expenditures are not included in future year projections.

Budget for Fiscal Years 2009-10 and 2010-11

GENERAL FUND PROJECTIONS

	2008/09 Budget	2009/10 Projected	2010/11 Projected	2011/12 Projected	2012/13 Projected	2013/14 Projected	2014/15 Projected
REVENUE							
Taxes	15,870,391	15,755,383	15,884,234	16,133,720	16,524,662	16,925,470	17,336,404
Licenses, Permits & Fees	550,182	568,000	584,995	601,000	619,030	637,601	656,729
Fines & Forfeitures	345,300	373,200	381,158	391,864	402,878	414,206	425,860
Intergovernmental	688,895	942,818	958,946	942,091	724,395	737,343	750,550
Charges for Services	802,344	721,050	711,172	724,198	744,112	764,619	785,739
Use of Money & Property	395,000	402,740	410,635	422,329	434,568	447,170	460,146
Other Revenue	591,670	528,870	119,548	81,848	82,157	82,506	82,864
Total Revenue	19,243,782	19,292,062	19,050,688	19,297,051	19,531,801	20,008,915	20,498,292
EXPENDITURES							
General Government	1,123,120	1,091,483	1,097,034	1,099,186	1,121,166	1,145,845	1,103,054
Nondepartmental	1,213,812	1,157,605	1,147,391	1,149,727	1,204,223	1,257,818	1,309,926
Administrative Services	808,868	807,486	783,043	780,786	811,413	847,313	847,234
Community Development	2,803,710	2,255,606	2,098,257	2,320,572	2,377,591	2,442,267	2,431,799
Public Works	3,844,115	3,819,013	3,791,918	3,742,221	3,840,758	3,951,351	4,005,131
Police Services	10,071,385	10,146,172	10,131,496	10,208,934	10,530,091	10,895,752	10,973,704
Total Expenditures	19,865,010	19,277,366	19,049,139	19,301,426	19,885,243	20,540,347	20,670,850
Operating Surplus (Deficit)	**(621,228)**	**14,696**	**1,549**	**(4,375)**	**(353,442)**	**(531,432)**	**(172,557)**
UNDESIGNATED FUND BALANCE							
Beginning Balance	6,896,775	5,108,189	4,978,280	4,835,224	4,814,244	4,444,198	3,896,161
Fund Bank Account with DBAW	(350,000)						
Transfer to Capital Improvements & Programs	(225,000)	0	0				
Transfers for One-Time Expenditures		(279,896)	(211,731)				
Funding of Lifeline for Water	(23,195)	(16,605)	(16,605)	(16,605)	(16,605)	(16,605)	(16,605)
Transfers In(Out) Other Funds	(6,000)	0	0				
Transfer In(Out) Designated Reserves	(563,163)	151,896	83,731	0	0	0	0
Undesignated Fund Balance	**5,108,189**	**4,978,280**	**4,835,224**	**4,814,244**	**4,444,198**	**3,896,161**	**3,706,998**
DESIGNATED FUND BALANCE							
Catastrophes	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Contingencies	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Economic Uncertainty	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Retiree Health Benefits	1,071,449	919,553	835,822	835,822	835,822	835,822	835,822
Future Pension Obligations	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Insurance	582,425	582,425	582,425	582,425	582,425	582,425	582,425
DBAW Loan	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Capital Improvements	218,600	218,600	218,600	218,600	218,600	218,600	218,600
Deferred Maintenance	76,855	76,855	76,855	76,855	76,855	76,855	76,855
Designated Fund Balance	**3,249,329**	**3,097,433**	**3,013,702**	**3,013,702**	**3,013,702**	**3,013,702**	**3,013,702**
Total Undesignated & Designated	**$ 8,357,518**	**$ 8,075,713**	**$ 7,848,926**	**$ 7,827,946**	**$ 7,457,900**	**$ 6,909,863**	**$ 6,720,700**

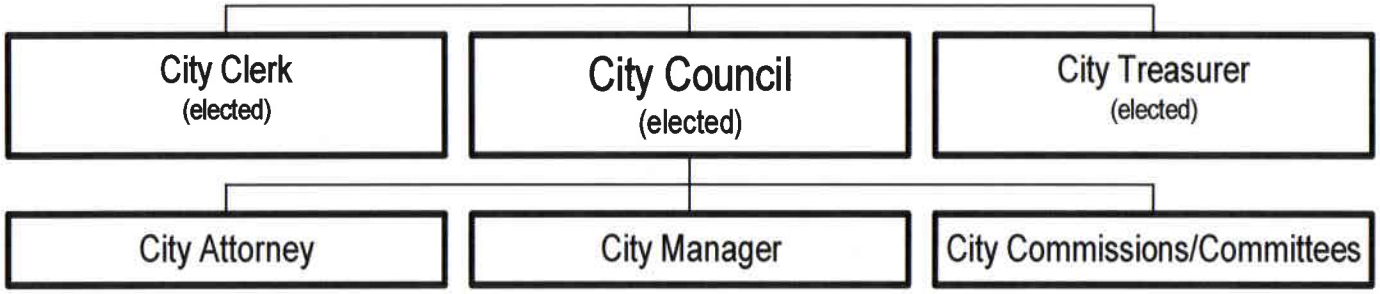
DEBT SERVICE FUND - REVENUE

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
	2003 Debt Service (41)				
4701	Interest Income	25,205			
4755	Rental Charges-City	254,256	259,519	260,031	243,138
	Total 2003 Debt Service	**279,461**	**259,519**	**260,031**	**243,138**
	2009 Debt Service (44)				
4701	Interest Income				
4820	Bond Premium		160,000		
4185	Tax Levy			386,025	1,123,144
	Total 2009 Debt Service	**-**	**160,000**	**386,025**	**1,123,144**
	TOTAL DEBT SERVICE	**$ 279,461**	**$ 419,519**	**$ 646,056**	**$ 1,366,282**

DEBT SERVICE - EXPENDITURES

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Debt Service							
41	2003 COP - CITY HALL						
	Operating	3,374	2,000	3,500	*1,500*	3,500	
	Debt Service	252,256	257,519	256,531	*(988)*	259,638	*3,106*
	TOTAL 1992 COP - CITY HALL	255,630	259,519	260,031	*513*	263,138	*3,106*
44	2009 GOP- MEASURE H						
	Operating						
	Debt Service			546,025	*546,025*	1,123,144	*577,119*
	TOTAL 2009 GOP - MEASURE H			546,025	*546,025*	1,123,144	*577,119*
	TOTAL DEBT SERVICE FUNCTION	**$ 255,630**	**$ 259,519**	**$ 806,056**	***$ 546,538***	**$ 1,386,282**	***$ 580,225***

General Government



General Government

City Council
- Establish City goals and policies

City Manager
- Policy Development
- Policy Implementation
- Redevelopment
- Direction/Leadership of City Staff

City Clerk
- City Records Management
- Community Meetings Liaison
- Conduct Elections

City Attorney
- Legal Advice and Representation

City Treasurer
- Integrity/Fidelity of City Finances

The General Government group supports all City programs. Programs within this section provide overall operational management, policy direction, public meeting and record administration, legal services, and a variety of non-departmental services. Functional areas of General Government include the City Council, City Manager, City Clerk, City Attorney (a contracted service), and City Treasurer. The City Council, including the Mayor, City Clerk and City Treasurer, are elected positions. Authorized positions in this area include the City Manager, Secretary to the City Manager, and Deputy City Clerk.

DEPARTMENT STAFFING

Authorized Positions	2007-08	2008-09	2009-10	2010-11
City Manager	1.0	1.0	1.0	1.0
Secretary to City Manager	1.0	1.0	1.0	1.0
Deputy City Clerk	1.0	1.0	1.0	1.0
	3.0	3.0	3.0	3.0

*position moved to Community and Economic Development Department

GENERAL GOVERNMENT

CITY COUNCIL

The Martinez City Council is comprised of the Mayor and four Council Members who are each elected at-large for four-year terms. The Council is responsible for representing the residents of Martinez, providing policy and programmatic direction to the City Manager and City organization, and ensuring staff accountability for carrying out policies responsive to the needs of the community.

The following overarching goals were identified for the 2009-11 budget period:

- ✓ Economic development, revitalization, and redevelopment.
- ✓ Marina improvements.
- ✓ Public safety and emergency preparedness.
- ✓ Adoption of an unreinforced masonry ordinance.
- ✓ Improvements to the City's parks, library, and pool.
- ✓ Alhambra Valley/North Pacheco annexation.
- ✓ Implement Downtown Specific Plan with an emphasis on additional housing.
- ✓ General Plan revision.
- ✓ Parking structure.
- ✓ Ferry system.

2009-2011 BUDGET HIGHLIGHTS

- ❑ $8,000 decrease each year for reductions to newsletter, supplies, employee functions, and meetings and travel.

CITY MANAGER

It is the responsibility of the City Manager to assist the City Council in developing and evaluating policies that meet the needs of Martinez residents and customers, to ensure effective implementation of adopted policies, and to provide direction and leadership to the City government staff. The City Manager's significant accomplishments in 2007-09 include providing leadership and/or direct management for the following key projects and programs in support of the 2007-09 goals of the City Council:

2007-2009 ACCOMPLISHMENTS

- Began implementing the Downtown Specific Plan.
- Updated market feasibility study of 2003 and identified targeted retail businesses to enhance economic vitality downtown.
- Determined feasibility and facilities needed for ferry service to Martinez.
- Continued marina improvements, including removal of old Ferry Pier and reconstruction and dredging of the marina.
- Marketed and programmed the Amphitheater to expand its use as a venue for vibrant summer activities.
- Consolidated support for Main Street and Chamber organizations in context of the City's economic development efforts.
- Expanded the Citizen Emergency Response Training program and implemented emergency training for all City employees.
- Completed the update of the Parks and Recreation Master Plan.
- Purchased Zocchi Property as part of the Phase 3 Intermodal project.
- Established the Council Public Safety Subcommittee to enhance communication with the public.
- Expanded efforts to repair and maintain streets, including major projects to improve Alhambra Avenue.
- Selected development project for 630 Court Street.
- Achieved voter approval for the $30M Measure H Parks and Library Bond.
- Began to address homeless issues in downtown area.

The City Manager's specific objectives directly support the 2009-11 goals of the City Council:

2009-2011 KEY OBJECTIVES

- Continue work on the short and long-term disposition of the Zocchi site.
- Commence General Plan update.
- Begin implementation of the $30M Measure H Parks and Library Bond to improve the parks, library, and pool.
- Complete Housing Element update.
- Continue researching Alhambra Valley and North Pacheco annexations.
- Implement Downtown Specific Plan.

2009-2011 KEY OBJECTIVES (continued)

- Foster development of 630 Court Street and RCD affordable housing projects.
- Identify and secure available Federal, State, and local grant funding.
- Complete Emergency Operations Plan and begin table top exercises with City staff.
- Adopt an unreinforced masonry ordinance.
- Reduce worker injuries and mitigate liability exposure risks.
- Negotiate expiring labor contracts with three bargaining units.
- Complete design plans for new Corporation Yard.

2009-2011 BUDGET HIGHLIGHTS

- $2,700 decrease each year for memberships.

CITY CLERK

The Martinez City Clerk, who is elected at-large and serves in a part-time capacity, is the formal guardian of public information, administers oaths of office, and verifies all resolutions and ordinances. The Deputy City Clerk, a full-time staff position, is responsible for ensuring the security and accessibility of all official City records; serving as the information and records manager of all legislative proceedings; conducting all aspects of municipal elections; and serving as a support office to the City Clerk, City Council, City Manager and staff, City boards and commissions, and the residents of Martinez. During the period FY 2005-07, the City Clerk:

- Conducted a regular election in November 2008.
- Worked with Information Systems to provide citizens access to the Municipal Code through the City's website.
- Completed Phase II of the laserfiche digital records storage system project to archive all permanent records.

Objectives for FY 2009-11 include:

- Complete Phase I of project to convert all current City Clerk files to laserfiche
- Implement program for uploading FPPC State forms on line for public access.
- Work with the Martinez Museum on a loan program to display City's original hand written minutes at the Museum for public viewing.

2009-2011 BUDGET HIGHLIGHTS

- $2,500 decrease each year for professional services related to laserfiche archiving.

CITY ATTORNEY

The City Attorney provides the City Council, City Manager, and all City programs with the legal advice and representation they request or require in order to provide service to the public. The City Attorney also is responsible for advising or taking appropriate steps to reduce the risks of various City activities, and for assisting in the administration and enforcement of laws, regulations, and City programs. The City Attorney's regular duties include: representing the City in legal matters and providing advice as requested on a variety of issues and concerns; attending City Council meetings to provide expert counsel, clarification, and interpretation; and providing information and assistance to City staff as needed to support program and service delivery efforts. City Attorney services are provided to the City of Martinez on a contractual basis.

2009-2011 BUDGET HIGHLIGHTS

- $2,000 decrease each year for subscriptions.

CITY TREASURER

The City Treasurer, a part-time elected official of the City of Martinez, is charged with ensuring the integrity and fidelity of City finances and signing all checks issued by the City.

NONDEPARTMENTAL SERVICES

This budget group consists of General Services, Franchise Administration, Retired Employees, and Contingency. It accounts for expenditures that are not based in a specific program. No positions are allocated here. A description of each area within this group is provided below.

GENERAL SERVICES

This budget includes general operating supplies and equipment such as postage, telephone charges and contracted maintenance and repair.

FRANCHISE ADMINISTRATION

Expenditures related to the City's solid waste, recycling, and cable television franchises are budgeted here.

RETIRED EMPLOYEES

This is the budget for the current year cost of the retired employees' medical benefit.

CONTINGENCY

Funds have been designated for unknown but anticipated budget increases.

2009-2011 BUDGET HIGHLIGHTS

- $45,735 increase in 2009-10 and $143,182 increase in 2010-11 for Retiree Benefits.
- $10,000 increase in 2010-11 for actuarial report.
- $37,000 decrease in 2009-10 and $125,000 decrease in 2010-11 in Contingency.
- $30,000 decrease each year in Franchise Administration for Green/AB939 Program Support (potentially offset by grant funds).
- $17,500 decrease each year for Professional Studies.
- $15,000 decrease each year for Furniture and Fixtures.

GENERAL GOVERNMENT EXPENDITURES

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
General Government						
01 101 CITY COUNCIL						
Labor	95,686	102,723	104,480	*1,757*	110,512	*6,032*
Operating	187,730	174,802	132,899	*(41,903)*	137,399	*4,500*
Direct & Indirect Costs	35,243	27,840	36,062	*8,222*	31,335	*(4,727)*
TOTAL CITY COUNCIL	318,659	305,365	273,441	*(31,924)*	279,246	*5,805*
01 103 CITY TREASURER						
Labor	13,077	14,497	15,897	*1,400*	16,623	*726*
Operating	323	1,001	1,031	*30*	925	*(106)*
Direct & Indirect Costs	(1,841)	(2,430)	(2,476)	*(46)*	(2,628)	*(152)*
TOTAL CITY TREASURER	11,559	13,068	14,452	*1,384*	14,921	*469*
01 104 CITY MANAGER						
Labor	482,342	446,947	480,890	*33,943*	481,775	*885*
Operating	20,714	39,238	102,714	*63,476*	80,614	*(22,100)*
Direct & Indirect Costs	(70,445)	(90,098)	(65,706)	*24,392*	(67,167)	*(1,461)*
TOTAL CITY MANAGER	432,611	396,087	517,898	*121,811*	495,222	*(22,676)*
01 102 CITY CLERK						
Labor	128,042	138,733	154,324	*15,591*	157,656	*3,332*
Operating	23,004	58,860	29,801	*(29,059)*	53,834	*24,032*
Direct & Indirect Costs	(15,771)	(27,595)	(24,861)	*2,734*	(30,172)	*(5,311)*
TOTAL CITY CLERK	135,275	169,998	159,264	*(10,734)*	181,318	*22,054*

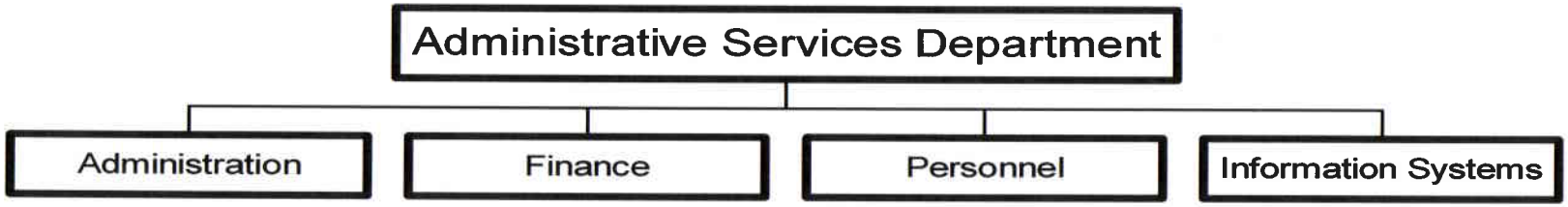
Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
01 105 CITY ATTORNEY						
Labor						
Operating	271,788	366,479	253,132	*(113,347)*	253,135	*2*
Direct & Indirect Costs	(114,262)	(127,877)	(126,705)	*1,172*	(126,807)	*(102)*
TOTAL CITY ATTORNEY	157,526	238,602	126,428	*(112,174)*	126,327	*(100)*
TOTAL GENERAL GOVERNMENT	**$ 1,055,630**	**$ 1,123,120**	**$ 1,091,483**	***$ (31,637)***	**$ 1,097,034**	***$ 5,551***

NONDEPARTMENTAL EXPENDITURES

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Nondepartmental						
01 201 GENERAL SERVICES						
Operating	143,313	186,308	184,255	*(2,053)*	154,255	*(30,000)*
Capital	2,517	10,000	5,000	*(5,000)*	5,000	
Direct & Indirect Costs						
TOTAL GENERAL SERVICES	145,830	196,308	189,255	*(7,053)*	159,255	*(30,000)*
01 202 FRANCHISE ADMINISTRATION						
Labor						
Operating	71,667	64,250	50,700	*(13,550)*	50,700	
Capital						
Direct & Indirect Costs	27,580	30,938	30,599	*(339)*	30,938	*339*
TOTAL FRANCHISE ADMINISTRATION	99,247	95,188	81,299	*(13,889)*	81,638	*339*
01 204 RETIRED EMPLOYEES						
Labor						
Operating	5,048,993	726,816	674,551	*(52,265)*	781,998	*107,447*
TOTAL RETIRED EMPLOYEES	5,048,993	726,816	674,551	*(52,265)*	781,998	*107,447*
01 203 CONTINGENCY						
Labor		160,000	117,500	*(42,500)*	102,000	*(15,500)*
Operating		35,500	95,000	*59,500*	22,500	*(72,500)*
TOTAL CONTINGENCY		195,500	212,500	*17,000*	124,500	*(88,000)*
TOTAL NONDEPARTMENTAL	**$ 5,294,070**	**$ 1,213,812**	**$ 1,157,605**	***$ (56,207)***	**$ 1,147,391**	***$ (10,214)***

Administrative Services Department



Administrative Services Department

Administration
- Risk Management/Safety Program
- Contract/Franchise Agreements
- Waste, Recycling, and Green Programs
- Citywide Policies and Programs

Finance
- Payroll
- Billing and Collections
- Accounts Payable and Receiveable
- Financial Audits and Reports
- Budget Preparation and Analysis
- Business Licenses

Personnel
- Recruitments
- Employee Benefits
- Labor Relations

Information Systems
- Computer Support
- Telephones and Data Accessories
- City Website

The Administrative Services Department is charged with the overall administration of several City programs, including Risk Management; Contract/Franchise Agreements; Financial Management; Human Resources; Solid Waste, Recycling, and Sustainability Programs; and Information Systems.

DEPARTMENT STAFFING

Authorized Positions	2007-08	2008-09	2009-10	2010-11
Assistant City Manager	1.0	1.0	1.0	1.0
Sr. Management Analyst	1.0	1.0	1.0	1.0
Personnel Technician	1.0	1.0	1.0	1.0
Finance Manager	1.0	1.0	1.0	1.0
Accountant	1.0	1.0	1.0	1.0
Senior Account Technician	2.0	2.0	2.0	2.0
Account Technician III	1.0	1.0	0.0	0.0
Account Technician II	2.0	2.0	3.0	3.0
Information Systems Specialist	1.0	1.0	1.0	1.0
	11.0	11.0	11.0	11.0

ADMINISTRATION

Administration oversees risk management; contract/franchise administration; City policies and programs; the safety program; solid waste, recycling, and sustainability programs; and State mandated services reimbursement programs. The City participates in the Municipal Pooling Authority of Northern California (MPA) for its risk management programs. Administration directs the activities of Personnel, Finance, and Information Systems for the City.

2007-2009 ACCOMPLISHMENTS

- Directed preparation of the City's budgets and annual financial reports and received excellence awards from GFOA and CSMFO.
- Directed the sale of $15M in bonds to finance Measure H, the Parks, Library, and Pool Improvement Bond
- Achieved 6th consecutive Loss Control Credit Program Safety Excellence Award.
- Coordinated the audit of the City's business license taxes.
- Developed or updated several City policies.
- Represented the City on the MPA Board of Directors.
- Negotiated an expired labor contract with one bargaining unit.
- Coordinated interim year revisions to the City's User Fee Schedule.
- Coordinated the SB90 State Mandated Claims program, resulting in reimbursements of over $80K the past two years.
- Managed City franchises and leases representing approximately $1.4 million in annual revenue.
- Implemented City ordinance establishing franchise and Public-Educational-Government support fees for State video franchisee.
- Developed a Climate Action Plan to reduce greenhouse gas emissions.
- Managed solid waste and recycling programs, including over $40K in State grant funds.
- Researched, coordinated, and prepared Secondhand Smoking Ordinance.
- Applied for available energy grant funds through the federal American Recovery and Reinvestment Act of 2009.

2009-2011 KEY OBJECTIVES

- Enter into an MOU with CCTV and the Cable Consortium for Government Channel support by October 2009.
- Negotiate expiring labor contract with three bargaining units.
- Implement Wi-Fi project in the downtown in 2009-10.
- Prepare budgets and financial reports that provide meaningful information and meet State and national standards of excellence.
- Obtain grant funds to implement the Climate Action Plan and promote green program efforts in 2009-10.

2009-2011 BUDGET HIGHLIGHTS

- $6,000 decrease each year for professional services and employee functions/training.

PERSONNEL

Personnel provides support services to all City departments including recruitment and examination, new employee orientations, labor relations, employee benefit administration, workers' compensation claims, staff training and development, and maintenance of official personnel files. Personnel ensures compliance with State and Federal laws, Civil Service Rules, City policies, and various memorandums of understanding. The Division works closely with the MPA, of which the City is a member, coordinates with ICMA, the City's deferred compensation administrator, and CalPERS, the California Public Employees' Retirement System.

2007-2009 ACCOMPLISHMENTS

- Assisted in the contract negotiations of one bargaining unit.
- Completed recruitments for 15 positions including Police Officer, Sergeant, Commander, Dispatcher, Maintenance Lead, Maintenance Supervisor, General Laborer, Account Technician I, and Planning Manager.
- Revised employee new hire and separation forms and procedures.
- Reorganized records storage which improved efficiency and increased available work space.
- Enhanced the visibility of the Job Interest and Status of Application requests, which resulted in 1000+ online requests.
- Coordinated a brown-bag lunch series for employees regarding retirement planning and benefits.
- Audited retirement health benefits and enhanced the tracking system.
- Coordinated meeting with retirees and Kaiser regarding changes in the health plan.
- Processed 2000+ entries in the HRIS system.
- Audited Management training and Class B drivers' requirements and created a tracking system to ensure compliance.

2009-2011 KEY OBJECTIVES

- Assist in negotiations of expiring labor contracts for three bargaining units.
- Sponsor Wellness Events and activities and continue to increase attendance.
- Evaluate the MUNIS capabilities for COBRA tracking and position control as options to improve efficiency.
- Complete the procedures for Personnel processes and train other departments to improve communication and efficiency.

2009-2011 BUDGET HIGHLIGHTS

- $12,000 increase in 2009-10 and $14,000 increase in 2010-11 for labor negotiations.
- $3,000 decrease each year for advertising.

FINANCE

Finance prepares and monitors the biennial budget and Comprehensive Annual Financial Report (CAFR), coordinates annual and special audits, prepares annual State reports, issues fiscal status reports, and calculates the annual appropriation limit. Finance provides support services to other departments including general accounting, budget preparation, accounts payable, accounts receivable, payroll and employee benefits. In addition, Finance administers the City's treasury and revenue operations, manages debt service, maintains the general ledger, issues business licenses and parking permits, applies job costing, staffs the public cashier counter, and processes billing and collection of water revenues. Finance monitors the City's capital improvement budget and coordinates major financing transactions for capital projects.

2007-2009 ACCOMPLISHMENTS

- Prepared GASB 44 compliant CAFR.
- Participated in the sale of $15M in bonds to finance Measure H, the Parks, Library, and Pool Improvement Bond.
- Received excellence awards from GFOA and CSMFO for the City's 2007-09 Budget, and from GFOA for the CAFR.
- Implemented automatic utility billing payments through ACH and EFT for customer convenience and faster receipt of funds.
- Completed RFPs for collections on delinquent accounts and for audit services.
- Assisted with audit of the City's business license taxes.
- Implemented GASB 43 and 45 Other Post Employment Benefits (OPEB) requirements to comply with State and Federal standards.
- Initiated scanning of all checks and automatic payment tickets for paperless backup of financial records.
- Began instituting new drought provisions for the water billing system.
- Processed over 60,000 water billings and 3,500 building permit receipts.
- Issued over 2,700 business license annual renewals, including the processing of 200 new licenses and 400 quarterly renewals.

2009-2011 KEY OBJECTIVES

- Implement new PERS payroll reporting requirements in 2009-10.
- Finish implementation of new drought provisions in water billing system in 2009-10.
- Implement new federal "red flag rules" to help prevent identity theft cases in 2009-10.
- Develop centralized Finance file system in 2010-11.
- Complete implementation of the City's fixed assets into the financial software system in 2010-11.
- Continue cross training of Finance staff to ensure adequate coverage for essential functions.

2009-2011 BUDGET HIGHLIGHTS

- $10,000 increase each year for property tax analysis services.
- $10,500 decrease each year for reductions to special temporary services and investment management services.

INFORMATION SYSTEMS

The Information Systems Division supports, maintains and enhances Citywide information services related to the Wide and Local Area Network (WAN/LAN), computer hardware, software applications, data communications, telecommunications and the City's website. The Information Systems budget, which is an Internal Service Fund for accounting and monitoring purposes, includes the City's hardware, software and staff support. Maintenance contracts with outside vendors for computer hardware and software are also managed here.

2007-2009 ACCOMPLISHMENTS

- Converted all servers from Novell to Microsoft, and converted Groupwise email to Microsoft Exchange server email.
- Upgraded audio visual equipment for recording and transmitting Council meetings.
- Redesigned appearance and layout of the City's website.
- Enhanced City's website by adding Municipal code; subscription service; and Community Video.
- Upgraded City's Financial/HR system software to latest version.
- Changed Police Department Emergency Phone Recording to new system.
- Released RFP for City copiers.

2009-2011 KEY OBJECTIVES

- Select a vendor for City copiers and oversee installation at City Hall, Corp Yard and Senior Center in 2009-2010.
- Provide technical assistance for downtown Wi-Fi project in 2009-2010.
- Coordinate with Finance and MUNIS on programming and testing changes for drought modifications in software in 2009-10.
- Support, maintain and enhance the City and Police Department's IT hardware, software and communications infrastructure.
- Keep network and email servers up to date, replacing hardware and implementing new software upgrades/releases as needed.
- Continue to work with outside agencies including the Department of Justice; Contra Costa Sheriff's Office; and Contra Costa Department of Information Technology to configure, update and troubleshoot Public Safety Systems.

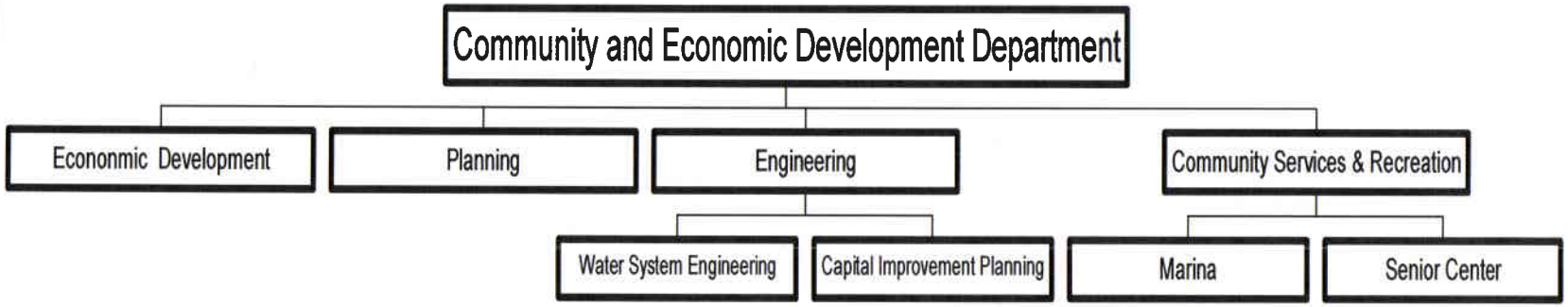
2009-2011 BUDGET HIGHLIGHTS

- $50,000 decrease each year for replacement of computer hardware equipment.

ADMINISTRATIVE SERVICES EXPENDITURES

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Administrative Services						
01 401 ADMINISTRATION						
Labor	287,264	302,735	325,607	*22,872*	325,818	*211*
Operating	17,030	31,913	25,603	*(6,310)*	22,729	*(2,874)*
Direct & Indirect Costs	(144,764)	(162,373)	(173,958)	*(11,585)*	(176,286)	*(2,327)*
TOTAL ADMINISTRATION	159,530	172,275	177,252	*4,977*	172,262	*(4,990)*
01 404 FINANCE						
Labor	684,670	769,316	791,010	*21,694*	797,988	*6,979*
Operating	61,710	78,631	84,278	*5,647*	82,616	*(1,662)*
Direct & Indirect Costs	(308,708)	(359,281)	(412,832)	*(53,551)*	(426,253)	*(13,421)*
TOTAL FINANCE	437,672	488,666	462,456	*(26,210)*	454,351	*(8,104)*
01 402 PERSONNEL						
Labor	97,221	108,139	121,232	*13,093*	120,704	*(528)*
Operating	38,974	75,147	86,747	*11,600*	73,745	*(13,002)*
Direct & Indirect Costs	(23,234)	(35,359)	(40,201)	*(4,842)*	(38,019)	*2,181*
TOTAL PERSONNEL	112,961	147,927	167,779	*19,852*	156,430	*(11,349)*
TOTAL ADMINISTRATIVE SERVICES	**$ 710,163**	**$ 808,868**	**$ 807,486**	***$ (1,382)***	**$ 783,043**	***$ (24,444)***

Community and Economic Development Department



Community and Economic Development Department

Administration
- Overall Department Management

Economic Development
- Revitalization

Planning
- Development Review
- Advance Planning
- Design Review Committee
- Affordable Housing

Engineering
- Transportation
- Development Review
- Pavement Management
- Capital Improvement Projects
- Clean Water Program

Community Services & Recreation
- Recreation Programs
- Senior Center
- Marina
- John Muir Festival Center
- Cultural and Community Commissions

This Department is charged with managing the City's Economic Development, Planning, Engineering, and Community Services/Recreation functions. The City's Capital Improvement Projects, including those of the Enterprise funds and Transportation, are also managed here.

DEPARTMENT STAFFING

Authorized Positions	2007-08	2008-09	2009-10	2010-11
Assistant City Manager	1.0	1.0	1.0	1.0
Deputy Director, Parks and Comm. Svcs.	1.0	1.0	0.0	0.0
Deputy Community Development Director	1.0	0.0	0.0	0.0
Economic Development Director	1.0	1.0	0.0	0.0
Planning Manager	0.0	1.0	1.0	1.0
Administrative Aide III	3.0	3.0	3.0	3.0
Senior Planner	1.0	1.0	1.0	1.0
Assistant Planner	1.0	1.0	1.0	1.0
City Engineer	1.0	1.0	1.0	1.0
Senior Civil Engineer	1.0	1.0	1.0	1.0
Associate Civil Engineer	1.0	1.0	1.0	1.0
Assistant Engineer	1.0	1.0	1.0	1.0
Recreation Supervisor	1.0	1.0	1.0	1.0
Senior Citizen Supervisor	1.0	1.0	1.0	1.0
Senior Citizen Coordinator	0.8	0.8	0.8	0.8
	15.8	15.8	13.8	13.8

ADMINISTRATION

Community and Economic Development Department Administration provides the overall department management and oversight to the Economic Development, Planning, Engineering, Community Services and Recreation divisions. Two years ago, Economic Development was added as a function of the new Community and Economic Development Department to better coordinate the implementation of the Downtown Specific Plan, marina rehabilitation efforts, business recruitment and retention efforts, and other community activities.

2007-2009 ACCOMPLISHMENTS

- Successfully completed the recruitment of a new Planning Manager.
- Worked with the Planning staff on the development of a new RV Ordinance, Community Based Transportation Plan, Inclusionary Housing Ordinance alternatives, draft Historic Resource Inventory and various development proposals throughout the City.
- Worked with new Planning Manager on commencement of Housing Element update.
- Worked with Engineering Division staff on the completion of a number of successful CIP projects including the Marina dredge; Ferry Pier Removal project; Alhambra Creek Silt Removal project; Alhambra Creek Bank Repair project; and Nancy Boyd Park Renovation.
- Worked with Recreation staff on marina financing issues and the Measure H Park Bond.
- Completed the acquisition of the Zocchi property north of the Amtrak Intermodal Station.
- Coordinated the planning and fiscal impact analyses needed to determine the feasibility of annexing areas in Alhambra Valley and North Pacheco.
- Updated departmental information on City website.

2009-2011 KEY OBJECTIVES

- Continue work on the disposition (short and long term) of the Zocchi site.
- Continue to work with Planning staff on completion of the Housing Element update in an inclusive and efficient manner.
- Work with Planning staff on the commencement of an inclusive and efficient General Plan update process.
- Work with all department division staff on the implementation of local Measure H, CCTA Measure J, and other CIP projects.
- Ensure that all mandated reports and projects are completed in an effective and efficient manner.
- Continue work with City Manager and City Council on the proposed Alhambra Valley and North Pacheco annexations.

2009-11 BUDGET HIGHLIGHTS

- $1,600 decrease each year for professional services and supplies.

ECONOMIC DEVELOPMENT

Economic Development focuses on downtown revitalization, strengthening the local economy and promoting Martinez as a destination for new businesses, visitors, and investors. These efforts are strengthened through coordination with local and regional business organizations, property owners, and business owners.

2007-2009 ACCOMPLISHMENTS

- Worked with City Council and City Manager on selection of developer for 630 Court Street; negotiated the Exclusive Negotiating Rights and Purchase and Sale agreements; and provided staff support to the development team to move the project forward.
- Completed downtown market feasibility analysis and business recruitment collateral.
- Funded Main Street Martinez to attend the International Council of Shopping Centers (ICSC) Monterey tradeshow and obtain rail-related rack marketing collateral.
- Updated economic development-related information on City's website.
- Participated in regional economic development such as East Bay Economic Development Alliance (EDA).
- Provided funding and staff support to the Central County marketing effort in collaboration with Contra Costa County and area cities including Pleasant Hill, Concord, Walnut Creek, San Ramon, and Danville.

2009-2011 KEY OBJECTIVES

- Continue to work with the Goldenberg Development Team to move the 630 Court Street project forward to completion.
- Work with Main Street, Downtown merchants and property owners on a Downtown Streetscape Plan to commence in July 2009.
- Continue to participate in local/regional economic development efforts, as funding permits.
- Emphasize business retention through outreach to existing local businesses.

2009-11 BUDGET HIGHLIGHTS

- $25,000 decrease each year for professional studies.

PLANNING

Planning serves as the point of entry for all development in the City of Martinez and provides assistance to developers, builders, and residents navigating the local regulatory process. This process can include single family property owners and residential production scale builders as well as commercial and industrial developers. On a daily basis, Planning staff assists customers with permit processing and interpretation of City policies related to zoning and subdivision ordinances. In advance planning, staff implement City policies that encompass the various elements of the General Plan, including the Housing Element, by providing assistance to the Planning Commission, Design Review Committee, Zoning Administrator, advisory committees and other community groups involved directly or indirectly with land use policy. Staff also works with private citizens, business and property owners, residents, community groups, developers, other City departments, and outside agencies on community problems and concerns.

2007-2009 ACCOMPLISHMENTS

- Completed RV Ordinance; MTC mandated Community Based Transportation Plan (CBTP); and draft historic resource inventory
- Initiated consideration of an Inclusionary Housing Ordinance.
- Began working with Resources for Community Development (RCD) on the entitlements for a 49-unit affordable senior housing project, and a joint application to the State for the Housing & Emergency Shelter Trust Fund Act of 2006 (Proposition 1C) funding.
- Began process to update City's Housing Element.
- Began long term, comprehensive update of major provisions of the City's 40+ year old Zoning Ordinance.
- Successfully implemented City's Geographic Information System (GIS) program.
- Provided extensive staff support to Planning Commission and Design Review Committee.

2009-2011 KEY OBJECTIVES

- Adopt new Housing Element update and obtain certification from State Department of Housing and Community Development (HCD), including revised City Inclusionary Housing Ordinance, by end of 2009.
- Develop and commence inclusive process to update City's 36 year old General Plan.
- Continue long term comprehensive update of City's Zoning Ordinance.
- Continue to work with RCD on their 49 unit affordable senior housing project.
- Continue to work with Richfield Development Company on the Alhambra Highlands Project.
- Continue to process zoning, conditional use permit, design review and variance applications in an efficient and courteous manner.
- Continue to expand the application and use of the City's GIS system to include the City's Water and other infrastructure systems.
- Provide staff support to Downtown Streetscape plan development.
- Continue to identify grants to assist in the implementation of the Community Based Transportation Plan.
- Continue to participate in regional planning efforts utilizing data from ABAG/RHNA and CCTA Growth Management.

PLANNING (continued)

2009-11 BUDGET HIGHLIGHTS

- Charge 80% of Planning Manager's time to General Plan CIP totaling $136,140 in 2009-10 and $145,697 in 2010-11.
- Increase Associate Planner's time charged to Measure C funds by $20,000 each year for work assignments.

ENGINEERING

Engineering works with other City departments and programs to design, plan, and construct public facilities including streets, park improvements, storm drains, traffic signals and water systems. In addition, Engineering staff manage the City's Clean Water (NPDES) Program; apply for annual Community Development Block Grants (CDBG) for infrastructure improvements; establish and maintain Lighting and Landscape Assessment Districts; support the Traffic Safety Committee; review and process residential, commercial and industrial development applications; prepare grant applications for State and Federal funds to pay for major capital improvement projects; manage the City's major transportation capital projects such as the Intermodal Phase III, Measure C and J, and federally-funded paving projects; and represent the City on local or regional boards and commissions including the Contra Costa Transportation Authority, Caltrans, Capital Corridor Joint Powers Authority and TRANSPAC.

2007-2009 ACCOMPLISHMENTS:

- Obtained $600,000 in Federal grants for Alhambra Avenue paving projects.
- Obtained $20,000 in Community Block Grant funds for handicap ramp improvements.
- Obtained $70,000 in Transportation Development Grant money for Alhambra Avenue safety improvements.
- Completed silt removal project at the Intermodal site.
- Completed major park improvements at Nancy Boyd and Hidden Valley Parks.
- Completed dredge at Marina.
- Completed removal of old ferry pier at Marina.
- Completed Alhambra Avenue Paving Project from Highway 4 to John Muir Road.
- Managed street rehabilitation projects in various neighborhoods.
- Completed Alhambra Avenue Improvement Program.
- Managed the design of Marina Vista Streetscape and Undergrounding Project.
- Completed Water Treatment Plant Improvements.
- Partnered with Muir Heritage Land Trust and Martinez Unified School District on Alhambra Environmental Enhancement projects.

2009-11 KEY OBJECTIVES

- Implement the City's two-year, $15,608,000 Capital Improvement Program.
- Continue to implement a long-term plan for improving the condition of City streets.
- Incorporate Clean Water and Transpiration Elements into the General Plan as part of the City's complete General Plan update.
- Update City's flood ordinance to be in compliance with FEMA.
- Develop Hazard Mitigation Plan.
- Complete Water Treatment Plant Master Plan.

2009-11 KEY OBJECTIVES (continued)

- Secure and program State bond funds for street and storm drain projects as funds become available from the State.
- Obtain the maximum amount of Federal Stimulus money for our community.
- Utilize the City's web site to improve the flow of information to the public.
- Continue efforts to secure Measure J funding for the Court Street over crossing project.

2009-11 BUDGET HIGHLIGHTS

- $3,000 decrease each year for professional services.

COMMUNITY SERVICES AND RECREATION

Community Services and Recreation offers activities and services for Martinez residents of all ages. The Recreation Division provides sports, summer camps, classes, and operates the Rankin Park Pool and aquatic programs. The Senior Center offers programs, activities, and services for older residents. Day care contract operations are also managed by the Recreation Staff, as well as various special projects including the John Muir Amphitheater and the marina.

- 16 ballfields and 4 concession stands
- Senior Community Center
- John Muir Amphitheater
- Golden Hills Park Building
- Nancy Boyd Park Building (new)
- Morello Day Care Building
- Kiwanis Youth Center
- A three-pool municipal complex at Rankin Park
- Alhambra Cemetery
- 18 parks

2007-2009 ACCOMPLISHMENTS

- Completed the 2007-2012 Parks System Master Plan.
- Achieved voter approval for the $30,000,000 Measure H Parks Bond.
- Installed new roofing, flooring, and exterior painting at the Senior Center.
- Held a 20th anniversary gala celebration at the Senior Center.
- Expanded swim and nature camps from one 2-week session to two 2-week sessions at full capacity.
- Scheduled seven (7) programs at the John Muir Amphitheater, including a 6-week showing of the Willows Theatre Company.
- Improved ballfields for youth and adult sports programs by adding dirt, top dressing the fields, and mowing surrounding areas.
- Held successful Downtown Restaurant Tours to fund "Oohs, Aahs & Giggles" children's programs.
- Held successful Mini Motorland and increased attendance to 250 participants.
- Worked with Main Street Martinez to expand the Holiday Frolic celebration, which attracted between 4,000 and 5,000 attendees.
- Worked with City Council to consolidate the Parks and Recreation Commission, Marina Commission, Library Commission into the new Parks, Recreation, Marina and Cultural Commission.

COMMUNITY SERVICES AND RECREATION (continued)

2009-2011 KEY OBJECTIVES

- Collaborate with other City departments to implement the first phase of Measure H funding and projects (pool, library and several parks) in FY 2009-10.
- Work with City Council on the appointment to and implementation of the new Parks, Recreation, Marina and Cultural Commission.
- Continue to expand programming at the John Muir Amphitheater.
- Begin new recreational class offerings and other programs at Nancy Boyd Recreation Room by summer 2009.
- Recruit new instructors to expand recreational class offerings in FY 2009-10.
- Continue the recruitment of "younger" seniors at the Senior Center.
- Continue working on senior transportation issues.

2009-11 BUDGET HIGHLIGHTS

- Reduced staffing by Deputy Director position, resulting in savings of $152,275 in 2009-10, and $156,130 in 2010-11.
- $119,114 decrease in 2010-11 for pool closing.
- $10,000 decrease each year for vacation buybacks.

LARGEST CITY PARKS OVERVIEW

Rankin Park – The City's best known and largest park (42 acres). At the entranceway is a large three-section swimming pool, with the main park area set in a scenic wooded area overlooking downtown Martinez. This pool is going to be completely redesigned and replaced in 2009-11 as part of the Measure H improvement bond. Picnic facilities are extensive. Other amenities include horseshoe pits, children's play areas, and hiking trails into the adjacent open space area. The park is only a few minutes walk from the downtown area and is accessible from the west end of Buckley Street.

Waterfront Park – This scenic 31-acre park is located just north of downtown and the railroad tracks, adjacent to the Martinez Regional Shoreline and the marina, which makes the entire waterfront area a unique recreational attraction. Notable features of Waterfront Park include a soccer field, a ballfield complex, bocce ball courts, and the Skate Park. Extensive picnic areas with tables and grills, water fountains, restrooms, a children's play area, large turf meadows, and horseshoe pits add to the family-friendly locale. The companion Martinez Regional Shoreline Park has two tot lots, green meadows, and a variety of jogging and nature study trails that weave in and around the waterfront. Waterfront Park is accessible from North Court Street via Ferry Street.

Hidden Lakes Park – This park, one of the newest in the City's system, provides 24 acres of modern facilities including softball and multi-purpose fields, a concession stand, and tot lots. The park is set among the scenic oak lined hills and lakes of the Hidden Lakes Open Space. Various trails cross and interconnect this park with the Open Space and Hidden Valley Park. The entrance to this park is located at the section of two arterial streets, Morello Avenue from the northwest and south, and Chilpancingo Parkway from the east.

Hidden Valley Park – This park offers many attractive amenities for recreational enjoyment. The park abounds with 17 acres of turf, with the wooded hillside offering a panoramic view of Mount Diablo. Immediately to the south are the hills and lakes of the Hidden Lakes Open Space. The softball fields are located on property leased by the City from the school district. Park users also have access to the school's basketball courts. The park is centrally located and easily accessible from Center Avenue and Glacier Drive to the north, and Beechwood Drive to the west.

Golden Hills Park – This 10-acre park is located in the Virginia Hills area of Martinez. The children's play areas are of contemporary design with slides, swings, and other climbing and play apparatus. In addition to large areas of lawn and open space, the park features covered picnic areas, a community meeting facility with restrooms, two lighted tennis courts, and a half-court basketball area. The park is easily accessible from Eagle Nest Drive and Condor Drive to the north and Reliez Valley Road to the west.

COMMUNITY & ECONOMIC DEVELOPMENT EXPENDITURES

			2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Community Development								
01	701	COMMUNITY DEVELOPMENT ADMIN						
		Labor	204,831	231,712	240,163	*8,451*	239,708	*(455)*
		Operating	19,266	28,692	27,922	*(770)*	26,038	*(1,884)*
		Direct & Indirect Costs	37,487	39,419	39,267	*(152)*	38,123	*(1,144)*
		TOTAL COMMUNITY DEVELOPMENT ADM	261,584	299,823	307,352	*7,529*	303,869	*(3,483)*
01	702	ECONOMIC DEVELOPMENT						
		Labor	850					
		Operating	251,638	239,165	16,790	*(222,375)*	16,790	
		Direct & Indirect Costs						
		TOTAL ECONOMIC DEVELOPMENT	252,488	239,165	16,790	*(222,375)*	16,790	
01	703	PLANNING						
		Labor	451,669	424,934	512,423	*87,489*	522,233	*9,810*
		Operating	35,030	54,429	(96,718)	*(151,147)*	(109,316)	*(12,598)*
		Direct & Indirect Costs	32,624	35,280	35,010	*(270)*	34,740	*(269)*
		TOTAL PLANNING	519,323	514,643	450,715	*(63,928)*	447,658	*(3,058)*
01	704	ENGINEERING						
		Labor	690,412	736,971	780,241	*43,270*	786,510	*6,269*
		Operating	(143,838)	(174,960)	(246,046)	*(71,086)*	(260,223)	*(14,176)*
		Direct & Indirect Costs	(200,581)	(207,167)	(159,605)	*47,562*	(165,497)	*(5,891)*
		TOTAL ENGINEERING	345,993	354,844	374,590	*19,746*	360,791	*(13,799)*
01	801	COMMUNITY SERVICES ADMIN						
		Labor	367,119	401,428	263,205	*(138,223)*	265,626	*2,421*
		Operating	89,284	69,888	62,566	*(7,322)*	60,575	*(1,991)*
		Direct & Indirect Costs	31,906	26,328	43,835	*17,507*	39,579	*(4,256)*
		TOTAL COMMUNITY SERVICES ADMIN	488,309	497,644	369,607	*(128,037)*	365,781	*(3,826)*

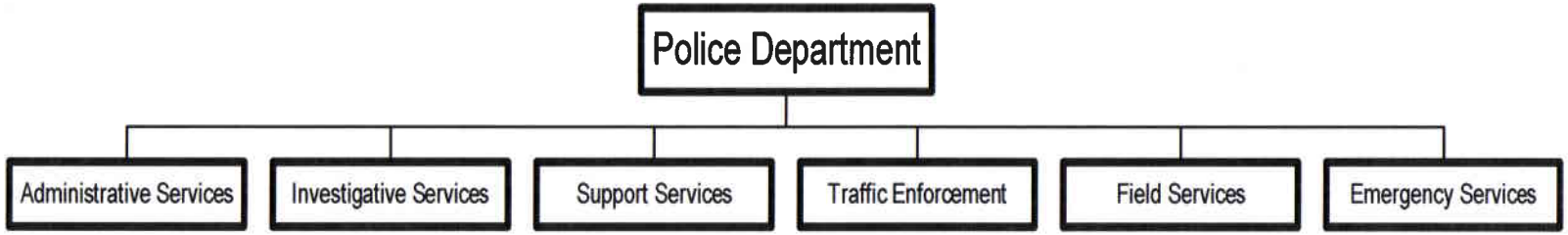
Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
01 802	CULTURAL AND ARTS						
	Operating	174,341	206,405	76,570	*(129,835)*	52,570	*(24,000)*
	Direct & Indirect Costs						
	TOTAL CULTURAL AND ARTS	174,341	206,405	76,570	*(129,835)*	52,570	*(24,000)*
01 803	GENERAL RECREATION						
	Labor	42,509	34,597	37,772	*3,175*	36,893	*(879)*
	Operating	37,107	26,269	26,355	*86*	26,013	*(342)*
	Direct & Indirect Costs						
	TOTAL GENERAL RECREATION	79,616	60,866	64,127	*3,261*	62,906	*(1,220)*
01 804	MUNICIPAL SWIMMING POOL						
	Labor	50,138	48,736	40,155	*(8,581)*		*(40,155)*
	Operating	77,395	71,701	74,222	*2,520*	1,323	*(72,899)*
	Direct & Indirect Costs						
	TOTAL MUNICIPAL SWIMMING POOL	127,533	120,437	114,376	*(6,061)*	1,323	*(113,054)*
01 805	AMPHITHEATER						
	Labor						
	Operating	11,581	10,550	11,562	*1,012*	11,564	*3*
	Direct & Indirect Costs						
	TOTAL AMPHITHEATER	11,581	10,550	11,562	*1,012*	11,564	*3*
01 806	DAY CARE						
	Labor						
	Operating	64,774	69,806	57,147	*(12,659)*	64,149	*7,002*
	Direct & Indirect Costs						
	TOTAL DAY CARE	64,774	69,806	57,147	*(12,659)*	64,149	*7,002*
01 808	SPORTS PROGRAMS						
	Labor	32,153	49,183	40,155	*(9,028)*	39,129	*(1,026)*
	Operating	33,781	43,534	41,680	*(1,854)*	41,281	*(399)*
	Direct & Indirect Costs						
	TOTAL SPORTS PROGRAMS	65,934	92,717	81,835	*(10,882)*	80,410	*(1,424)*

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
01 809	SENIOR CITIZEN PROGRAMS						
	Labor	206,683	227,905	242,638	*14,733*	241,220	*(1,418)*
	Operating	67,087	78,216	74,854	*(3,362)*	72,922	*(1,932)*
	Direct & Indirect Costs	14,004	21,789	4,363	*(17,426)*	7,524	*3,161*
	TOTAL SENIOR CITIZEN PROGRAMS	287,774	327,910	321,855	*(6,055)*	321,666	*(189)*
01 809.1	ALZHEIMER RESPITE						
	Labor	5,847	8,272	8,490	*218*	8,273	*(217)*
	Operating	139	628	592	*(36)*	508	*(84)*
	TOTAL ALZEIMER RESPITE	5,986	8,900	9,082	*182*	8,780	*(301)*
	TOTAL COMMUNITY DEVELOPMENT	**$ 2,685,236**	**$ 2,803,710**	**$ 2,255,606**	***$ (548,104)***	**$ 2,098,257**	***$ (157,349)***

Police Department



Police Department

Administrative Services
- Department Polices and Programs
- Budgeting and Contracts

Investigative Services
- Criminal Case Investigations
- Identity Theft and Computer Crimes
- Juvenile Diversion Program

Support Services
- Police Dispatching Services
- Records Management
- Public Counter Service

Traffic Enforcement
- Parking/Moving Violations Enforcement
- Traffic Safety Program Promotion
- Traffic Accident Investigation

Field Services
- 24-hour Uniformed Patrol Services
- Community Oriented Policing
- Reserve and Cadet Porgrams

Emergency Services
- Emergency Planning and Response
- Emergency Operations Center

The Police Department is charged with maintaining the Public Safety of the City's citizens and its visitors. In addition to its administrative functions, the Department consists of Field Services, Investigative Services, Support Services, Traffic Enforcement, and Emergency Services.

DEPARTMENT STAFFING

Authorized Positions	2007-08	2008-09	2009-10	2010-11
Police Chief	1.0	1.0	1.0	1.0
Police Commander	2.0	2.0	2.0	2.0
Police Sergeant	6.0	6.0	6.0	6.0
Police Officer*	30.0	30.0	30.0	30.0
Records Supervisor	1.0	1.0	1.0	1.0
Dispatch Supervisor	1.0	1.0	1.0	1.0
Police Dispatcher	6.0	7.0	7.0	7.0
Administrative Secretary	1.0	1.0	1.0	1.0
Evidence/Property Technician	1.0	0.0	0.0	0.0
Police Assistant	4.0	4.0	4.0	4.0
Records Clerk	2.0	2.0	2.0	2.0
	55.0	55.0	55.0	55.0

*includes three positions either fully or partially offset by grant funds from 2009-11

ADMINISTRATIVE SERVICES

The mission of the police program is to deliver a high level of community interaction, providing professional law enforcement and public safety services in a fair, compassionate, and proactive manner, and to maintain a high quality of life and safety for Martinez residents and visitors.

2007-2009 ACCOMPLISHMENTS

- Expanded the Community Emergency Response Team (CERT) Program to include 120 members in several neighborhoods. Also completed a mapping system for all CERT graduates throughout the City.
- Added "designated" reserve police officer to the City Municipal Code to expand the Department's options when recruiting Reserve Police Officers.
- Hired 10 police officer positions vacated due to retirements.
- Completed partnership with Stand! Against Domestic Violence resulting in $5,000 in training funds.
- Provided initial and updated training to City personnel for emergency preparedness.

2009-2011 KEY OBJECTIVES

- Explore possibility of a combined police dispatch center with neighboring cities in FY 2009-10.
- Enhance communication/collaboration through the newly established Council Public Safety Subcommittee.
- Initiate a Volunteers in Police Service (VIPS) program by January 2010 for individuals assisting the Department, including unpaid internships; administrative support; chaplain services; reserve police officers; and Explorers.
- Fill remaining vacancies in both Dispatch and Patrol.
- Pursue newly available COPS (Community Oriented Policing Services) hiring recovery program funds from the American Recovery and Reinvestment Act of 2009 in FY 2009-10.

2009-11 BUDGET HIGHLIGHTS

- $14,600 increase in Animal Control costs.
- $7,500 increase in 2009-10 and $14,400 increase in 2010-11 for Blood Draws.
- $6,700 increase each year for Aries contract with County.
- $12,500 decrease in 2009-10 for crime lab testing.
- $9,600 decrease each year for live scan maintenance and video costs.
- $6,500 decrease each year for removal of Dictaphone.

INVESTIGATIVE SERVICES

Investigative Services is responsible for criminal investigations. The Division has actively expanded its investigations into computer crimes and identity theft and has increased its attention to sales of illegal substances to minors, such as alcohol, drugs, etc.

2007-2009 ACCOMPLISHMENTS

- Conducted numerous decoy operations to impede alcohol sales to minors.
- Participated in a countywide Sexual Predator Apprehension and Compliance Enforcement (SPACE) task force. Results of this ongoing program included the arrests of several individuals throughout the City and county.
- Participated in a countywide auto theft task force (VSET). Results of this program included the recovery of several stolen vehicles and the arrests of several suspects.
- Provided weekly patrol level training during briefings. Training included the dissemination of information regarding current crime trends, high crime areas, and people of interest to the detective bureau.

2009-2011 KEY OBJECTIVES

- Increase self-initiated activity on investigations of drug cases, alcohol violations and theft in FY 2009-10.
- Increase computer forensic investigations for proactive targeting of identity theft and sex crimes involving the use of computers in FY 2009-10.
- Renew investigations into unsolved major "cold" cases in FY 2009-10.

2009-11 BUDGET HIGHLIGHTS

- $1,500 decrease for supplies.

SUPPORT SERVICES

Support Services is responsible for police dispatching, report transcription and records control. The Division also staffs the front counter and has direct contact with the general public. Support Services is also responsible for confidentiality issues involving police reports.

2007-2009 ACCOMPLISHMENTS

- Implemented an on-line crime mapping system for the citizens of Martinez to review.
- Replaced old dispatch recording system with a new state of the art voice recording system.
- Established off-site records back up system for all Police Department records and systems.
- Implemented POST approved DVD facilitation training for members of the Police Department.
- Developed and improved efficient processing of taxi permits, including publication of procedures and information on City website.

2009-2011 KEY OBJECTIVES

- Continue to cross train all personnel within the division to promote more staffing flexibility.
- Meet with outside agencies such as District Attorney's office and courts to standardize procedures countywide by January 2010.

2009-11 BUDGET HIGHLIGHTS

- $29,700 decrease each year for computer upgrades.
- $10,700 decrease in 2009-10 for East Bay Regional Communications Systems Authority support.

TRAFFIC ENFORCEMENT

Traffic Enforcement Bureau is responsible for citywide enforcement of California Vehicle Code violations as well as parking violations. The Bureau is responsible for vehicle abatement on both public and private property, and numerous Community Oriented Policing projects involving traffic. This unit was only staffed with three police assistants during the previous budget cycle. The traffic enforcement functions were performed by police officers working in the Patrol Bureau.

2007-2009 ACCOMPLISHMENTS

- Addressed traffic complaints described in on-line Community Policing Survey.
- Reduced the number of DUI Involved Accidents by 19% through directed DUI Enforcement.
- Reduced injury accidents by 4% through increased enforcement.
- Updated speed surveys for applicable roadways.
- Contacted over 500 drivers in the department's first ever DUI Check Point in January 2009 and provided sobriety awareness information.

2009-2011 KEY OBJECTIVES

- Fill two currently vacant motor officer positions.
- Continue to develop strategies to address traffic complaints described in the on-line Community Policing Survey.
- Reduce the number of DUI Involved Accidents by 20% through DUI Enforcement and educational efforts.
- Reduce injury accidents by 20% by increasing enforcement of most common Primary Collision Factors (PCF) by July 2010.
- Analyze collision data and provide selective enforcement to high accident intersections.
- Increase safe driving and sobriety awareness by conducting at least two (2) DUI checkpoints in FY 2009-10.

2009-11 BUDGET HIGHLIGHTS

- $6,800 decrease for supplies.

FIELD SERVICES

The Field Services Division is responsible for all uniformed patrol within the City of Martinez. This Division responds to calls for service at all hours of the day and night. It is also responsible, in part, for Community Oriented Policing projects, as well as foot, park, and bicycle patrols. The Community Oriented Policing Project programs include partnerships with other departments as well as Martinez citizens to assign necessary resources to an individual problem which may include other disciplines outside the Police Department.

2007-2009 ACCOMPLISHMENTS

- Increased Drug/Narcotics enforcement by 2%.
- Increased DUI enforcement by 3%.
- Recovered 3.3 million dollars worth of stolen property, a 13% increase.
- Continued to apply COPS philosophy to projects throughout the City.
- Graduated 9 new police officers from the FTO Program.

2009-2011 KEY OBJECTIVES

- Increase DUI enforcement by 10% in each fiscal year.
- Ensure that each officer identifies and maintains a Community Policing Project.
- Develop and Implement a Mentor Program for newly hired officers by July 2009.
- Reduce collisions by 20% by increasing traffic enforcement on each shift.
- Increase the number of Neighborhood Watch Meetings by 50% by July 2010.
- Improve crime prevention efforts through patrol participation in 50% of Neighborhood Watch Meetings.

2009-11 BUDGET HIGHLIGHTS

- $2,000 increase each year for veterinary services for K-9 units.
- $75,975 decrease each year in Overtime.
- $21,000 decrease each year for supplies.

EMERGENCY SERVICES

Emergency Services is responsible for citywide emergency preparedness and emergency services response. This includes training of City employees and providing information to the general public. In an actual emergency, the Police Department has the responsibility of taking the lead in all citywide emergency services.

2007-2009 ACCOMPLISHMENTS

- Increased the size of our Community Emergency Response Team (CERT) to more than 120 members.
- Trained all Police Personnel in POST-mandated Response to Terrorism class.
- Completed significant update to the Emergency Operation Plan.
- Established training plan and implemented training of all City employees in Emergency Operation Center activities.
- Obtained a vehicle through Homeland Security grant to assist in surveillance and incident support around major heavy industry areas of the City.

2009-2011 KEY OBJECTIVES

- Continue emergency operations training for Police Department Personnel and all City Employees, to include table top exercises and functional exercises in summer 2009 and 2010.
- Update current Emergency Operations Center located within the Police Department by January 2010.

2009-11 BUDGET HIGHLIGHTS

- $5,000 decrease each year for vehicle rentals.

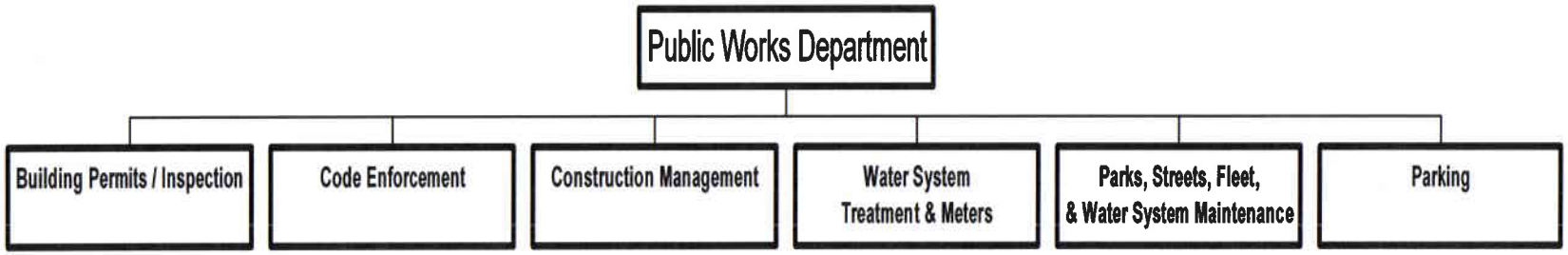
POLICE DEPARTMENT EXPENDITURES

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Police Services						
01 601 POLICE ADMINISTATION						
Labor	303,960	418,563	423,195	*4,632*	422,633	*(562)*
Operating	615,206	690,561	688,051	*(2,510)*	707,660	*19,609*
Capital						
Direct & Indirect Costs	229,146	239,435	238,662	*(773)*	232,101	*(6,561)*
TOTAL POLICE ADMINISTRATION	1,148,312	1,348,559	1,349,908	*1,349*	1,362,394	*12,485*
01 602 INVESTIGATIVE SERVICES						
Labor	1,182,202	1,173,493	1,188,676	*15,183*	1,169,909	*(18,767)*
Operating	165,091	127,493	81,839	*(45,654)*	55,549	*(26,290)*
Direct & Indirect Costs						
TOTAL INVESTIGATIVE SERVICES	1,347,293	1,300,986	1,270,514	*(30,472)*	1,225,457	*(45,057)*
01 603 SUPPORT SERVICES						
Labor	1,331,306	1,357,981	1,424,687	*66,706*	1,456,214	*31,527*
Operating	190,716	244,004	150,675	*(93,329)*	151,504	*829*
Capital						
Direct & Indirect Costs	(17,772)	(18,580)	(18,487)	*93*	(19,338)	*(851)*
TOTAL SUPPORT SERVICES	1,504,250	1,583,405	1,556,875	*(26,530)*	1,588,379	*31,504*
01 604 TRAFFIC ENFORCEMENT						
Labor	450,349	530,865	700,503	*169,638*	707,940	*7,437*
Operating	64,285	78,566	67,062	*(11,504)*	48,422	*(18,639)*
Direct & Indirect Costs	(96,375)	(118,336)	(136,995)	*(18,659)*	(141,389)	*(4,394)*
TOTAL TRAFFIC ENFORCEMENT	418,259	491,095	630,570	*139,475*	614,973	*(15,597)*

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
01 605 FIELD SERVICES						
Labor	4,738,148	4,811,258	4,876,699	*65,441*	4,910,241	*33,542*
Operating	584,423	570,316	507,869	*(62,447)*	477,855	*(30,014)*
Capital						
Direct & Indirect Costs	(52,614)	(55,189)	(62,111)	*(6,922)*	(63,651)	*(1,540)*
TOTAL FIELD SERVICES	5,269,957	5,326,385	5,322,457	*(3,928)*	5,324,445	*1,988*
01 607 EMERGENCY SERVICES						
Labor						
Operating	25,486	20,955	15,848	*(5,107)*	15,848	
TOTAL EMERGENCY SERVICES	25,486	20,955	15,848	*(5,107)*	15,848	
TOTAL POLICE SERVICES FUNCTION	**$ 9,713,557**	**$ 10,071,385**	**$ 10,146,172**	***$ 74,787***	**$ 10,131,496**	***$ (14,676)***

Public Works Department



Public Works Department

Building Permits/Inspection
- Plan Review
- Permit Issuance
- Inspections
- Erosion Control Monitoring
- Stormwater Pollution Prevention Plans
- Record Retention

Code Enforcement
- Complaint Investigation
- Municipal Code Enforcement
- Violation Abatement

Construction Management
- City Construction Management
- Construction Schedule Maintenance
- Change Order Negotiation
- Progress Payments

The Public Works Department is charged with managing a variety of areas including Building Permits and Inspection; Code Enforcement; Construction Management; Parks, Streets, and Water System Maintenance; Fleet Management; Water System Treatment; Water System Distribution; Water Quality and Availability; Water Inspection and Security; and Parking Meter Collections

DEPARTMENT STAFFING

Authorized Positions	2007-08	2008-09	2009-10	2010-11
Public Works Director	1.0	1.0	1.0	1.0
Deputy Public Works Director	1.0	1.0	1.0	1.0
Senior Building Inspector*	1.0	1.0	1.0	1.0
Construction Inspector	1.0	1.0	1.0	1.0
Code Enforcement Inspector	1.0	1.0	1.0	1.0
Building Inspector II	2.0	2.0	2.0	2.0
Permit Technician I	1.0	1.0	1.0	1.0
	8.0	8.0	8.0	8.0

*Position will not be funded in 2009-10 & 2010-11

(Staffing summary continued on next page)

Public Works Department

Public Works
- Maintenance
- Fleet Management
- Water Quality and Availability*
- Water System Treatment*
- Water Inspection and Security*
- Water System Maintenance*
- Water System Distribution*
- Parking Meter Collections*

*see Enterprise Funds for details

(Continued from previous page)

DEPARTMENT STAFFING

Authorized Positions	2007-08	2008-09	2009-10	2010-11
Public Works Superintendent	1.0	1.0	1.0	1.0
Maintenance Supervisor	1.0	1.0	1.0	1.0
Maintenance Lead Worker	2.0	2.0	2.0	2.0
Maintenance Worker II	2.0	2.0	2.0	2.0
Maintenance Worker I	1.0	2.0	2.0	2.0
General Laborer	1.0	1.0	1.0	1.0
Equipment Mechanic**	2.0	2.0	2.0	2.0
Account Technician II	1.0	1.0	1.0	1.0
Senior Custodian	1.0	1.0	1.0	1.0
Park Supervisor	1.0	1.0	1.0	1.0
Park Lead Caretaker	3.0	3.0	3.0	3.0
Park Caretaker II***	3.0	3.0	3.0	3.0
Park Caretaker I	3.0	2.0	2.0	2.0
	22.0	22.0	22.0	22.0
Totals from previous page	8.0	8.0	8.0	8.0
Department totals	30.0	30.0	30.0	30.0

**funded by Internal Service Fund
***includes one position funded by NPDES

BUILDING PERMITS / INSPECTION

Inspection staff coordinates and monitors the review, plan checking, City approval, permit issuance, inspection, code compliance, and acceptance processes for all building construction activities in Martinez. Staff also assists the public at the service counter and helps the design professionals with project submittals. Inspection activities include utility and encroachment permits, engineering grading, and site development. Staff assists with NPDES program issues such as erosion control and stormwater pollution prevention plans. Additionally, staff provides construction management and inspection services for capital improvement projects including contract management, budget administration, work scheduling, payroll certification, change order processing, and resolution of design issues.

2007-2009 ACCOMPLISHMENTS

- Issued Building, Plumbing, Mechanical and Electrical permits for all projects regulated by the Uniform Codes.
- Conducted Building inspections for all projects permitted within the City.
- Conducted approximately 1,200 public right-of-way inspections
- Worked with the Unreinforced Masonry (URM) Subcommittee on a draft ordinance
- Adopted the 2007 California Building, Plumbing, Mechanical and Electrical Codes.
- Provided ongoing staff training to address building code changes.

2009-2011 KEY OBJECTIVES

- Continue working toward adoption of a new URM Ordinance.
- Implement California Green Building Code and train inspection staff on new regulations.
- Continue partnership with Police Department as part of a join task force to address and resolve nuisance properties.
- Continue to maintain an outstanding employee safety record.
- Perform project plan checking for conformance with State and Local codes.

2009-2011 BUDGET HIGHLIGHTS

- $1,800 decrease each year for communications and microfilming.

CODE ENFORCEMENT

The Code Enforcement program investigates land use, zoning, municipal code and other health and safety complaints. Staff works with property owners to correct violations, which improves property values and the environment.

2007-2009 ACCOMPLISHMENTS

- Worked with Planning staff to develop a new Municipal Code Ordinance regulating the parking and storage of recreation vehicles.
- Responded to over 1,300 calls for assistance, resulting in over 700 Code Enforcement cases.
- Designed and implemented a notification and information "door hanger" pamphlet for use in the field to address violations of specific Municipal Code ordinances such as leaving garbage carts in the street on non-collection days; overgrown weeds; and shrubs encroaching onto sidewalk rights of way.
- Issued eight (8) Administrative citations for non-compliance violations.
- Participated in the development of a County-wide program to address the issues of substandard residences as a result of "hoarding syndrome" in which the residents are reluctant to discard anything to the detriment of the neighborhood.

2009-2011 KEY OBJECTIVES

- Investigate utilizing the County Tax Collector program for the collection of unpaid Code Enforcement fees by July 2010.
- Continue working with property owners and lending agencies in securing and maintaining foreclosed properties.
- Work with the Police Department to implement the resources needed for the expeditious removal of vehicles stored on private property in violation of the Municipal Code.

2009-2011 BUDGET HIGHLIGHTS

- No significant changes.

CONSTRUCTION MANAGEMENT

This program area manages all City construction projects to ensure compliance with plans and specifications. Staff works with contractors, designers, and other agencies to keep projects on schedule and within budget. Key functions include assisting the design group with construction document preparation and monitoring the contract bidding and awarding process. This group also represents the City in any disputes, responds to requests for information, and negotiates change orders encountered during construction.

2007-2009 ACCOMPLISHMENTS

- Managed and inspected the City's Capital Improvement projects, including the Sheet Pile Wall at the Beaver Dam in Alhambra Creek; the Alhambra Avenue Improvements; Nancy Boyd Park Renovation; Ferry Pier Removal; Hidden Valley Park Play Structures; Annual Street Rehabilitation; ADA Curb Ramps; and Marina Dredging
- Inspected all encroachment right-of-way and all utility work in the City.
- Maintained a perfect safety record with no at fault injuries.
- Inspected improvements for private developments.

2009-2011 KEY OBJECTIVES

- Continue to provide project management and inspection to ensure timely completion and effective cost control on all City projects, including the upcoming implementation of the Measure H Parks Bond.
- Provide design assistance to a variety of City projects.
- Continue proactive training schedule to remain current with changes in the construction industry.
- Work with the Community Development Department to improve overall management of the Capital Improvement Program.
- Continue to maintain an outstanding employee safety record.

2009-2011 BUDGET HIGHLIGHTS

- No significant changes.

PUBLIC WORKS

Public Works is responsible for the City's maintenance, fleet management, water system treatment, and parking meter collection functions. It maintains 122 miles of City streets, 103 acres of developed park land, 230 acres of open space, 11 acres of medians, 200 miles of water lines, and 9,800 water meters. Public Works staff also provide repair and janitorial services for all City buildings, install new water mains and services, read and service water meters, repair water leaks, and maintain 110 pieces of large and small equipment, including replacement, routine servicing and repairs. The City's Water System and Parking Services are enterprise funds separate from the General Fund and are described in detail in the Enterprise Funds section. Program staff regularly works with local volunteer groups to include them in the process of serving the community by improving public spaces.

2007-2009 ACCOMPLISHMENTS:

- Completed numerous projects throughout the City, including the Marina Landscape project at the Harbormasters' office; play area at Hidden Valley Park; paving, entryway, and landscape improvements to the Boys' and Girls' Club; pavement repairs adjacent to the Nancy Boyd Park tennis courts; lighting and landscaping improvements to the Veterans' Monument; construction of a deck at the John Muir Amphitheater restroom area; construction of a containment slab at the Water Treatment Plant for the installation of a new chemical tank; and various improvements to the Waterfront Park ballfields. Provided planning contributions to the Measure H Bond, which passed in November 2008.
- Continued proactive Green waste recycling.
- Reorganized Carpenter's, Water, and Parks sheds at Corporation Yard to greatly improve the safety and organization of each area.
- Continued to emphasize weekly, monthly, and annual safety training and on-the-job instruction to reduce worker injuries, which decreased from 10 in 2006-07 to 5 in 2007-08.
- Repaved numerous sections of City roadways.
- Purchased new state of the art stencil truck, which doubled the amount of stenciling and striping on City roadways.
- Implemented Clean Water Standards by installing an additional 500 storm water thermoplastic signs at storm drain inlets.
- Purchased new Tier 3 CARB compliant street sweeper.
- Continued to manage work alternative programs which provide community service options to juveniles and labor support to City.
- Provided 24/7 emergency services support, including Underground Safety Alert (USA) response.
- Maintained all City-owned facilities and vehicles, including in-house outfitting of all Police Department Vehicles.
- Continued replacement of water backflow devices.
- Replaced pressure regulators supplying marina docks.
- Installed four (4) secure water test stations throughout City.

PUBLIC WORKS (continued)

2009-2011 KEY OBJECTIVES:

- Divide Parks crews by North and South areas of City for greater efficiency by summer 2009.
- Purchase a second lawn mower by summer 2009.
- Evaluate feasibility of installing power to both upper and lower lakes in Hidden Valley Open Space for possible pump installations.
- Assist with implementation of Parks Bond projects.
- Initiate water conservation practices by reducing use and utilizing alternative water sources, such as restored irrigation well at Hidden Valley Park, in summer 2009.
- Continue replacement of water backflow devices and water meters throughout the City.
- Install 5 additional water test stations within the next 2 years.
- Replace selected sidewalks and install improvements around selected bus stops.
- Use grant funds to purchase and install plaza recycle center for cans, bottles, and paper in summer 2009.
- Foster participation and new ideas to improve safety programs and training to prevent employee injuries.

2009-2011 BUDGET HIGHLIGHTS

- $15,000 increase each year to Public Facilities Supplies for repairs needed at the Amtrak Station due to vandalism.
- $39,432 decrease in 2009-10 and $49,756 decrease in 2010-11 to Rental Charges for Parks and Ground Maintenance.

PUBLIC WORKS DEPARTMENT EXPENDITURES

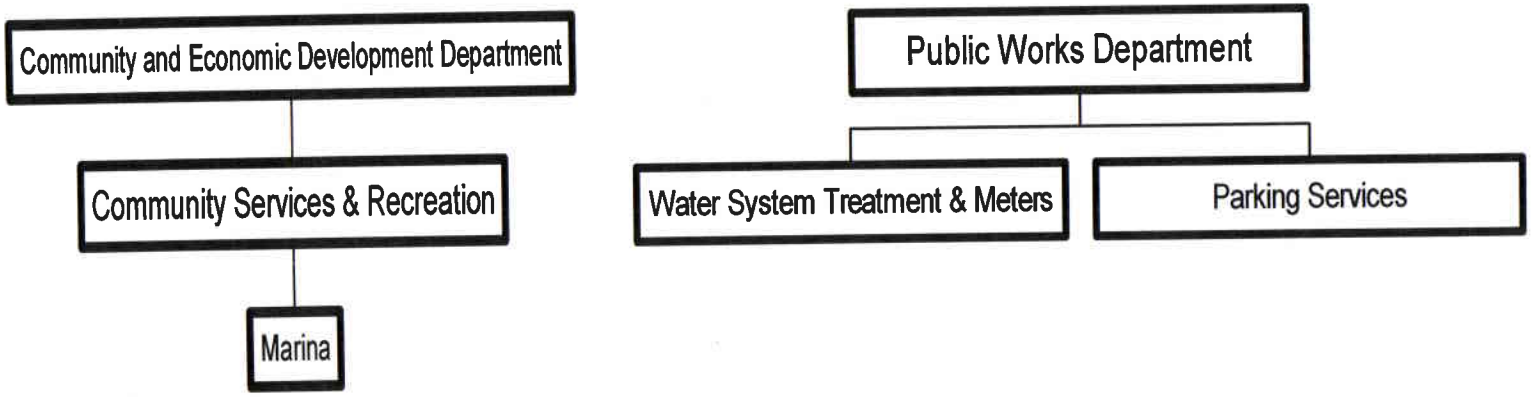
	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Public Works Department						
01 502 INSPECTION						
Labor	781,429	838,755	908,865	*70,110*	917,054	*8,189*
Operating	28,842	40,340	(14,659)	*(54,999)*	(25,595)	*(10,936)*
Direct & Indirect Costs	(85,635)	(122,167)	(142,429)	*(20,262)*	(148,511)	*(6,082)*
TOTAL INSPECTION	724,636	756,928	751,777	*(5,151)*	742,948	*(8,829)*
01 503 CODE ENFORCEMENT						
Labor	95,632	101,995	107,771	*5,776*	107,605	*(166)*
Operating	14,909	14,760	18,807	*4,047*	17,940	*(867)*
Direct & Indirect Costs	9,233	9,877	9,813	*(64)*	9,676	*(137)*
TOTAL CODE ENFORCEMENT	119,774	126,632	136,391	*9,759*	135,221	*(1,169)*
01 710 TRAFFIC CONTROL MAINTENANCE						
Operating	136,748	137,685	129,685	*(8,000)*	129,685	
Direct & Indirect Costs	77,180	85,366	96,337	*10,971*	99,481	*3,143*
TOTAL TRAFFIC CONTROL MAINT.	213,928	223,051	1 226,022	*2,971*	229,166	*3,143*
01 712 STREET LIGHTING						
Operating	295,011	331,500	320,300	*(11,200)*	320,300	
Direct & Indirect Costs	28,065	31,042	35,032	*3,990*	36,175	*1,143*
TOTAL STREET LIGHTING	323,076	362,542	1 355,332	*(7,210)*	356,475	*1,143*
01 720 PARKS GROUNDS MAINTENANCE						
Labor	830,403	928,997	998,680	*69,683*	1,011,039	*12,359*
Operating	481,691	471,044	392,654	*(78,390)*	370,619	*(22,035)*
Capital						
Direct & Indirect Costs	(79,979)	(82,378)	(93,309)	*(10,931)*	(96,456)	*(3,146)*
TOTAL PARK GROUNDS MAINT.	1,232,115	1,317,663	1 1,298,025	*(19,638)*	1,285,203	*(12,823)*

Budgets for Fiscal Years 2009-2010 and 2010-2011

		2007/08 Actual	2008/09 Projected		2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
01 723	CEMETERY MAINTENANCE							
	Operating	4,132	4,473		6,420	*1,947*	5,938	*(481)*
	Direct & Indirect Costs	40,016	41,189		46,655	*5,466*	48,228	*1,573*
	TOTAL CEMETERY MAINTENANCE	44,148	45,662	1	53,074	*7,412*	54,166	*1,092*
01 724	OPEN SPACE MAINTENANCE							
	Operating	54,972	49,569		51,102	*1,533*	50,584	*(517)*
	Direct & Indirect Costs	40,016	41,189		46,655	*5,466*	48,228	*1,573*
	TOTAL OPEN SPACE MAINTENANCE	94,988	90,758	1	97,756	*6,998*	98,812	*1,056*
01 730	PUBLIC FACILITIES MAINTENANCE							
	Operating	97,613	100,625		112,794	*12,169*	112,771	*(23)*
	Direct & Indirect Costs	47,266	51,138		56,879	*5,741*	58,851	*1,972*
	TOTAL PUBLIC FACILITIES MAINT.	144,879	151,763	1	169,673	*17,910*	171,621	*1,949*
01 790	CITY HALL BUILDING MAINTENANCE							
	Labor	124,758	129,870		136,481	*6,611*	137,674	*1,193*
	Operating	449,007	472,438		464,654	*(7,784)*	447,540	*(17,114)*
	Direct & Indirect Costs	(573,765)	(602,308)		(601,135)	*1,173*	(585,214)	*15,920*
	TOTAL BUILDING MAINTENANCE			1		*(0)*		*(0)*
01 791	MAINTENANCE SERVICES							
	Labor	964,930	1,112,440		1,175,172	*62,732*	1,195,682	*20,510*
	Operating	(92,831)	(35,071)		(155,626)	*(120,555)*	(177,738)	*(22,112)*
	Direct & Indirect Costs	(235,822)	(308,253)		(288,583)	*19,670*	(299,639)	*(11,056)*
	TOTAL MAINTENANCE SERVICES	636,277	769,116	1	730,963	*(38,153)*	718,305	*(12,657)*
	TOTAL PUBLIC WORKS DEPARTMENT	**$ 3,533,821**	**$ 3,844,115**		**$ 3,819,013**	***$ (25,102)***	**$ 3,791,918**	***$ (27,095)***

1. Starting in 2007/08 Maintenance Services Divisions were moved from Community Development to Public Works.

Enterprise Funds



Enterprise Funds

Water System
- Water Quality and Availability
- Water System Treatment
- Water Inspection and Security
- Water System Maintenance
- Water System Distribution

Marina
- Site Improvements and Revitalization
- Lease Management
- Dredging and Breakwater

Parking Services
- Parking Meters
- Citations and Enforcement
- Meter Maintenance and Collection

The City's Enterprise Funds include the Water System, Marina, and Parking Services. Each is financed and operated in a manner similar to a private business enterprise. The intent is that the costs of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures.

WATER SYSTEM STAFFING

Water System Operations

Authorized Positions	2007-08	2008-09	2009-10	2010-11
Water Superintendent	1.0	1.0	1.0	1.0
Assistant Water Superintendent	1.0	1.0	1.0	1.0
Senior Meter Service Worker	1.0	1.0	1.0	1.0
Meter Service Worker	1.0	1.0	1.0	1.0
Meter Repair Worker	1.0	1.0	1.0	1.0
Senior Instrument Technician	1.0	1.0	1.0	1.0
Instrument Technician	1.0	1.0	1.0	1.0
Water Operations Supervisor	1.0	1.0	1.0	1.0
Water Plant Operator II	3.0	3.0	3.0	3.0
Water Plant Operator I	2.0	2.0	2.0	2.0
Water Plant Operator in Training	0.0	0.0	0.0	0.0
	13.0	13.0	13.0	13.0

(continued on next page)

Enterprise Funds

Water System
- Water Quality and Availability
- Water System Treatment
- Water Inspection and Security
- Water System Maintenance
- Water System Distribution

Marina
- Site Improvements and Revitalization
- Lease Management
- Dredging and Breakwater

Parking Services
- Parking Meters
- Citations and Enforcement
- Meter Maintenance and Collection

(Continued from previous page)

WATER SYSTEM STAFFING

Water System Maintenance

Authorized Positions	**2007-08**	**2008-09**	**2009-10**	**2010-11**
Maintenance Supervisor*	1.0	1.0	1.0	1.0
Maintenance Lead Worker*	1.0	1.0	1.0	1.0
Maintenance Worker II*	1.0	1.0	1.0	1.0
	3.0	3.0	3.0	3.0
Totals from previous page	13.0	13.0	13.0	13.0
Water System Totals	16.0	16.0	16.0	16.0

PARKING SERVICES STAFFING

Authorized Positions	**2007-08**	**2008-09**	**2009-10**	**2010-11**
Parking Meter Maintenance Worker**	1.0	1.0	1.0	1.0

*positions managed by Public Works, but funded by Water System
**position managed by Public Works, but funded by Parking Fund

WATER SYSTEM

The Water System provides a reliable supply of high quality potable water in sufficient quantity to meet the needs of Martinez residents and businesses. The safety of the water and the health of the community are ensured through the use of advanced technology, proper water treatment, water quality analysis, treatment plant maintenance, backflow prevention, and distribution system maintenance and upgrades.

2007-2009 ACCOMPLISHMENTS

- Met all State and Federal regulations related to water treatment and quality.
- Responded promptly to customers regarding leaks, pressure, and water quality concerns.
- Completed and delivered to all customers the 2006 and 2007 Annual Water Quality Report.
- Removed accumulated sludge from the Water Treatment Plant.
- Evaluated the Cathodic Protection System on steel water mains and added 2 new sacrificial anodes.
- Completed new fluoride feed injection system.
- Updated the Urban Water Management Plan.
- Replaced obsolete electronic equipment in Water System (2 of 5 Westinghouse programmable controllers).
- Completed design of the Harbor View Reservoir Replacement Project.
- Replaced water mains on various streets.
- Completed the SCADA (Supervisory Control and Data Acquisition) computer control system at the water treatment plant.

2009-2011 OBJECTIVES

- Complete construction of Harborview Reservoir by Spring 2010.
- Complete the Water Treatment Plant Master Plan by Spring 2010. The plan will identify needed improvements for the long term operation of the plant.
- Finish design and construction of the remaining 2,200 ft of 1948 source water line to the Water Treatment Plant.
- Continue annual infrastructure replacement of water mains.
- Replace remaining obsolete electronic equipment in the Water System (3 Westinghouse programmable controllers).
- Issue 2008 and 2009 annual water quality report.
- Repair the 1968 chemical holding tanks.
- Complete and adopt the 2010 Urban Water Management Plan.
- Continue to provide support to the Engineering and Public Works Maintenance divisions.
- Complete the annual water main replacement project. This project replaces aging water mains.
- Finish construction of the Harbor View reservoir by winter 2010.

2009-2011 OBJECTIVES (continued)

- Design and construct the raw water supply line by the end of 2010. This project replaces the line from the pump station below the reservoir and the treatment plant.
- Design and construct the Harbor View / Vista Way water line by June 2011.This project installs a new main between the new reservoir and Vista Way to improve flow in the pipe network.
- Design and construct upgrades to the Saint Mary's water pump station.

2009-2011 BUDGET HIGHLIGHTS

- $132,000 increase to water treatment chemicals each year.
- $30,000 increase each year for water meters.
- $20,000 increase each year for backflow parts and devices.
- $20,000 increase each year for overtime.
- $12,000 increase each year for emergency response.
- $10,000 increase each year for cathodic protection annual inspection.
- $10,000 increase each year in professional services for rate studies.
- $10,000 increase in 2010-11 for Risk Management Review as required by CAINRP.
- $5,000 increase each year for County encroachment fee.
- $5,000 increase each year for filter surveillance.
- $180,000 decrease in 2009-10 and $83,500 decrease in 2010-11 for raw water.

MARINA

The Martinez Marina complex provides for recreational activities such as boating and walking along the trails throughout the Waterfront Park. Revenues include lease payments, sales and property taxes, and State loans for capital improvement projects. The marina is managed by an outside operator. There are no positions allocated to the Marina Fund. The Marina is operated by Almar Marina Management under a joint venture between Almar and Pacific Marina Development named Martinez Marina, LP. Martinez Marina, LP will help the City renovate the marina over the next several years.

2007-2009 ACCOMPLISHMENTS

- Removed the Old Ferry Pier.
- Completed Marina dredging that included the removal of 35,000 cubic yards from the Marina entrance and fairways.
- Began negotiations with the State Lands Commission which included agreement on an early lease renewal.
- Marina operator achieved a "Clean Marina" status by the Clean Marinas California Program.

2009-2011 OBJECTIVES

- Negotiate final 45-year long-term sublease with Martinez Marina, LP.
- Secure entire $3.375 million loan from State Department of Boating and Waterways.
- Complete renewal of State Lands Lease for an additional 49 years.
- Begin construction of new break water extension and break water repair.

2009-2011 BUDGET HIGHLIGHTS

- No significant highlights.

PARKING SERVICES

Parking Services revenue is generated from parking meter collections. One full-time position is allocated to this Fund. Responsibilities of this program include collecting parking meter revenues according to specified schedules; depositing meter revenue, submitting deposit verifications, and maintaining collection records; installing parking meters and repairing meter clock mechanisms; testing parking meter timing devices at the request of the Police Department or Municipal Court; and responding to general inquiries from the public regarding traffic signs, parking meters and parking ordinances.

2007-2009 ACCOMPLISHMENTS

- Installed new parking meter station and three (3) new metered motorcycle stalls at Parking Lot #3 on Ward Street, which is estimated to increase revenue by 10% and streamline collections and parking enforcement efficiency.
- Made software upgrades to the Amtrack parking meter station improving efficiency to minimize failures.
- Completed the installation of meters that were originally part of the downtown parking district plan.

2009-2011 OBJECTIVES

- Evaluate feasibility of installing smart card and debit capabilities into parking meters and parking stations in the downtown area in 2010-11.
- Continue to maintain and replace plastic meter lenses.
- Upgrade various meter poles with decorative hardware to match the style of Main Street with a goal of 30 poles in each fiscal year.

2009-2011 BUDGET HIGHLIGHTS

- $1,600 increase each year for armored car collection services and bank charges for coin pick up and deposit.

ENTERPRISE FUNDS MAJOR CAPITAL IMPROVEMENT PROJECTS

The following is a list of major, non-routine capital projects scheduled for FY 2009-11.

MARINA

No capital improvement projects budgeted for 2009-11.

WATER SYSTEM

SAINT MARY'S PUMP STATION UPGRADE

This project consists of upgrading the pump station to improve fire flow and the installation of emergency power supply. Council allocated $50,000 in 2008-09 to commence this project, and $250,000 in 2009-10 to finish construction.

ALHAMBRA WAY TRANSMISSION LINE INSTALLATION

This project consists of installing approximately 500 feet of new 18" water line on Alhambra Way at Highway 4 to improve the flow and convert a portion of the Zone 2 along Alhambra Creek to a Zone 1 water service as recommended in the Water System Master Plan. The Council has designated $25,000 in 2009-10 to design this project, and $175,000 in 2010-11 to complete construction.

WATER PLANT ALUM TANK REPAIR

This project consists of either repairing or replacing the tank due to a breach in the lining of the aluminum sulfate tank. The Council has allocated $50,000 in 2009-10 to complete this project.

WATER PLANT PAINTING

This project consists of repainting the Water Treatment Plant. Complete repainting efforts occur approximately every 20 years. Council has allocated $50,000 in 2009-10 to complete the project.

REPLACEMENT OF RAW WATER LINE

This project consists of replacing the existing 30 inch water line from the pump station that brings untreated water from the Contra Costa Water District (CCWD) Terminal Reservoir to the City's Water Treatment Plant. The Council has allocated $425,000 in 2009-10 to complete the project.

MUIR OAKS RESERVOIR

This project consists of repairing the stress bands in the reservoir which secure the structural integrity of the reservoir. Council has allocated $150,000 in 2010-11 to complete construction on this project.

PARKING

PARKING LOT #4 IMPROVEMENTS

This project consists of paving and landscape improvements to Parking Lot #4 at Ferry and Marina Vista. Council has allocated $125,000 for this project in 2009-10.

ENTERPRISE FUNDS - SUMMARY

Fund #		Fund Balance at 6/30/09	2009/10 Budget Revenues 09/10	2009/10 Budget Appropriations 09/10	2009/10 Transfers In(Out) 09/10	Fund Balance at 6/30/10	2010/11 Budget Revenues 10/11	2010/11 Budget Appropriations 10/11	2010/11 Transfers In(Out) 10/11	Fund Balance at 6/30/11
71	Water System	$ 5,956,349	$ 9,967,450	$ 8,540,415	$ (2,030,537)	$ 5,352,847	$ 10,149,403	$ 8,700,437	$ (1,556,987)	$ 5,244,826
72	Water Capital Projects			1,150,000	1,150,000			675,000	675,000	
47	Water Debt Service Fund			897,142	897,142			898,592	898,592	
	Total Water System	**5,956,349**	**9,967,450**	**10,587,557**	**16,605**	**5,352,847**	**10,149,403**	**10,274,029**	**16,605**	**5,244,826**
73	Marina	(776,051)	322,254	140,430	(80,000)	(674,227)	322,254	140,543	(80,000)	(572,516)
74	Marina CIP			0	0					
48	Marina Debt Service			80,000	80,000			80,000	80,000	
	Total Marina	**(776,051)**	**322,254**	**220,430**	**0**	**(674,227)**	**322,254**	**220,543**	**0**	**(572,516)**
75	Parking Services	714,569	438,701	431,399	(125,000)	596,871	438,701	436,722	-	598,850
76	Parking Services CIP			125,000	125,000					
	Total Parking Services	**714,569**	**438,701**	**556,399**	**0**	**596,871**	**438,701**	**436,722**	**0**	**598,850**
	Total EnterpriseFunds	**$ 5,894,867**	**$ 10,728,405**	**$ 11,364,386**	**$ 16,605**	**$ 5,275,491**	**$ 10,910,358**	**$ 10,931,294**	**$ 16,605**	**$ 5,271,161**

ENTERPRISE FUNDS TRANSFER SUMMARY

To Fund	From Fund	Purpose	Transfer In & Transfer Out 2007/08	Transfer In & Transfer Out 2008/09	Transfer In & Transfer Out 2009/10	Transfer In & Transfer Out 2010/11
Transfers In						
Water System	General Fund	Funding of Lifeline for water	23,195	23,195	16,605	16,605
Marina CIP	General Fund-Reserves	Dredging	400,000			
	Sub-Total Transfer In		**423,195**	**23,195**	**16,605**	**16,605**
Transfers Out						
General Fund Reserve	Water System	Retiree Benefits	(79,870)			
Debt Service	Water System	Fund Debt Service	(893,709)	(894,326)	(897,142)	(898,592)
Capital Projects	Water System	Paving				
Capital Projects	Water System	Water System Master Plan	(225,000)			
Capital Projects	Water System	Harborview Reservoir Replacement	(1,300,000)			
Capital Projects	Water System	Cathodic Protection System Review				
Capital Projects	Water System	Water Main Replacement Project	(350,000)	(350,000)	(350,000)	(350,000)
Capital Projects	Water System	Flouridation Ssytem Replacement	(275,000)			
Capital Projects	Water System	Replacement of Raw Water Line	(75,000)	(500,000)	(425,000)	
Capital Projects	Water System	Saint Mary's Pump Station Upgrades		(50,000)	(250,000)	
Capital Projects	Water System	Harborview Res. to Vista Way Line	(325,000)			
Capital Projects	Water System	Muir Oaks Reservoir & Pump Station		(175,000)		(150,000)
Capital Projects	Water System	Alhambra Way Transmission Line			(25,000)	(175,000)
Capital Projects	Water System	Water Plant Tank Repairs			(50,000)	
Capital Projects	Water System	Water Plant-Paint Building			(50,000)	
Capital Projects	Parking Fund	Parking Lot #4-Ferry/Marina Vista			(125,000)	
	Sub-Total Transfer Out		**(3,523,579)**	**(1,969,326)**	**(2,172,142)**	**(1,573,592)**
	TOTAL INTERFUND TRANSFERS		**$ (3,100,384)**	**$ (1,946,131)**	**$ (2,155,537)**	**$ (1,556,987)**

ENTERPRISE FUNDS - REVENUE

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
	Water System (71)				
4600	Charges for Services	$ 3,019,948	$ 3,100,000	$ 3,100,000	$ 3,100,000
4701	Interest Income	404,107	285,000	260,000	260,000
4750	Rents, Leases & Royalties	21,687	25,000	26,000	26,000
4772	Return Check Charges	960	900	900	900
4775	Refunds, Rebates & Reimbursements		100	100	100
4921	Zone 1 Water Sales	2,539,733	2,956,000	2,660,400	2,740,212
4921	Zone 2 Water Sales	3,396,038	3,472,000	3,124,800	3,218,544
4921	Zone 3 Water Sales	236,756	208,000	187,200	192,816
4921	Zone 4 Water Sales	108,335	103,000	92,700	95,481
4923	Penalty Charges	43,819	55,000	55,000	55,000
4924	Backflow Charges	103,312	82,500	90,000	90,000
4925	Account Establishment Fee	11,388	13,850	13,850	13,850
4931	Development Connection Charge	65,200	110,000	90,000	90,000
4932	Service Line Fee	15,430	25,000	20,000	20,000
4933	Meter Installation Fee	2,190	10,000	10,000	10,000
4934	Other Charges	356	500	500	500
4936	Hydrant Meter Charge	47,555		10,000	10,000
4938	Water Fire Service Charge	222,807	237,022	220,000	220,000
4939	Water Trip Charge	6,959		5,000	5,000
4870	Miscelleaneous Revenue	1,899		1,000	1,000
4001	Transfer In From General Fund	23,195	23,195	16,605	16,605
	Total Water System	**10,271,674**	**10,707,067**	**9,984,055**	**10,166,008**

Marina Operations (73)

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
4112	Personal Property Tax	4,085	4,610	4,610	4,610
4115	Sales & Use Tax	7,189	6,780	6,780	6,780
4701	Interest Income	5,866	2,500	2,500	2,500
4750	Rents, Leases & Royalties	50,961	50,000	50,000	50,000
4870	Miscellaneous	8,100			
4796	Marina Management	206,307	250,000	250,000	250,000
4795	Railroad Lease	8,364	8,364	8,364	8,364
4001	Transfers In				
	Total Marina Operations	**290,872**	**322,254**	**322,254**	**322,254**
	Marina Capital Projects (74)				
4001	Transfers In	290,000			
4520	State Grant-BCDC	430,343			
4521	State Grant-Coastal Conservancy				
	Total Marina Capital Projects	**720,343**	**-**	**-**	**-**
	Parking Services (75)				
4111	Real Property Tax	$ 51,966	$ 48,620	$ 53,001	$ 53,001
4701	Interest Income	26,444	10,000	15,000	15,000
4875	Refunds, Rebates & Reimbursements		700	700	700
4971	Parking Meters	361,379	330,000	330,000	330,000
4972	Parking Permits	43,974	30,000	40,000	40,000
	Total Parking Services	**483,762**	**419,320**	**438,701**	**438,701**
	TOTAL REVENUE ENTERPRISE FUNDS	**$ 11,766,651**	**$ 11,448,641**	**$ 10,745,010**	**$ 10,926,963**

ENTERPRISE FUNDS - EXPENDITURES

			2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Water System								
71	910	WATER ADMINISTRATION						
		Labor	135,992	169,045	161,030	*(8,015)*	168,372	*7,342*
		Operating	2,483,109	761,943	648,941	*(113,002)*	657,981	*9,039*
		Direct & Indirect Costs	817,054	998,405	1,019,058	*20,653*	1,043,218	*24,160*
		TOTAL WATER ADMINISTRATION	3,436,155	1,929,393	1,829,030	*(100,363)*	1,869,571	*40,541*
71	911	WATER TREATMENT						
		Labor	895,456	1,010,252	1,037,528	*27,276*	1,049,982	*12,454*
		Operating	3,619,178	3,921,982	3,877,855	*(44,127)*	3,972,333	*94,478*
		Capital		37,000	37,000		37,000	
		Direct & Indirect Costs						
		TOTAL WATER TREATMENT	4,514,634	4,969,234	4,952,383	*(16,851)*	5,059,315	*106,932*
71	912	WATER DISTRIBUTION						
		Labor	662,878	741,049	721,285	*(19,764)*	728,719	*7,434*
		Operating	896,561	898,901	959,872	*60,971*	962,003	*2,131*
		Capital						
		Direct & Indirect Costs	80,531	87,377	77,845	*(9,532)*	80,830	*2,984*
		TOTAL WATER DISTRIBUTION	1,639,970	1,727,327	1,759,002	*31,675*	1,771,552	*12,549*
		TOTAL WATER SYSTEM OPERATIONS	**9,590,759**	**8,625,954**	**8,540,415**	***(85,539)***	**8,700,437**	***160,022***
71	900	TRANSFERS OUT						
		Transfer to General CIP						
		Transfer to General Fund Reserve	79,870					
		TOTAL TRANSFERS OUT	79,870					
		TOTAL WATER SYSTEM FUND	**9,670,629**	**8,625,954**	**8,540,415**	***(85,539)***	**8,700,437**	***160,022***

Budget for Fiscal Years 2009-10 and 2010-11

Capital Projects-Water System	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
72 C7024 WATER MAIN REPLACEMENT 08/09						
Design		45,000				
Construction		932,090		*(932,090)*		
Construction Management		15,000		*(15,000)*		
TOTAL WATER MAIN REPLACEMENT		947,090		*(947,090)*		
72 C7017 WATER MAIN REPLACEMENT 06/07						
Design	632					
Construction	311,526					
Construction Management	91					
TOTAL WATER METER REPLACEMENT	312,248					
72 C7020 SAINT MARY'S PUMP STATION UPGRADE						
Design		50,000		*(50,000)*		
Construction			250,000	*250,000*		*(250,000)*
Construction Management						
TOTAL FILTER CONTROL REPLACEMENT		50,000	250,000	*200,000*		*(250,000)*
72 C7019 HARBOR VIEW RESERVOIR TO VISTA WAY WATER LINE						
Design	18,018	5,000		*(5,000)*		
Construction		316,982		*(316,982)*		
Construction Management		10,000		*(10,000)*		
TOTAL	18,018	331,982		*(326,982)*		
72 ALHAMBRA WAY TRANSMISSION LINE						
Design			25,000	*25,000*		*(25,000)*
Construction					175,000	*175,000*
Construction Management						
TOTAL ALHAMBRA WAY TRANS. LINE			25,000	*25,000*	175,000	*150,000*

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
72	C7018 FLOURIDATION SYSTEM REPLACEMENT						
	Design	6,887	5,000		*(5,000)*		
	Construction	104,622	81,365		*(81,365)*		
	Construction Management	363	9,600		*(9,600)*		
	TOTAL	111,872	95,965		*(90,965)*		
72	C7008 HARBORVIEW RESERVOIR REPLACEMENT						
	Design	17,740	135,305		*(135,305)*		
	Construction		3,610,020		*(3,610,020)*		
	Construction Management		161,590		*(161,590)*		
	TOTAL HILLSIDE RESERVOIR REPLACE.	17,740	3,906,915		*(3,906,915)*		
72	WATER PLANT ALUMINUM TANK REPAIR						
	Design			50,000	*50,000*		*(50,000)*
	Construction						
	Construction Management						
	TOTAL WATER PLANT TANK REPAIR			50,000	*50,000*		*(50,000)*
72	WATER PLANT-PAINTING BUILDING						
	Design						
	Construction			50,000	*50,000*		*(50,000)*
	Construction Management						
	TOTAL WATER PLANT-PAINTING BLDG.			50,000	*50,000*		*(50,000)*
72	WATER MAIN REPLACEMENT						
	Design						
	Construction			350,000	*350,000*	350,000	
	Construction Management						
	TOTAL WATER MAIN REPLACEMENT			350,000	*350,000*	350,000	

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
72	C7021 WATER TREATMENT PLANT MASTER PLAN						
	Design		225,000		*(225,000)*		
	Construction						
	Construction Management						
	TOTAL MASTER PLAN		225,000		*(225,000)*		
72	C7013 CORP YARD CONSOLIDATION						
	Design		535,527		*(535,527)*		
	Construction						
	Construction Management						
	TOTAL CORPYARD CONSOLIDATION		535,527				
72	C7014 CATHODIC PROTECTION SYSTEM REVIEW						
	Design	75	29,061		*(29,061)*		
	Construction		24,040		*(24,040)*		
	Construction Management		925		*(925)*		
	TOTAL CATHODIC PROTECTION SYS	75	54,026		*(54,026)*		
72	C7015 SCADA SYSTEM						
	Design	143,698	55,858		*(55,858)*		
	Construction	6,993	37,113		*(37,113)*		
	Construction Management	30,444	20,000		*(20,000)*		
	TOTAL SCADA SYSTEM	181,135	112,971		(112,971)		
72	C7022 REPLACEMENT OF RAW WATER LINE						
	Design	14,366	60,634		*(60,634)*		
	Construction		485,000	425,000	*(60,000)*		*(425,000)*
	Construction Management		15,000		*(15,000)*		
	TOTAL	14,366	560,634	425,000	*(135,634)*		*(425,000)*

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
72 C7023	MUIR OAKS RESERVIOR						
	Design		40,000		*(40,000)*		
	Construction		110,000		*(110,000)*	150,000	*150,000*
	Construction Management		25,000		*(25,000)*		
	TOTAL		175,000		*(175,000)*	150,000	*150,000*
	TOTAL CAPITAL PROJECTS	**655,454**	**6,995,110**	**1,150,000**	***(5,299,583)***	**675,000**	***(625,000)***
Debt Service-Water System							
71 441	DEBT S 1999 COP FUND						
	Operating	272,552	436,544	435,672	*(872)*	437,231	*1,559*
	TOTAL DEBT SERVICE	272,552	436,544	435,672	*(872)*	437,231	*1,559*
71 441	DEBT S 2003 COP FUND						
	Operating	232,070	457,783	461,470	*3,687*	461,361	*(109)*
	TOTAL DEBT SERVICE	232,070	457,783	461,470	*3,687*	461,361	*(109)*
	TOTAL DEBT SERVICE	**504,622**	**894,327**	**897,142**	***2,815***	**898,592**	***1,450***
	TOTAL WATER SYSTEM	**$ 10,830,705**	**$ 16,515,391**	**$ 10,587,557**	***$ (5,382,307)***	**$ 10,274,029**	***$ (463,528)***

Budget for Fiscal Years 2009-10 and 2010-11

			2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Marina								
73	920	MARINA ADMINISTRATION						
		Labor						
		Operating	92,186	89,130	56,526	*(32,604)*	56,526	
		Capital						
		Direct & Indirect Costs	15,618	19,080	3,329	*(15,751)*	3,437	*107*
		TOTAL MARINA ADMINISTRATION	107,804	108,210	59,855	(48,355)	59,962	*107*
73	921	MARINA OPERATIONS						
		Labor						
		Operating	93,844	100,835	80,575	*(20,260)*	80,580	*5*
		Capital						
		Direct & Indirect Costs						
		TOTAL MARINA OPERATIONS	93,844	100,835	80,575	*(20,260)*	80,580	*5*
		TOTAL MARINA SERVICES	**201,648**	**209,045**	**140,430**	***(68,615)***	**140,543**	***112***

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Capital Projects-Marina							
74	C8006 CIP-DREDGING						
	Design						
	Construction	1,136	327,817		*(327,817)*		
	Construction Management						
	TOTAL SHORELINE/LAUNCH RAMP	1,136	327,817		(327,817)		
74	C8005 CIP-PIER REMOVAL						
	Design	7,667					
	Construction	356,008					
	Construction Management	34,341					
	TOTAL PIER REMOVAL	398,016					
74	C8004 CIP-PHASE I ENTITLEMENT COSTS						
	Professional Services	141,058	78,952		*(78,952)*		
	Construction						
	Construction Management						
	TOTAL UNDERGROUND TANK	141,058	78,952		(78,952)		
	TOTAL CAPITAL PROJECTS	**540,211**	**406,769**		***(406,769)***		

Budget for Fiscal Years 2009-10 and 2010-11

			2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Debt Service-Marina								
73	863	MARINA DEBT SERVICE						
		Operating	78,144	80,000	80,000		80,000	
		TOTAL MARINA DEBT SERVICE	78,144	80,000	80,000		80,000	
		TOTAL MARINA SERVICES FUND	**$ 820,003**	**$ 695,814**	**$ 220,430**	***$ (475,384)***	**$ 220,543**	***$ 112***

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Parking Services							
75 930	PARKING SERVICES						
	Labor	63,253	71,267	78,188	*6,921*	78,420	*232*
	Operating	185,386	108,963	101,315	*(7,648)*	99,165	*(2,150)*
	Capital		5,000	5,000		5,000	
	Direct & Indirect Costs	171,354	215,241	246,896	*31,655*	254,137	*7,241*
	TOTAL PARKING SERVICES	419,993	400,471	431,399	30,928	436,722	*5,324*
Capital Projects-Parking Services							
76	CIP-PARKING LOT #4 (FERRY/MARINA VISTA)						
	Design						
	Capital			125,000	*125,000*		*(125,000)*
	Construction Management						
	TOTAL CIP-PARKING METERS			125,000	125,000		*(125,000)*
	TOTAL PARKING SERVICES	**$ 419,993**	**$ 400,471**	**$ 556,399**	***$ 155,928***	**$ 436,722**	***$ (119,676)***

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenue derived from specific taxes or other revenue sources that are restricted by law or administrative action to expenditure for specified purposes. The list below summarizes the City's Special Revenue Funds:

Public Safety Grants Fund

This fund accounts for revenues received from the Federal and State governments to be used specifically for public safety equipment and personnel.

NPDES Stormwater Fund

These funds account for the revenues and expenditures from assessments levied on all real property in the City in compliance with the provisions of the National Pollutant Discharge Elimination System for prevention of stormwater and flood related damage.

Measure C Fund

This fund receives voter-approved, half cent countywide sales taxes levied to fund transportation improvements and disburses these funds to pay for local street improvements.

Gas Tax Funds

These funds account for the revenues received from the State under codes 2105, 2106, and 2107 to use for street and highway related projects.

Traffic Congestion Relief

This fund accounts for the revenues received from the State under AB 2928. The allocations must be spent on local streets and roads maintenance, and rehabilitation and reconstruction projects according to the State's Traffic Congestion Relief Plan.

Housing In-Lieu

This fund accounts for deposits received from a developer who may be required to pay a fee in lieu of affordable housing. The funds are to be used at the City's discretion for the provision of affordable housing to low and moderate income households.

Proposition 1B Fund

This fund accounts for the 2006 voter approved Proposition 1B funds to be used for street improvements, including pavement rehabilitation projects.

PEG Access Fund

This fund accounts for the payments received by the City's cable provider to be used for public, educational and governmental capital support as provided by the City's franchise agreement.

Lighting and Landscaping Fund

This fund accounts for the installation, maintenance and improvement of subdivision landscape and lighting within the special districts. Monies are collected through an annual levy on the property owners within each district.

Mitigation/Impact Fees

Fees are collected from developers to mitigate the impact of new development. The total projected revenue is estimated at $165,500 for each of the next two years.

SPECIAL REVENUE FUNDS - SUMMARY

Fund #		Fund Balance at 6/30/09	2009/10 Budget Revenues 09/10	2009/10 Budget Appropriations 09/10	2009/10 Projection Transfers In(Out) 09/10	Fund Balance at 6/30/10	2010/11 Budget Revenues 10/11	2010/11 Budget Appropriations 10/11	2010/11 Projection Transfers In(Out) 10/11	Fund Balance at 6/30/11
20	Public Safety Grants Fund	$ 101,861	$ 101,500	$ 103,361		$ 100,000	$ 0	$ 100,000		$ -
21	NPDES	135,067	473,658	446,554	(50,000)	112,172	473,658	450,685	0	135,144
22	Measure C-Local	495,768	411,200	134,003	(300,000)	472,965	413,000	135,976	(300,000)	449,988
23	Gas Tax	304,172	675,000	519,463	(255,000)	204,709	675,000	530,636	(205,000)	144,073
24	Traffic Congestion Relief	147,296				147,296				147,296
27	Housing In-Lieu Fund	0	0			0	0			0
28	Proposition 1B	8,050	550,278		0	558,328	0			558,328
36	PEG Access Fund	391,006	55,000	41,255		404,751	55,000	24,275		435,476
	Sub-totals	**1,583,220**	**2,266,636**	**1,244,636**	**(605,000)**	**2,000,220**	**1,616,658**	**1,241,572**	**(505,000)**	**1,870,306**
Assessment Districts										
33	Lighting & Landscape	227,039	120,106	138,585		208,560	120,106	138,585		190,081
	Sub-totals	**227,039**	**120,106**	**138,585**	**-**	**208,560**	**120,106**	**138,585**	**-**	**190,081**
Mitigation/Impact Fees										
34	Traffic	407,487	20,000	-	(15,000)	412,487	20,000	-	-	432,487
34	Park In Lieu	262,147	15,000		0	277,147	15,000			292,147
34	Child Care	91,035	7,000		(50,000)	48,035	7,000			55,035
34	Zone 5 Drainage	61,719	7,000		0	68,719	7,000			75,719
34	Cultural & Arts	142,527	23,000		(10,000)	155,527	23,000			178,527
34	Police Facilities	40,626	1,400		(35,000)	7,026	1,400			8,426
34	Park & Recreation	68,571	13,000		0	81,571	13,000			94,571
	Sub-totals	**1,074,112**	**86,400**	**-**	**(110,000)**	**1,050,512**	**86,400**	**-**	**-**	**1,136,912**
	Total Special Revenue Funds	**$ 2,884,371**	**$ 2,473,142**	**$ 1,383,221**	**$ (715,000)**	**$ 3,259,292**	**$ 1,823,164**	**$ 1,380,157**	**$ (505,000)**	**$ 3,197,299**

SPECIAL REVENUE FUNDS TRANSFER SUMMARY

To Fund	From Fund	Purpose	Transfer In & Transfer Out 2007/08	Transfer In & Transfer Out 2008/09	Transfer In & Transfer Out 2009/10	Transfer In & Transfer Out 2010/11
Lighting & Landscape	NPDES	Share of LLD		700		
Lighting & Landscape	General Fund	Share of LLD		6,000		
Gas Tax	Capital Improvement Program	Donegal Place-project closed	54,995			
PEG Access	General Fund	PEG fund-transferred to new account	468,733			
		Sub-Total Transfer In	523,728	6,700	-	-
Capital Improvement Program	NPDES	Annual Storm Drain Maintenance	50,000		25,000	
Capital Improvement Program	NPDES	Alhambra Creek Channel Maint.	25,000	25,000	25,000	
Capital Improvement Program	NPDES	Alhambra Creek Silt Removal		50,000		
Lighting & Landscape	NPDES	Share of LLD		700		
Capital Improvement Program	Measure C - Local	Annual Pavement Management	200,000	300,000	300,000	300,000
Capital Improvement Program	Measure C - Local	Alhambra Pavement Overlay	150,000			
Capital Improvement Program	Measure C - Local	General Plan Update	100,000	100,000		
Capital Improvement Program	Gas Tax	Annual Pavement Management	200,000	200,000	200,000	150,000
Capital Improvement Program	Gas Tax	ADA Ramps		25,000	20,000	20,000
Capital Improvement Program	Gas Tax	Alhambra Way Creek Bank Repairs		51,000		
Capital Improvement Program	Gas Tax	Alhambra Avenue Pedestrian		14,715		
Capital Improvement Program	Gas Tax	Annual Storm Drain Maintenance			25,000	25,000
Capital Improvement Program	Gas Tax	Annual Sidewalk Repair			10,000	10,000
Capital Improvement Program	Proposition 1B	Annual Pavement Management		581,915		
Capital Improvement Program	Traffic Congestion Relief	Annual Pavement Management	13,881	155,689		
Capital Improvement Program	Mitigation Fees-Traffic	Quiet Zone			15,000	
Capital Improvement Program	Mitigation Fees-Park In Lieu	Hidden Valley/Hidden Lakes Park	25,000			
Capital Improvement Program	Mitigation Fees-Park In Lieu	Nancy Boyd Park	150,000			
Capital Improvement Program	Mitigation Fees-Zone 5 Drainage	Alhambra Creek Silt Removal	15,000			
Capital Improvement Program	Mitigation Fees-Cultural Facilities	Old Train Depot	100,000			
Capital Improvement Program	Mitigation Fees-Cultural Facilities	Senior Center			10,000	
Capital Improvement Program	Mitigation Fees-Child Care Fees	Kiwanis Site			50,000	
Capital Improvement Program	Mitigation Fees-Child Care Fees	Nancy Boyd Park		60,000		
Capital Improvement Program	Mitigation Fees-Police	Police Parking Lot Fence			35,000	
Capital Improvement Program	Mitigation Fees-Park & Rec	Nancy Boyd Park	25,000			
		Sub-Total Transfer Out	1,053,881	1,564,019	715,000	505,000
	TOTAL TRANSFERS		**$ (530,153)**	**$ (1,557,319)**	**$ (715,000)**	**$ (505,000)**

SPECIAL REVENUE FUNDS - REVENUE

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
	Public Safety Grants Fund (20)				
4269	Asset Seizure	$ 8,290	$ 21,222		$ -
4521.2	State Grant-911 Emergency		61,314		
4521.3	SLESF	100,000	100,000	100,000	
4535	OCJP Grant	34,862			
4521.4	Federal Grant-OTS Seatbelt Campaign	5,000	8,276		
4535	Federal Grant-OJP GMC Award	10,678			
4531.5	Federal Grant-ABC Grant		44,881		
4701	Interest Income	4,817	1,100	1,500	
4802	Canine Donations	2,102	1,277		
4802	Swat Donations	2,000			
4802	Other Donations				
	Total Police Grants	**167,749**	**238,070**	**101,500**	**0**
	NPDES (21)				
4031	Transfers In				
4180	NPDES Assessment	472,658	544,000	472,658	472,658
4701	Interest Income	3,914	1,000	1,000	1,000
4830	Restitution/Damage & Recovery	2,810			
	Total NPDES	**479,383**	**545,000**	**473,658**	**473,658**
	Measure C - Local (22)				
4031	Transfers In				
4360	Local Measure C	502,895	549,000	403,200	405,000
4511	Grant	250,700			
4701	Interest	21,285	2,000	8,000	8,000
	Total Measure C - Local	**774,880**	**551,000**	**411,200**	**413,000**

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
	Gas Tax (23)				
4000	Transfer In	54,995	0	0	0
4350.5	2105 Gas Tax	217,890	240,000	220,000	220,000
4350.6	2106 Gas Tax	143,463	155,000	145,000	145,000
4350.7	2107 Gas Tax	291,575	315,000	300,000	300,000
4350.8	2107.5 Gas Tax	6,000	6,000	6,000	6,000
4701	Interest Income	7,942	8,500	4,000	4,000
	Total Gas Tax	**721,865**	**724,500**	**675,000**	**675,000**
	Traffic Congestion Relief (24)				
4351	Traffic Congestion Relief		302,985		
4701	Interest	4,244			
	Total Traffic Congestion Relief	**4,244**	**302,985**	**0**	**0**
	Housing In-Lieu Fund (27)				
4421	Housing In-Lieu Fee	5,000			
4701	Interest	8			
	Total Housing In-Lieu	**5,008**	**0**	**0**	**0**
	Proposition 1B (28)				
4352	Proposition 1B	581,915		550,278	
4701	Interest	8,050			
	Total Proposition 1B	**589,965**	**0**	**550,278**	**0**
	Lighting & Landscape (33)				
4001	Transfers In		6,700		
4185	Local Asessment	114,106	120,000	114,106	114,106
4701	Interest	10,088	4,500	6,000	6,000
4775	Refunds, Rebates & Reimbursements				
	Total Lightening & Landscape	**124,194**	**131,200**	**120,106**	**120,106**

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
	Traffic Mitigation Fees (34)				
4701	Interest Income	16,056	5,000	5,000	5,000
4420.1	Traffic Mitigation Fees	16,632	45,000	15,000	15,000
	Total Traffic Mitigation Fees	**32,688**	**50,000**	**20,000**	**20,000**
	Park In-Lieu Fees (34)				
4701	Interest Income	13,490	5,000	5,000	5,000
4420.2	Park In-Lieu Fees	117,488	25,000	10,000	10,000
	Total Park In-Lieu Fees	**130,978**	**30,000**	**15,000**	**15,000**
	Child Care Fees (34)				
4701	Interest Income	6,211	2,000	2,000	2,000
4420.3	Child Care Impact Fees	8,973	6,500	5,000	5,000
	Total Child Care Impact Fees	**15,183**	**8,500**	**7,000**	**7,000**
	Drainage Fees (34)				
4701	Interest Income	2,201	2,000	2,000	2,000
4420.4	Drainage Fees Zone 5	13,845	10,000	5,000	5,000
	Total Drainage Fees	**16,046**	**12,000**	**7,000**	**7,000**
	Cultural Facilities (34)				
4701	Interest Income	6,702	3,000	3,000	3,000
4420.5	Cltural Facilities Impact Fees	74,548	42,000	20,000	20,000
	Total Cultural Facilities	**81,250**	**45,000**	**23,000**	**23,000**
	Police Facilities (34)				
4701	Interest Income	1,288	400	400	400
4420.6	Police Facilities Impact Fees	9,364	4,600	1,000	1,000
	Total Police Facilities Impact Fees	**10,651**	**5,000**	**1,400**	**1,400**

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
	Park & Recreation Fees (34)				
4701	Interest Income	7,184	3,000	1,000	1,000
4420.7	Park & Recreation Impact Fees	55,502	12,000	12,000	12,000
	Total Park & Recreation Fees	**62,686**	**15,000**	**13,000**	**13,000**
	PEG Access Fund (36)				
4010	Transfers In	468,733			
4803	Grants	57,971	50,000	55,000	55,000
	Total PEG Access Fund	**526,705**	**50,000**	**55,000**	**55,000**
	TOTAL SPECIAL REVENUE	**$ 3,743,475**	**$ 2,708,255**	**$ 2,473,142**	**$ 1,823,164**

SPECIAL REVENUE FUNDS - EXPENDITURES

			2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Public Safety Grants Fund								
20	614	OJP-GMC AWARD						
		Labor						
		Operating	10,680					
		Direct & Indirect Costs						
		TOTAL OJP-GMC AWARD	10,680					
20	634	911 EQUIPMENT GRANTS						
		Labor						
		Operating	2,442	58,871		*(58,871)*		
		Direct & Indirect Costs						
		TOTAL 911 EQUIPMENT GRANTS	2,442	58,871		*(58,871)*		
20	612	FEDERAL BLOCK GRANT #2003-LBBX0762						
		Labor						
		Operating	7,920					
		Direct & Indirect Costs						
		TOTAL FEDERAL BLOCK GRANT	7,920					
20	647	OFFICE OF TRAFFIC SAFETY-SEATBELT GRANT						
	649	Labor	5,000	8,276		*(8,276)*		
		Operating						
		Direct & Indirect Costs						
		TOTAL SEATBELT GRANT	5,000	8,276		*(8,276)*		

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
20 648 ABC GRANT						
Labor		39,185		*(39,185)*		
Operating		5,696				
Direct & Indirect Costs						
TOTAL STATE TECHNOLOGY GRANTS		44,881		*(39,185)*		
20 636 SUPPLEMENTAL LAW ENFORCEMENT (SLESF)						
Labor	60,900	71,530	100,000	*28,470*	100,000	
Operating	42,719	34,020	3,361	*(30,659)*		*(3,361)*
Direct & Indirect Costs						
TOTAL SUPPLEMENTAL LAW ENF.	103,619	105,550	103,361	*(2,189)*	100,000	*(3,361)*
20 610 OCJP-PAL GRANT						
Labor						
Operating		34,861		*(34,861)*		
Direct & Indirect Costs						
TOTAL OCJP-PAL GRANT		34,861		*(34,861)*		
20 367 SWAT FUND						
Labor						
Operating	1,946	2,079		*(2,079)*		
Direct & Indirect Costs						
TOTAL SWAT FUND	1,946	2,079		*(2,079)*		
20 298 ASSET SEIZURE						
Labor						
Operating	9,543	44,089		*(44,089)*		
Direct & Indirect Costs						
TOTAL ASSET SEIZURE	9,543	44,089		*(44,089)*		

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
20 627	CANINE FUND						
	Labor						
	Operating	3,226	3,615		*(3,615)*		
	Direct & Indirect Costs						
	TOTAL CANINE FUND	3,226	3,615		*(3,615)*		
20 330	DONATIONS						
	Labor						
	Operating	824	1,068		*(1,068)*		
	Direct & Indirect Costs						
	TOTAL DONATIONS	824	1,068		*(1,068)*		
	TOTAL COPS GRANT FUND	**$ 145,200**	**$ 303,290**	**$ 103,361**	***$ (194,233)***	**$ 100,000**	***$ (3,361)***

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
NPDES							
21 754	MUNICIPAL MAINTENANCE						
	Labor	79,088	84,699	89,792	*5,093*	89,900	*108*
	Operating	123,994	103,194	105,542	*2,348*	104,027	*(1,515)*
	Direct & Indirect Costs	19,535	19,535	18,441	*(1,094)*	19,535	*1,094*
	TOTAL MUNICIPAL MAINTENANCE	222,617	207,428	213,775	*6,347*	213,461	*(314)*
21 757	AGENCY ADMINISTRATION						
	Operating	57,864	134,145	99,106	*(35,039)*	99,503	*396*
	Direct & Indirect Costs	171,013	174,215	133,673	*(40,542)*	137,721	*4,049*
	TOTAL AGENCY ADMINISTRATION	228,877	308,360	232,779	*(75,581)*	237,224	*4,445*
	TOTAL NPDES	**451,494**	**515,788**	**446,554**	***(69,234)***	**450,685**	***4,131***
21 900	TRANSFERS OUT						
	Transfer to Capital Projects	75,000	75,700	50,000	*(25,700)*		*(50,000)*
	TOTAL TRANSFERS OUT	75,000	75,700	50,000	*(25,700)*		*(50,000)*
	TOTAL NPDES FUND	**$ 526,494**	**$ 591,488**	**$ 496,554**	***$ (94,934)***	**$ 450,685**	***$ (45,869)***

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Measure C - Local							
22 760	MEASURE C - LOCAL						
	Labor	31,517	61,479		*(61,479)*		
	Operating	45,275	131,452	134,003	*2,551*	135,976	*1,973*
	Capital						
	Direct & Indirect Costs						
	TOTAL TRANSPORATION	76,792	192,931	134,003	*(58,928)*	135,976	*1,973*
22 900	TRANSFERS OUT						
	Transfer for General Plan	100,000	100,000				
	Transfer to Capital Projects	350,000	300,000	300,000		300,000	
	TOTAL TRANSFERS OUT	450,000	400,000	300,000		300,000	
	TOTAL LOCAL C	**$ 526,792**	**$ 592,931**	**$ 434,003**	***$ (58,928)***	**$ 435,976**	***$ 1,973***

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Gas Tax						
23 771 STREET MAINTENANCE						
Operating	289,406	307,342	335,254	*27,912*	340,460	*5,206*
Capital						
Direct & Indirect Costs						
TOTAL STREET MAINTENANCE	289,406	307,342	335,254	*27,912*	340,460	*5,206*
23 772 ARTERIAL MAINTENANCE						
Operating	151,673	176,097	184,209	*8,112*	190,176	*5,966*
Capital						
Direct & Indirect Costs						
TOTAL ARTERIAL MAINTENANCE	151,673	176,097	184,209	*8,112*	190,176	*5,966*
TOTAL GAS TAS OPERATIONS	**441,080**	**483,439**	**519,463**	***36,024***	**530,636**	***11,173***
23 900 TRANSFERS OUT						
Transfer to Capital Projects	200,000	290,715	255,000	*(35,715)*	205,000	*(50,000)*
TOTAL TRANSFERS OUT	200,000	290,715	255,000	*(35,715)*	205,000	*(50,000)*
TOTAL GAS TAX FUND	**$ 641,080**	**$ 774,154**	**$ 774,463**	***$ 309***	**$ 735,636**	***$ (38,827)***

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Traffic Congestion Relief						
24 900 TRANSFERS OUT						
Transfer to Capital Projects	13,881	155,689		*(155,689)*		
TOTAL TRANSFERS OUT	13,881	155,689		*(155,689)*		
TOTAL TRAFFIC CONGESTION RELIEF	**$ 13,881**	**$ 155,689**	**$ -**	***$ (155,689)***	**$ -**	***$ -***

Budget for Fiscal Years 2009-10 and 2010-11

Proposition 1B Funds	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
24 900 TRANSFERS OUT						
Transfer to Capital Projects		581,915		*(581,915)*		
TOTAL TRANSFERS OUT		581,915		*(581,915)*		
TOTAL PROPOSITION 1B FUNDS	**$ -**	**$ 581,915**	**$ -**	***$ (581,915)***	**$ -**	**$ -**

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
PEG Access Fund						
24 900 PEG ACCESS						
Operating		185,699	41,255	*(144,444)*	24,275	*(16,980)*
TOTAL PEG ACCESS		185,699	41,255	*(144,444)*	24,275	*(16,980)*
TOTAL PEG ACCESS	**$ -**	**$ 185,699**	**$ 41,255**	***$ (144,444)***	**$ 24,275**	***$ (16,980)***

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Lighting & Landscape						
33 910 VILLAGE OAKS						
Operating	6,322	4,916	4,916		4,916	
Direct & Indirect Costs	300	300	300		300	
TOTAL VILLAGE OAKS	6,622	5,216	5,216		5,216	
33 911 MUIR STATION						
Operating	9,549	9,475	9,475		9,475	
Direct & Indirect Costs	300	300	300		300	
TOTAL MUIR STATION	9,849	9,775	9,775		9,775	
33 912 CREEKSIDE						
Operating	4,836	4,915	4,915		4,915	
Direct & Indirect Costs	1,000	1,000	1,000		1,000	
TOTAL CREEKSIDE	5,836	5,915	5,915		5,915	
33 913 BRITTANY HILLS						
Operating	63,041	58,587	58,587		58,587	
Direct & Indirect Costs	1,800	1,800	1,800		1,800	
TOTAL BRITTANY HILLS	64,841	60,387	60,387		60,387	

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
33 914	VISTA OAKS						
	Operating	16,671	15,489	15,489		15,489	
	Direct & Indirect Costs	300	300	300		300	
	TOTAL VISTA OAKS	16,971	15,789	15,789		15,789	
33 915	COSTCO CENTER						
	Operating	7,072	7,433	7,433		7,433	
	Direct & Indirect Costs	300	300	300		300	
	TOTAL COSTCO CENTER	7,372	7,733	7,733		7,733	
33 916	TERRA VISTA						
	Operating	5,323	7,435	7,435		7,435	
	Direct & Indirect Costs	1,000	1,000	1,000		1,000	
	TOTAL TERRA VISTA	6,323	8,435	8,435		8,435	
33 917	LL AD 2003						
	Operating	20,858	24,335	24,335		24,335	
	Direct & Indirect Costs	1,000	1,000	1,000		1,000	
	TOTAL 2002-03 LL	21,858	25,335	25,335		25,335	
	TOTAL LIGHTING & LANDSCAPING	**$ 139,671**	**$ 138,585**	**$ 138,585**	**$ -**	**$ 138,585**	**$ -**

Budget for Fiscal Years 2009-10 and 2010-11

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Mitigation/Impact Fees							
34 31	TRAFFIC						
	Operating						
	Transfers Out			15,000	*15,000*		*(15,000)*
	TOTAL TRAFFIC			15,000	*15,000*		*(15,000)*
34 32	PARK IN LIEU						
	Operating						
	Transfers Out	150,000					
	TOTAL PARK IN LIEU	150,000					
34 33	CHILD CARE						
	Operating	14,000					
	Transfers Out		60,000	50,000	*(10,000)*		*(50,000)*
	TOTAL CHILD CARE	14,000	60,000	50,000	*(10,000)*		*(50,000)*
34 34	ZONE 5 DRAINAGE						
	Operating						
	Transfers Out	15,000					
	TOTAL ZONE 5 DRAINAGE	15,000					

Budget for Fiscal Years 2009-10 and 2010-11

			2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
34	35	CULTURAL & ARTS						
		Operating						
		Transfers Out	100,000		10,000	*10,000*		*(10,000)*
		TOTAL CULTURAL & ARTS	100,000		10,000	*10,000*		*(10,000)*
34	36	POLICE FACILITIES						
		Operating						
		Transfers Out			35,000	*35,000*		*(35,000)*
		TOTAL POLICE FACILITIES			35,000	*35,000*		*(35,000)*
33	37	PARK & RECREATION						
		Operating	111,852					
		Transfers Out	50,000					
		TOTAL PARK & RECREATION	161,852					
		TOTAL MITIGATION/IMPACT FEES	**$ 440,852**	**$ 60,000**	**$ 110,000**	***$ 50,000***	**$ -**	***$ (110,000)***

INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

The concept of major funds introduced by GASB Statement 34 does not extend to Internal Service Funds because they do not do business with outside parties. GASB Statement 34 requires that for the Statement of Activities, the net revenues or expenses of each Internal Service Fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Assets.

The City's Internal Service Funds are described below, with the summary details for each provided on the subsequent pages of this section.

Equipment Replacement Fund

This fund is designed to account for the accumulation of funds for the maintenance and subsequent replacement of equipment under City control.

Information Systems

This fund is designed to account for the services rendered to all City departments for management of the City's hardware and software needs. The Administrative Services Department oversees the functions and staffing of Information Systems. Refer to Section 6 of this Budget for more information.

INTERNAL SERVICE FUNDS - SUMMARY

Fund #		Fund Balance at 6/30/09	2009/10 Budget Revenues 09/10	2009/10 Budget Appropriations 09/10	Fund Balance at 6/30/10	2010/11 Budget Revenues 10/11	2010/11 Budget Appropriations 10/11	Fund Balance at 6/30/11
81	Equipment Replacement Fund	$ 1,989,154	$ 981,557	$ 982,209	$ 1,988,502	$ 932,672	$ 1,028,581	$ 1,892,593
82	Information Systems	661,682	383,701	436,401	608,982	383,954	424,654	568,282
	Total Internal Service Funds	**$ 2,650,836**	**$ 1,365,257**	**$ 1,418,609**	**$ 2,597,484**	**$ 1,316,625**	**$ 1,453,234**	**$ 2,460,875**

INTERNAL SERVICE FUNDS - REVENUE

		2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
	Equipment Replacement (81)				
4701	Interest	$ 79,216	$ 50,000	$ 50,000	$ 50,000
4755	Rental Charges-City	1,120,788	1,130,608	916,557	862,672
4760	Sale of Personal Property	5,554	38,900	15,000	20,000
4803	Other Grants				
4830	Restitution/Damage & Recovery	471			
	Total Equipment Replacement	**1,206,029**	**1,219,508**	**981,557**	**932,672**
	Informations Systems (82)				
4001	Transfer from Geneal Fund	137,781	-		-
4701	Interest	26,698	10,000	10,000	10,000
4755	Rental Charges-City	468,876	474,564	373,701	373,954
4840	Settlements	8,960			
	Total Information Systems	**642,315**	**484,564**	**383,701**	**383,954**
	TOTAL REVENUE INTERNAL SERVICE FUNDS	**$ 1,848,344**	**$ 1,704,072**	**$ 1,365,257**	**$ 1,316,625**

INTERNAL SERVICE FUNDS - EXPENDITURES

		2007/08 Actual	2008/09 Projected	2009/10 Budget	*Increase (Decrease)*	2010/11 Budget	*Increase (Decrease)*
Internal Service Funds							
81 920	EQUIPMENT REPLACEMENT FUND						
	Labor	165,028	233,881	210,358	*(23,523)*	210,681	*324*
	Operating	441,580	563,748	517,876	*(45,872)*	517,110	*(766)*
	Capital	358,171	399,000	209,000	*(190,000)*	254,000	*45,000*
	Direct & Indirect Costs	37,481	58,790	44,975	*(13,815)*	46,790	*1,814*
	TOTAL EQUIPMENT REPLACEMENT	1,002,260	1,255,419	982,209	*(273,210)*	1,028,581	*46,372*
82 921	INFORMATION SYSTEMS						
	Labor	135,035	163,490	165,093	*1,603*	166,194	*1,101*
	Operating	282,879	235,348	191,299	*(44,049)*	178,077	*(13,222)*
	Capital						
	Direct & Indirect Costs	72,751	79,827	80,009	*182*	80,383	*373*
	TOTAL INFORMATION SYSTEMS	490,665	478,665	436,401	*(42,264)*	424,654	*(11,747)*
	TOTAL INTERNAL SERVICE FUNDS	**$ 1,492,925**	**$ 1,734,084**	**$ 1,418,609**	**$ (315,475)**	**$ 1,453,234**	**$ 34,625**

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) budget is for expenditures on capital projects such as major street or park improvements, building construction, and significant facility maintenance. The City prepares a 5-year Capital Improvement Program that identifies capital improvement projects based on need and availability of funding. The CIP is reviewed and updated by the City Council prior to adoption of the Biennial Budget. Most of the CIP projects are funded with non-discretionary funds (such as water, gas tax and park funds), meaning the money must be used for a specific purpose. Council-adopted master plans for both the parks and the water system, which are typically only updated every 10 to 15 years, have identified and prioritized projects for the next 10 or more years. In addition, Martinez residents approved Measure H, the Park Improvement Bond, on the November 2008 election ballot. Over the next 10-15 years all the 17 parks will be renovated, Rankin pool rebuilt, and the library expanded.

Long term transportation projects are included in the Transportation Element of the General Plan or are listed in the Transportation and Growth Management Program funded by Measure J, the countywide half-cent sales tax. Staff proposes regular maintenance projects based on input from a variety of sources including citizen complaints, Council subcommittees and Water, Streets and Park Maintenance Divisions. Only a few projects are funded with discretionary funds, such as the General Fund. Due to the current challenging economic climate, there are no new General Fund supported projects. Enterprise Fund capital improvements are reflected in the Enterprise Funds section. Program funding is provided through grants, Measure "C" funds, gasoline tax, NPDES, Measure H Park Bond proceeds and General Fund reserves. More detailed information regarding the CIP projects planned for 2009-11 is provided in the Major Capital Improvement Projects Overview.

2007-2009 ACCOMPLISHMENTS:

- Completed construction of the Alhambra Avenue Improvement Project
- Permitted and completed the Alhambra Creek Silt Removal Project from Marina Vista to the railroad.
- Constructed new softball field, restrooms and recreation room at Nancy Boyd Park.
- Replaced the playground equipment at Hidden Lakes Park.
- Secured funding and acquired the Zocchi property on the north side of the railroad for Phase 3 of the Intermodal Project.
- Secured Measure J funding for site improvements as part of Phase 3 of the Intermodal Project.
- Secured Measure J funding for design of the Court Street Overcrossing.
- Designed and constructed the Downtown Curb Ramp Replacement Project.
- Designed and constructed the Alhambra Way/Alhambra Creek Bank Repair Project.
- Replaced storm drains on Estudillo and Brookside, and H Street and Serano.
- Installed tree lighting on Main Street between Alhambra and Court.
- Designed and constructed the Emergency Bank Repair Project on Alhambra Creek between Escobar and Marina Vista.

2007-09 ACCOMPLISHMENTS (continued)

- Completed design of the Marina Vista Streetscape and Utility Undergrounding Project.
- Completed design of Alhambra Paving Project, Highway 4 to John Muir.
- Rehabilitated streets in the Harbor View, Raap, Elderwood, Heavenly, and downtown neighborhoods.

2009-11 OBJECTIVES

- Complete design of the Municipal Swimming Pool Replacement Project.
- Complete the design of the library improvements.
- Design and construct restroom and other park improvements at Holiday Highlands Park.
- Replace restrooms and play structures at Hidden Lakes Park.
- Remove eucalyptus trees and plant replacement trees at Highland Park.
- Replace restrooms at Waterfront Park near the Bocce Ball Courts.
- Replace restrooms at Hidden Valley Park.
- Complete Alhambra Avenue Paving Project. This project consists of repairing and overlaying pavement on Alhambra Avenue between Highway 4 and John Muir Road.
- Complete Virginia Hills median beautification by summer 2010. This project consists of removing existing eucalyptus trees and replacing with more appropriate species.
- Complete design of the interim parking lot for the Intermodal Phase 3.
- Finish construction of the Marina Vista Streetscape and Utility Undergrounding Project by winter 2010. This project will complete the undergrounding of overhead power lines and installation of decorative street lights and sidewalk pavers along the Marina Vista corridor between Ferry and Berrellesa streets.
- Complete the annual pavement rehabilitation project each year. This project repairs base failures and provides for a cape seal resurfacing over various streets.
- Complete the annual storm drain replacement project. This project replaces aging storm drains.
- Begin preliminary design and environmental studies for the Court Street overcrossing by fall of 2009. This project will provide emergency access from the waterfront over the railroad and Marina Vista.
- Construct a federal economic stimulus project by fall of 2009 for pavement maintenance of arterial streets.
- Implement annual curb ramp project.
- Complete the required mitigation project related to the Alhambra Creek silt removal by fall of 2009.
- Replace room dividers at the Senior Center by end of 2009.
- Design and construct site improvements at the Kiwanis building by fall 2010 to replace hardscape and play equipment.

MAJOR CAPITAL IMPROVEMENT PROJECTS OVERVIEW

The City Council adopted the Five-Year Capital Improvement Program (Program) for Fiscal Years 2009-10 to 2014-15 on February 4, 2009. The Council allocates funding for the first two fiscal years of the Program as part of the biennial budget process. There are no new projects requiring General Fund allocations in the FY 2009-10 or FY 2010-11 Program. Projects generally involve routine maintenance, or non-recurring efforts such as major rehabilitation or replacement of existing facilities. These types of rehabilitation or replacement projects reduce ongoing maintenance efforts. As an example, due to the age of the pool, the building, equipment, decks and pool lining have needed major maintenance over the past several years. The pool and associated buildings and equipment are scheduled to be replaced over the next two to five years as part of the Measure H Parks, Library and Pool Improvement Bond, which passed in November 2008 General Election. Once replaced, a lower maintenance effort will be required, reducing General Fund expenses. Occasionally, new construction is programmed in the CIP Budget which can require additional General Fund contributions to maintain. In these instances, considerations are made for the short and long-term impact of the project on the General Fund.

Highlights of the various project types are summarized below.

ROUTINE MAINTENANCE PROJECTS

Pavement Management
This annual project includes base failure and street paving, slurry sealing and cape sealing of both major collector streets and residential neighborhoods. Funding for this project comes from Gas Tax, Measure C return to source, Prop 42 – Traffic Congestion Relief fund and Proposition 1B funds.

Storm Drain Maintenance and Alhambra Creek Channel Maintenance
Once per budget cycle old, deteriorated storm drains are replaced. This program is funded through a Clean Water Program. Due to increasing regulatory requirements of other aspects of the Clean Water Program, funding for storm drain replacement may not be available in future years.

Annual Water Line Replacement
Water Funds are used to replace old deteriorated water lines. The program prioritizes lines to be replaced by size, age, and condition of line.

Curb Ramp Projects
The City has diligently obtained Community Block Grant Funds to install curb ramp on Major Arterials and routes leading to schools, hospitals and service centers. The City has budgeted Gas Tax Funds to ensure the continuation of this program on an annual basis.

Low Income Sidewalk Replacement Grants
The City has budgeted Gas Tax Funds to implement a trial grant program to assist low income residents to replace their sidewalks should a tripping hazard exist. In addition to providing grant money, the City waives permit fees and provides free inspection of the work.

NON-RECURRING PROJECTS

Court Street Over-crossing – Phase 1
This project will provide a preliminary design and right of way agreements with East Bay Regional Park District and Union Pacific Railroad for an emergency vehicle, pedestrian and bicycle over-crossing of the Union Pacific Railroad at Court Street, connecting downtown Martinez with the waterfront park trail system on the north side of the railroad. $350,000 of Measure J funds will need to be approved by CCTA to complete this phase of the project.

Intermodal – Phase 3
The City has completed a two-phased, ten acre, purchase of property north of the railroad tracks between Ferry Street and Alhambra Creek. The original purchase provided land to widen Alhambra Creek and the Union Pacific railway bridge. This, along with other improvements provided 100-year storm protection north of Marina Vista. The next phases of work will include demolition of buildings and the construction of a 275 space surface parking lot. The existing Intermodal parking lot does not provide the capacity required for existing use. Parking now spills over onto surrounding streets and residential neighborhoods. The project will also include safety improvements to Ferry Street railroad crossing.

Kiwanis Site Improvements
The Kiwanis Building is used for day care, service club and City meetings. The City recently completed access and bathroom ADA and other interior improvements to the building. This project will upgrade play equipment, replace fencing, broken concrete and install drought tolerant landscaping.

Senior Center Improvements
This project is a collaborative project with the Senior Club to replace old, heavy partition walls with new motorized partition walls.

Quiet Zone Study
This project will supplement existing funding to complete a "Quiet Zone" study for Ferry and Berrellesa Streets at the downtown Union Pacific railroad crossings. The goal of the project is to identify "Supplemental Safety Measures" which if installed will improve safety at the crossings and lower the Federal Railroad Administration and CPUC Safety Index so as to qualify for designating a Quite Zone downtown.

Federal Economic Stimulus Pavement Management Project
This project includes slurry sealing and cape sealing of the major arterial streets, including portions of Alhambra Avenue, Pacheco Boulevard, Marina Vista and Berrellesa Street. Funding for this project comes from federal economic stimulus program and is approximately $850,000.

MEASURE H PARKS, LIBRARY, AND POOL IMPROVEMENT BOND PROJECTS

Rankin Park Pool – Building Upgrades
This project consists of a redesign and replacement of Rankin Pool including bathhouse, staff area and pump room. Exterior upgrades include ADA compliance, security/safety improvements and swim team classroom space and buffers for sound/wind. The Council has designated $6,000,000 of Measure H Funds in 2009-11 to complete this project.

Library Expansion
This project includes a complete renovation and expansion of the city's library basement area. The project includes the installation of an elevator to make the area ADA accessible, and improve circulation and accessibility, with the addition of community meeting room and research and reading spaces. The Council has designated $2,000,000 of Measure H Funds in 2009-11 to complete this project.

Holiday Highlands Park
This project consists of ADA, playground up-grade and other turf and park improvements. A restroom will be installed at the park along with sewer connection. The Council has designated $810,000 of Measure H Funds in 2009-11 to complete this project.

Hidden Lakes Park
This project consists of ADA, restroom replacement, playground replacement and other park improvements. The Council has designated $450,000 of Measure H Funds in 2009-11 to complete this project.

Hidden Valley Park
This project consists of ADA, restroom replacement and other park improvements. The Council has designated $350,000 of measure H Funds in 2009-11 to complete this project.

Waterfront Park
This project consists of ADA and restroom replacement. The Council has designated $350,000 of Measure H Funds in 2009-11 to complete this project.

CAPITAL IMPROVEMENT PROGRAM - SUMMARY

		2009/10				2010/11			
	Fund Balance at 6/30/09	Budget Revenues 09/10	Budget Appropriations 09/10	Transfers In(Out) 09/10	Fund Balance at 6/30/10	Budget Revenues 10/11	Budget Appropriations 10/11	Transfers In(Out) 10/11	Fund Balance at 6/30/11
Drainage	$ -		$ 75,000	$ 75,000	$ -		$ 25,000	$ 25,000	$ -
Public Buildings	0		95,000	95,000	0		0		0
Parks and Trails	0		0				0		0
Streets	0	4,504,000	5,049,000	545,000	0		480,000	480,000	0
Community Programs	0		0				0		0
Measure H Projects	15,000,000	0	4,800,000		10,200,000		5,200,000		5,000,000
Total Capital Improvement Program	**$ 15,000,000**	**$ 4,504,000**	**$ 10,019,000**	**$ 715,000**	**$ 10,200,000**	**# $ 0**	**$ 5,705,000**	**$ 505,000**	**$ 5,000,000**

CAPITAL IMPROVEMENT PROGRAM - REVENUE SOURCES

FISCAL YEAR 2009-10

PROJECT DESCRIPTION	TOTAL PROJECT	NPDES	Measure C	Gas Tax	Traffic Mitigation	Culutral Facility Fees	Child Care Fees	Police Facility Fees	Measure J	Measure H	Federal Stimulus Funds
Alhambra Creek Channel Maintenance	25,000	25,000									
Annual Storm Drain Maintenance	50,000	25,000		25,000							
Handicap Access Curb Ramp Project	20,000			20,000							
Annual Sidewalk Repair	10,000			10,000							
Kiwanis Site Improvements	50,000						50,000				
Annual Pavement Management	1,350,000		300,000	200,000							850,000
Police Parking Lot Fence	35,000							35,000			
Senior Center Improvements	10,000					10,000					
Quiet Zone	15,000				15,000						
Intermodal Phase 3	3,654,000								3,654,000		
Swimming Pool	1,800,000									1,800,000	
Library Improvements	2,000,000									2,000,000	
Park Improvements	1,000,000									1,000,000	
TOTAL CIPS	10,019,000										
TOTAL CIP REVENUE	$ 10,019,000	$ 50,000	$ 300,000	$ 255,000	$ 15,000	$ 10,000	$ 50,000	$ 35,000	$ 3,654,000	$ 4,800,000	$ 850,000

CAPITAL IMPROVEMENT PROGRAM - REVENUE SOURCES

FISCAL YEAR 2010-11

PROJECT DESCRIPTION	TOTAL PROJECT	General Fund	NPDES	Measure C	Gas Tax	Measure J	Measure H
Annual Storm Drain Maintenance	25,000				25,000		
Handicap Access Curb Ramp Project	20,000				20,000		
Annual Sidewalk Repair	10,000				10,000		
Annual Pavement Management	450,000			300,000	150,000		
Swimming Pool	4,200,000						4,200,000
Park Improvements	1,000,000						1,000,000
	0						
TOTAL	5,705,000						
TOTAL CIP REVENUE	$ 5,705,000	$ -	$ -	$ 300,000	$ 205,000	$ -	$ 5,200,000

CAPITAL IMPROVEMENT PROGRAM - REVENUE

	2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Drainage				
Annual Storm Drain				
Transfers In-Gas Tax			25,000	25,000
Transfers In-NPDES		50,000	25,000	
Total	0	50,000	50,000	25,000
Alhambra Creek Channel Maint.				
Transfers In-NPDES	25,000	25,000	25,000	
Total	25,000	25,000	25,000	0
Alhambra Creek Channel Silt Removal				
Transfers In-Zone 5 Drainage	15,000			
Transfer In-General Fund	115,000			
Transfers In-NPDES	50,000			
Total	180,000	0	0	0
Alhambra Way Creek Bank Repair				
Transfers In-Zone 5 Drainage				
Transfers In-Gas Tax		51,000		
Total	0	51,000	0	0
Alhambra Creek Bank Stabilization				
Transfer from General Restricted		323,863		
Miscellaneous Revenue		35,000		
Total	0	358,863	0	0
Sub-total Drainage	**205,000**	**484,863**	**75,000**	**25,000**

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Public Buildings				
Ampitheater				
Transfer from General Restricted	25,000			
Total	25,000	0	0	0
Old Train Depot				
Transfers In-Cultural Facilities	100,000			
Transfers				
Total	100,000	0	0	0
Senior Center Improvements				
Transfer from General Restricted	35,000			
Cultural Facilites			10,000	
Total	35,000	0	10,000	0
Police Parking Lot Security Fence				
Police Facility Fees			35,000	0
Transfer In				
Total	0	0	35,000	0
Kiwanis Building Upgrade				
Child Care Fees			50,000	
Total	0	0	50,000	0
Sub-total Public Buildings	**160,000**	**0**	**95,000**	**0**

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Parks and Trails				
Nancy Boyd Park				
Transfers In-Park In Lieu	150,000			
Transfer-Child Care Fees		60,000		
Transfers In-Park & Recreation	25,000			
State Grant		220,000		
Robert Z'Berg Grant		99,370		
Damage & Recovery-Insurance	97,372	89,410		
Total	272,372	468,780	0	0
Hidden Valley/Hidden Lakes Park				
Transfers In				
Transfer In-Park Dedication Fees	25,000			
Total	25,000	0	0	0
Alhambra Ave Pedestrian Safety Project				
TDA Grant		77,285		
Transfers In-Gas Tax		14,715		
Total	0	92,000	0	0
Sub-total Parks and Trails	**297,372**	**560,780**	**0**	**0**
Streets				
Annual Pavement Mgt Project				
Transfers In-General Fund	5,000			
Transfers In-Prop 1B		581,915		
Transfers In-Local C	200,000	300,000	300,000	300,000
Transfers In-Traffic Congestion	13,881	155,689		
Transfers In-Gas Tax	145,005	200,000	200,000	150,000
Federal Stimulus Funds			850,000	
Total	363,886	1,237,604	1,350,000	450,000

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Alhambra Avenue Improvements				
Measure C	5,028,389	324,045		
Total	5,028,389	324,045	0	0
Alhambra Avenue Overlay Project				
Federal TEA Grant		540,000		
Transfer In-Local c	150,000			
Total	150,000	540,000	0	0
Handicap Curb Access				
CDBG		20,000		
Transfer In-Gas Tax		25,000	20,000	20,000
Total	0	45,000	20,000	20,000
Sidewalk Repair Project				
Transfer In-Gas Tax			10,000	10,000
Total	0	0	10,000	10,000
Marina Vista Streetscape				
Federal Rule 20		1,383,750		
Total	0	1,383,750	0	0
Railroad Quiet Zone				
Transfer In-General Fund	10,000			
Transfer In-traffic Mitigation Fees			15,000	
Total	10,000	0	15,000	0
Main Street Streetscape				
Transfers In-General Reserve		60,000		
Total	0	60,000	0	0

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Downtown Tree Lighting				
Transfers In-General Reserve	100,000			
Total	100,000	0	0	0
Hillside Drive Emergency Access				
Transfers In-General Fund	5,000			
Total	5,000	0	0	0
Intermodal Phase III				
Measure C	161,926	65,177		
Transfer from General Fund		25,000		
PTA Grant		5,500,000		
Measure J		6,390,000	3,654,000	
Total	161,926	11,980,177	3,654,000	0
Sub-total Streets	**5,819,201**	**15,570,576**	**5,049,000**	**480,000**
Community Programs				
Community Based Transportation Plan				
MTC Grant		60,000		
Total	0	60,000	0	0
General Plan Update				
Transfers In-Local C	100,000	100,000		
Transfers In -General Fund	200,000	200,000		
Total	300,000	300,000	0	0
Sub-total Community Programs	**300,000**	**360,000**	**0**	**0**
Measure H				
Measure H funds		15,000,000		
Total	0	15,000,000	0	0
Sub-total Measure H Projects	**0**	**15,000,000**	**0**	**0**
TOTAL CAPITAL IMPROVEMENT	**$ 6,781,573**	**$ 31,976,219**	**$ 5,219,000**	**$ 505,000**

CAPITAL IMPROVEMENT PROGRAM - EXPENDITURES

	2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Drainage				
Annual Storm Drain Project		222,813	50,000	25,000
Alhambra Creek Channel Maintenance		65,482	25,000	
Alhambra Creek Channel Silt Removal	30,807	169,193		
Alhambra Way Creek Bank Repair	11,084	107,506		
Alhambra Creek Bank Stabilization		381,863		
Sub-total Drainage	**41,891**	**946,857**	**75,000**	**25,000**
Public Buildings				
Amphitheater	3,393	35,758		
Old Train Depot	14,264	185,736		
Senior Center Improvements	23,555	11,445	10,000	
Boys & Girls Club		7,903		
Police Parking Lot Security Fence			35,000	
Kiwanis Building	3,782		50,000	
Sub-total Public Buildings	**44,994**	**240,842**	**95,000**	**0**
Parks and Trails				
Nancy Boyd Park	6,409	784,744		
Hidden Valley Park	39,046	279,631		
Waterfront Road Open Space	16,813			
Hidden Lakes Open Space	24,148			
Alhambra Ave Pedestrian Safety Project		92,000		
Alhambra Creek Plaza Improvements		50,000		
Sub-total Parks and Trails	**86,416**	**1,206,375**	**0**	**0**
Streets				
Annual Pavement Mgt.	970,499	1,237,604	1,350,000	450,000
Alhambra Avenue Improvements	5,091,118	496,207		
Alhambra Avenue Overlay Project	25,355	697,089		

Budget for Fiscal Years 2009-10 and 2010-11

	2007/08 Actual	2008/09 Projected	2009/10 Budget	2010/11 Budget
Handicap Access Program		45,000	20,000	20,000
Sidewalk Repair Project			10,000	10,000
Marina Vista Streetscape	5,332	1,375,947		
Marina Vista Phase II		787,494		
Railroad Quiet Zone	1,303	8,698	15,000	
Main Street Streetscape		25,000		
Downtown Tree Lighting	82,248	17,751		
Hwy 4/Alhambra Ave. Beautification		35,000		
Hillside Drive Emergency Access	3,198	1,802		
Intermodal Phase III	28,461	11,980,177	3,654,000	
Sub-total Streets	**6,207,514**	**16,707,769**	**5,049,000**	**480,000**
Community Programs				
Community Based Transportation Plan	17,501	42,499		
General Plan		600,000		
Sub-total Community Programs	**17,501**	**642,499**	**0**	**0**
Measure H				
Rankin Pool Reconstruction			1,800,000	4,200,000
Library Renovations			2,000,000	
Park Improvements			1,000,000	1,000,000
Sub-total Measure H	**0**	**0**	**4,800,000**	**5,200,000**
Total Capital Improvement Program	**$ 6,398,315**	**$ 19,744,342**	**$ 10,019,000**	**$ 5,705,000**

SUMMARY OF KEY FISCAL POLICY STATEMENTS

General Financial Goals

- To fund current operations expenditures with current year revenues.
- To maintain an adequate fund balance to protect the City from unforeseen circumstances.
- To allocate resources to the highest priority services.

Budget Policies

Operating Budget

- The City's operating budget will be developed on a biennial basis and adopted by the City Council. The City Council will approve appropriations from fund balance and any adjustments to the adopted biennial budget in excess of 5%.
- The City will avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets. Each adopted two-year budget will be balanced. Except in exceptional circumstances, recurring General Fund revenues will be equal to or greater than recurring General Fund operating expenditures for each year of the two-year budget.
- The City will exercise prudent fiscal management by maintaining an adequate fund balance to protect the City in times of economic uncertainty or unforeseen circumstances.
- Budget adjustment reports will be presented to Council every six months.

Revenue

- The City will endeavor to maintain a diversified and stable revenue base to minimize the effects of economic fluctuations.
- Revenue will be estimated using an objective, analytical process. In the case of assumption uncertainty, conservative projections will be utilized.
- The City will fund current expenditures from current revenues, avoiding procedures that balance budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.
- Revised revenue projections will be budgeted every six months.

SUMMARY OF KEY FISCAL POLICY STATEMENTS

Capital Financing and Debt Management Policy

- The City will use debt financing only for one-time capital improvements and unusual equipment purchases.

User Fees Policy

- The City will review and periodically adjust its user fees to ensure they are fair, equitable, and justifiable.

Capital Improvement Program Policy

- The City will annually update and present its 5-year plan to the City Council to identify capital improvement projects based on need and availability of funding.
- The City's budget will be adjusted annually to reflect actual program revenues and expenditures.
- A Capital Improvement Project shall be established for all projects greater than $30,000 that meet the definition of a public project per Section 22002 of the State Public Contract Code.
- The City will actively pursue grant and other outside funding sources for all capital improvement projects.

Fixed Assets Capitalization and Inventory Control Policy

- The Fixed Asset Capitalization and Inventory Control Policy have two major objectives. First, to accurately account for and report fixed assets in financial reports issued to external reporting agencies, granting agencies and the public. Second, to meet the City's fiduciary responsibility to establish systems and procedures to protect its fixed assets from loss or theft.

Investment Policy

- The City Treasurer will annually submit an investment policy to the City Council for review and adoption.
- The City Treasurer will invest the City's monies in accordance with applicable law and adopted investment policies.

Accounting, Auditing, and Financial Reporting

- The City's accounting and financial reporting systems will be maintained in conformance with the generally accepted accounting principles and standards of the Government Accounting Standards Board.
- Full and continuing disclosure will be provided in the general financial statements and the bond representations.

CITY OF MARTINEZ BUDGET POLICY

PURPOSE

The purpose of this policy is to set forth the basic revenue and operating financial policies upon which the development of the City's budget will be based. Except as otherwise noted, the following policies will be reviewed every two years during the preparation of the City's biennial budget. Recommended changes will be presented to the City Council for consideration with the adoption of the City's biennial budget.

POLICY

1. REVENUE

A. The City will endeavor to maintain a diversified and stable revenue base to minimize the effects of economic fluctuations on revenue generation.

B. The City will estimate revenue using an objective, analytical process; in the case of assumption uncertainty, conservative projections will be utilized.

C. The City will fund current expenditures from current revenues, avoiding procedures that balance budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.

D. The City will review and periodically adjust its user fees to ensure they are fair and equitable.

E. Revised revenue projections will be budgeted every six months.

2. OPERATING BUDGET

A. The City's Operating Budget will be developed on a biennial basis and adopted by the City Council. The City Council will approve additional appropriations from fund balance and any adjustments to the adopted biennial budget in excess of 5%.

B. The City's two-year Operating Budget will be presented by fund, function, and department. The purpose of this format is to clearly outline the relationship between the City's organizational structure and its major service areas, and provide detail on the associated expenditures.

C. The City will avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets. Each adopted two-year budget will be balanced. Except in exceptional circumstances, recurring General Fund revenues will be equal to or greater than recurring General Fund operating expenditures for each year of the two-year budget. It shall also be a goal to fund the required transfers to the City's two Internal Service funds from recurring revenues.

D. The City will exercise prudent fiscal management by maintaining an adequate fund balance to protect the City in times of economic uncertainty or unforeseen circumstances.

E. All budgetary procedures will conform to State regulations and Generally Accepted Accounting Principles (GAAP).

F. The legal level of budgetary control is the department level.

G. Three levels of budgetary authority to amend appropriations will be maintained. The City's department heads may make transfers of appropriations within their respective departments. The City Manager is authorized to revise the budget so long as the total revisions in any single budget year do not exceed 5% of the budget, and if sufficient revenues, including new revenue sources, are available to offset such revisions. The City Council approves additional appropriations from fund balances, and adjustments in excess of 5% of the budget.

H. Budget adjustment reports will be presented to Council every six months.

CAPITAL FINANCING AND DEBT MANAGEMENT POLICY

The Capital Financing and Debt Management Policy sets the parameters for issuing debt and provides guidance in the timing and structuring of long-term debt commitments. The City will consider the issuance of long-term obligations under the following conditions:

A. Capital Financing

1. The City will use debt financing only for one-time capital improvement projects and unusual equipment purchases, and only under the following circumstances:

   a) When the project is included in the City's five-year capital improvement program.

   b) When the project is not included in the City's five-year capital improvement program, but it is an emerging critical need whose timing was not anticipated in the five-year capital improvement program, or it is a project mandated immediately by State or Federal requirements.

   c) When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.

   d) When there are designated revenues or specific resources sufficient to service the debt, whether from project revenues, other specified and reserved resources, or infrastructure cost-sharing revenues.

2. Debt financing (other than tax and revenue anticipation notes) is not considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The issuance of short-term instruments such as revenue, tax or bond anticipation notes is excluded from this limitation. (See Investment Policy)

3. Capital improvements will be financed primarily through user fees, service charges, assessments, special taxes or developer agreements when benefits can be specifically attributed to users of the facility. Accordingly, development impact fees should be created and implemented to ensure new development pays its fair share of the cost of constructing necessary community facilities.

4. Transportation impact fees are a major funding source in financing transportation system improvements. However, revenues from these fees are subject to significant fluctuation based on the rate of new development. Accordingly, the following guidelines will be followed in designing and building projects funded with transportation impact fees:

   a) The availability of transportation impact fees in funding a specific project will be analyzed on a case-by-case basis as plans and specifications or contract awards are submitted for Council approval.

   b) If adequate funds are not available at that time, the Council will make one of two determinations:

      1) Defer the project until funds are available.

      2) If the project is determined to be a priority, advance funds from the General Fund, which will be reimbursed as soon as funds become available. Repayment of General Fund advances will be the first use of transportation impact fee funds when they become available.

5. The City Council will establish the priority of projects in developing the City's five-year capital improvement program. The following criteria will be used to evaluate pay-as-you-go versus long-term debt financing in funding capital improvements:

   a) Factors that favor pay-as-you-go:

1) Current revenues and adequate fund balances are available.

2) Project phasing is feasible.

3) Debt levels would adversely affect the City's credit rating.

4) Market conditions are unstable or present difficulties in marketing.

b) Factors that favor long-term financing:

1) Revenues available for debt service are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating.

2) The project that is being considered will not adversely affect the City's credit rating,

3) Market conditions present favorable interest rates and demand for municipal financing.

4) A project is mandated by state or federal requirements, and current revenue and fund balances are insufficient to pay project costs.

5) A project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.

6) The life of the project or asset financed is five years or longer.

B. Debt Management

1. The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.

2. An internal feasibility analysis will be prepared for each long-term financing which analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.

3. The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.

4. The City will seek an investment grade rating (Baa/BBB or greater) on any direct debt and will seek credit enhancements such as letters of credit or insurance when necessary for marketing purposes, availability and cost-effectiveness.

5. The City will monitor all forms of debt annually coincident with the City's Financial Plan preparation and review process and report concerns and remedies, if needed, to the Council.

6. The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations and secondary market continuing disclosure requirements.

7. The City will maintain good, ongoing communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).

8. The City will follow all State and Federal regulations and requirements regarding bond provisions, issuance, taxation and disclosure.

9. The adoption of resolutions of intent will be considered whenever bond issuance is contemplated to increase the flexibility related to funding costs of the project (e.g., project development costs, architectural costs, studies, etc.)

10. The City will seek to maintain its current bond rating and will ordinarily not consider long-term debt that, through its issuance, would cause the City's bond rating to be lowered.

11. Interfund borrowing will be considered to finance high priority needs on a case-by-case basis, only when planned expenditures in the fund making the loan would not be affected. Interfund borrowing may be used when it would reduce costs of interest, debt issuance, and/or administration.

12. The term of the debt will not exceed the legal life of the asset or thirty years, whichever is less.

13. Bond proceeds will be invested in accordance with the provisions of the bond indenture. Funds set aside for debt service will only be used for that purpose.

14. In choosing the appropriate long-term debt instrument, cost, economic equity, political acceptability, and flexibility will be considered. Refunding will be considered to reduce interest costs or principal outstanding, or to eliminate restrictive debt covenants. Pooled financings with other government agencies will be considered, as appropriate.

15. Costs incurred by the City, such as bond counsel and financial advisor fees, printing, underwriters' discount, and project design and construction costs, will be charged to the bond issue to the extent allowable by law.

Financial, counsel, and other professional services will be contracted through competitive processes.

C. *Debt Capacity*

1. **General Purpose Debt Capacity.** The City will carefully monitor its levels of general-purpose debt. Because our general purpose debt capacity its limited, it is important that we only use general purpose debt financing for high-priority projects where we cannot reasonably use other financing methods for two key reasons:

   a) Funds borrowed for a project today are not available to fund other projects tomorrow.

   b) Funds committed for debt repayment today are not available to fund operations in the future.

2. The following will be considered in evaluating appropriate debt levels:

   a) General Fund supported annual debt service payments will not exceed 7% of total budgeted expenditures and transfers out.

   b) The General Fund may be used to provide back-up liquidity to improve the viability of a self-supported debt issue (i.e., *not* land-based financings), but only if the General Fund is not exposed to significant risk of loss of assets or impairment of liquidity. This evaluation of risk will consider such things as the following:

      1) Volatility of the revenue source identified for repayment of the debt.

      2) The likelihood the General Fund would be reimbursed within one year for any payments it might potentially need to make in its role as back-up guarantor.

      If the City Council determines the risk of loss of assets or impairment of liquidity to the General Fund to be minimal, self-supported debt service for debt that relies on the General Fund as a back-up guarantor will not exceed 7% of general fund budgeted expenditures and transfers out. Further, direct debt will not

exceed 2% of assessed valuation; and no more than 60% of capital improvement outlays will be funded from long-term financings.

3. **Enterprise Fund Debt Capacity.** The City will set enterprise fund rates at levels needed to fully cover debt service requirements as well as operations, maintenance, administration and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and rate setting process.

D. Independent Disclosure Counsel

1. The following criteria will be used on a case-by-case basis in determining whether the City should retain the services of an independent disclosure counsel in conjunction with specific project financings:

   a) The City will generally not retain the services of an independent disclosure counsel when all of the following circumstances are present:

   b) The revenue source for repayment is under the management or control of the City, such as general obligation bonds, revenue bonds, lease-revenue bonds or certificates of participation.

2. The bonds will be rated or insured.

   a) The City will consider retaining the services of an independent disclosure counsel when one or more of following circumstances are present:

   b) The financing will be negotiated, and the underwriter has not separately engaged an underwriter's counsel for disclosure purposes.

c) The revenue source for repayment is not under the management or control of the City, such as land-based assessment districts, tax allocation bonds or conduit financings.

d) The bonds will not be rated or insured.

1) The City's financial advisor, bond counsel or underwriter recommends that the City retain an independent disclosure counsel based on the circumstances of the financing.

E. Land-Based Financings

1. **Public Purpose.** There will be a clearly articulated public purpose in forming an assessment or special tax district in financing public infrastructure improvements. This should include a finding by the Council as to why this form of financing is preferred over other funding options such as impact fees, reimbursement agreements or direct developer responsibility for the improvements.

2. **Active Role.** Although land-based financings may be a limited obligation of the City, the City will play an active role in managing the district. This means that the City will select and retain the financing team, including the financial advisor, bond counsel, trustee, appraiser, disclosure counsel, assessment engineer and underwriter. Any costs incurred by the City in retaining these services will generally be the responsibility of the property owners or developer, and will be advanced via a deposit when an application is filed; or will be paid on a contingency fee basis from the proceeds of the bonds.

3. **Credit Quality.** When a developer requests a district, the City will carefully evaluate the applicant's financial plan and ability to carry the project, including the payment of assessments and special taxes during build out. This may include detailed background, credit and lender checks, and the preparation of independent appraisal reports and market absorption studies. For districts where one property owner accounts for more than 25% of the annual debt service obligation, a letter of credit further securing the financing may be required.

4. **Reserve Fund.** A reserve fund should be established in the lesser amount of; the maximum annual debt service; 125% of the annual average debt service; or 10% of the bond proceeds.

5. **Value-to-Debt Ratios.** The minimum value-to-debt ratio should generally be 4:1. This means the value of the property in the district, with the public improvements, should be at least four times the amount of the assessment or special tax debt. In special circumstances, after conferring and receiving the concurrence of the City's financial advisor and bond counsel that a lower value-to-debt ratio is financially prudent under the circumstances, the City may consider allowing a value-to-debt ratio of 3:1. The Council should make special findings in this case.

6. **Capitalized Interest During Construction.** Decisions to capitalize interest will be made on case-by-case basis, with the intent that if allowed, it should improve the credit quality of the bonds and reduce borrowing costs, benefiting both current and future property owners.

7. **Maximum Burden.** Annual assessments (or special taxes in the case of Mello-Roos or similar districts) should generally not exceed 1% of the sales price of the property; and total property taxes, special assessments and special tax payments collected on the tax roll should generally not exceed 2%

8. **Benefit Apportionment.** Assessments and special taxes will be apportioned according to a formula that is clear, understandable, equitable and reasonably related to the benefit received by – or burden attributed to – each parcel with respect to its financed improvement. Any annual escalation factor should generally not exceed 2%.

9. **Special Tax District Administration.** In the case of Mello-Roos or similar special tax districts, the total maximum annual tax should not exceed 110% of annual debt service. The Rate and method of apportionment should include a back-up tax in the event of significant changes from the initial development plan, and should include procedures for prepayments.

10. **Foreclosure Covenants.** In managing administrative costs, the City will establish minimum delinquency amounts per owner, and for the district as a whole, on a case-by-case basis before initiating foreclosure proceedings.

11. **Disclosure to Bondholders.** In general, each property owner who accounts for more than 15% of the annual debt service or bonded indebtedness must provide ongoing disclosure information annually as described under SEC Rule 15 C(2) 12.

12. **Disclosure to Prospective Purchasers.** Full disclosure regarding outstanding balances and annual payments should be made by the seller to prospective buyers at the time that the buyer bids on the property. It should not be deferred to after the buyer has made the decision to purchase. When appropriate, applicants or property owners may be required to provide the City with a disclosure plan.

F. ***Conduit Financings***

1. The City will consider requests for conduit financing on a case-by-case basis using the following criteria:

   a) The City's financial advisor will review the terms of the financing, and render an opinion that there will be no liability to the City in issuing the bonds on behalf of the applicant.

   b) There is clearly articulated public purpose in providing the conduit financing.

   c) The applicant is capable of achieving this public purpose.

2. This means that the review of requests for conduit financing will generally be a two-step process:

   a) First asking the Council if they are interested in considering the request, and establishing the ground rules for evaluating it.

b) And then returning with the results of this evaluation, and recommending approval of appropriate financing documents if warranted.

This two-step approach ensures that the issues are clear for both the City and applicant, and that key policy questions are answered.

3. The work scope necessary to address these issues will vary from request to request, and will have to be determined on a case-by-case basis. Additionally, the City should generally be fully reimbursed for its costs in evaluating the request; however, this should also be determined on a case-by-case basis.

G. Glossary

There are many different types of long-term debt instruments available. Depending on the specific circumstances, the City will consider using the following types of financing instruments:

1. **Assessment Bonds/Special Tax Bonds** - Bonds are issued to develop facilities and basic infrastructure for the benefit of properties within the assessment district. Assessments are levied on properties benefited by the project. Voter approval is not required. Instead, a majority vote of the property owners with a majority of assessments is needed to authorize the issue. The issuer's recourse for non-payment is foreclosure. This type of bond is normally not rated. The bonds may be issued under the provisions of the 1911, 1915 or Mello-Roos Bond Act, whichever is most appropriate.

2. **Bond Anticipation Notes** - Notes are issued to provide temporary financing, to be repaid by long-term financing. The bridge financing has a maximum maturity of three years.

3. **Certificates of Participation** - The City enters into a lease or installment agreement with another party (a lessor, such as a joint powers authority) to lease an asset over a defined period of time at a prearranged annual

payment. Voter approval is generally not required. Lease payments are made primarily from general fund revenues. Current law requires the lessee to make lease payments only if the facility has beneficial use. The legislative body has to appropriate annual debt service payments. For the security of the bondholders, a reserve fund is normally established and held by a trustee until all bonds are paid. Interest during project construction must be capitalized. An "asset transfer" structure, whereby an existing facility is used as security to finance construction or acquisition of another project, may be used for flexibility.

4. **Conduit Financing** – A financing in which the proceeds of the issue are loaned to a non-governmental borrower who can then applies the proceeds for Project Financing or (if permitted by federal law for qualified 501 ©(3) Bond) for working capital purposes. The issuance of the securities are by a governmental unit to finance a project to be used primarily by a third party, usually a corporation engaged in private enterprise. The security of this type of issue is the credit of the private user rather than the governmental issuer.

   Usually such securities do not constitute a general obligations of the issuer because the corporate obligor is liable for the generating pledge revenues. Industrial development bonds are a common type of conduit financings.

5. **General Obligation Bonds** - Bonds backed by the full faith and credit of the City. The taxing power may be an unlimited ad valorem tax or a limited tax, usually on real estate and personal property. A special rate is incorporated in the property tax bill annually to pay for debt service. A two-thirds voter approval is required for authorization. Because it is secured by an unlimited tax levy, this structure has strong marketability and lower interest costs.

6. **Marks-Roos Bonds** - Bonds are issued by a joint powers authority to buy other bond issues. By pooling bond issues, marketability can be improved and administration costs are reduced.

7. **Master Lease Agreements** - The City enters into a lease agreement with a provider to lease equipment or

facilities whose useful life is too short to finance with long-term debt. Various pieces and types of real and personal property from different vendors over a period of time can be acquired under one master lease agreement. Interest can be fixed or tied to an index. Financing costs are normally minimal, but the interest cost may be higher than with other instruments.

8. **Revenue Bonds** - Bonds are secured by revenues generated by the facility that is financed, or by dedicated user fees. Voter approval may or may not be required. Planning is more complex because costs and revenues affect each other. Credit enhancement (e.g., insurance or letter of credit) may be needed because of the limited source of debt service payment.

9. **Vendor-Financed Leases** - A vendor of equipment acts as the lessor and investor, and holds the lease for its full term or may assign the lease. The motivating factor to the vendor is usually to encourage future sales of its product.

RESOLUTION NO. 015-09

AMENDING THE SCHEDULE OF FEES FOR CITY SERVICES AND RESCINDING RESOLUTION NO. 019-08

WHEREAS, it is the policy of the City Council of the City of Martinez to establish fees in regard to governmental services specifically authorized by statute or ordinance as well as certain services and functions performed by the City in a proprietary capacity; and

WHEREAS, it has been the policy of the City Council of the City of Martinez to review and adjust the fees periodically to ensure they are equitable and justifiable; and

WHEREAS, the City last conducted a Comprehensive Fee Study in 2004-05, which identified the actual costs of providing City fees; and

WHEREAS, the City increased its fees over a 3 year period based on the costs identified at that time; and

WHEREAS, the City's fee consultant recommended interim year fee adjustments based on increases to CPI, labor, and/or overall department budgets to avoid further gaps between the cost to the City of providing a service and the fees to be charged; and

WHEREAS, the City wishes to adopt the recommended user fees or service charges in the amounts set forth in the attached Schedule of Fees for City Services; and

WHEREAS, it is the intent of the City Council to continue to adjust the fees annually by a combination of CPI and labor increases until the next Comprehensive Fee Study is conducted; and

WHEREAS, notice was published and sent to interested parties as required by Government Code sections 6062(a) and 66016, respectively; and

WHEREAS, on March 4, 2009, the City Council held a public hearing in compliance with Government Code Sections 66016(a) and 66018 where all oral and written presentations were heard.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Martinez adopts the proposed fees set forth in the attached Schedule of Fees for City Services.

BE IT FURTHER RESOLVED THAT this Resolution shall become effective on July 1, 2009, pursuant to Government Code Section 66017, with the exception of the restructured Planning Design Review and Major/Minor Subdivision Review fees, which shall become effective upon adoption, and the amended Community Services playfield facility rental fees and concession use fee, which shall become effective on January 1, 2010, and that Resolution 019-08 and any previous resolutions in conflict with this Resolution are rescinded upon the effective date(s) of the new fees.

* * * * * *

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at an Adjourned Regular Meeting of said Council held on the 4th day of March, 2009, by the following vote:

AYES: Councilmembers Janet Kennedy, Mark Ross, Vice Mayor Michael Menesini, and Mayor Rob Schroder

NOES: Councilmember Lara DeLaney

ABSENT: None

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

CITY OF MARTINEZ
CAPITAL IMPROVEMENT PROGRAM POLICY

PURPOSE

The purpose of the Capital Improvement Program (CIP) is to systematically plan, schedule, and finance capital projects as determined by the City Council. The Capital Improvement Program will include major rehabilitation costs to existing infrastructure and facilities, as well as the cost of new facilities or capital improvements.

POLICY

A. The City's 5-year plan will be updated and presented annually to the City Council to identify capital improvement projects based on need and availability of funding.

B. In accordance with Section 65401 of the Government Code, the 5-year plan is reviewed annually by the City Planning Commission for conformity with the adopted General Plan.

C. The City's budget will be adjusted annually to reflect actual program revenues and expenditures.

D. A Capital Improvement Project shall be established for all projects greater than $30,000 that meet the definition of a public project per Section 22002 of the State Public Contract Code. These include projects involving construction, reconstruction, alteration, renovation, improvement, demolition, repair work, and painting (other than minor repainting) of any City-owned, leased or operated facility. This definition excludes maintenance work as defined in Section 22002 of the State Public Contract Code; for example, routine, recurring and usual work for the preservation of any publicly owned or operated facility; landscape maintenance; or minor repainting.

E. As part of the budget process, departments will submit CIP requests providing a detailed description of the proposed project or purchase. All requests will be reviewed by the City Manager. The City Council will approve projects based on need and availability of funding.

F. The City Manager will have the authority to revise the budget among projects with similar revenue sources so long as sufficient revenues are available to offset such revisions.

G. With Council approval, unexpended project appropriations will be carried forward as continuing appropriations to future fiscal years, as required to complete the intent of the original budget.

H. The City will actively pursue grant and other outside funding sources for all capital improvement projects.

I. In order to receive "local share" or "return to source" Measure C funds each year, the City will submit an updated 5-year CIP to the Contra Costa Transportation Authority demonstrating compliance with the Growth Management Program established by Measure C when it was adopted by voters in 1998. Measure C will be succeeded by Measure J, which has similar requirements.

Effective: July 1, 2002

CITY OF MARTINEZ
FIXED ASSETS CAPITALIZATION AND INVENTORY CONTROL POLICY

The Fixed Asset Capitalization and Inventory Control Policy has two major objectives:

1. **Accounting and Financial Reporting**: to accurately account for and report fixed assets in financial reports issued to external reporting agencies, granting agencies and the public.
2. **Safeguarding of City Assets**: to meet the City's fiduciary responsibility to establish systems and procedures to protect its fixed assets from loss or theft.

This policy provides specific guidelines to determine which fixed assets are subject to separate accounting, reporting and safeguarding.

The Finance Division of the Administrative Services Department is responsible for, and has established, systems and procedures through which both objectives are met. These systems and procedures are used to identify, process, control, track and report City fixed assets.

Capitalization Policy (Accounting and Financial Reporting)

In general, all fixed assets, including land, buildings, machinery and equipment, with an original cost of $5,000 or more, is subject to accounting and reporting (capitalization). All costs associated with the purchase or construction should be considered, including ancillary costs such as freight and transportation charges, site preparation, professional fees, and legal claims directly attributable to asset acquisition. Specific capitalization requirements are described below.

- The capitalization threshold is applied to individual units of fixed assets. For example, ten desks purchased through a single purchase order, each costing $1,000, will not qualify for capitalization even though the total ($10,000) exceeds the threshold of $5,000.

- For purposes of capitalization, the threshold will generally not be applied to components of fixed assets. For example, a keyboard, monitor and central processing unit, purchased as components of a computer system, will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single fixed asset.

- Repairs to existing fixed assets will generally not be subject to capitalization unless it extends the useful life of the asset. In this case, it represents an improvement and is subject to the requirements described below.

- Improvements to existing fixed assets will be presumed (by definition) to extend the useful life of the related fixed asset and, therefore, will be subject to capitalization only if the cost of the improvement meets the $5,000 threshold. In theory, an improvement to a fixed asset that had an original cost of less than $5,000, but now exceeds the threshold as a result of the improvement, should be combined as a single asset at the total cost (original cost plus the cost of the improvement) and capitalized.

- Capital projects will be capitalized as "construction in progress" until completed. Costs to be capitalized include direct costs, such as labor and materials, as well as ancillary costs and any construction period interest costs as required by authoritative pronouncements from GASB.

Inventory Control (Safeguarding of City Assets)

Department heads are ultimately responsible for safeguarding their department's fixed assets from theft or loss. The Finance Division is responsible for establishing and maintaining systems and procedures that enable departments and program managers to properly safeguard their assets.

In general, inventory control is applied only to movable fixed assets, such as machinery and equipment, and not to land, buildings, or other immovable fixed assets. Fixed assets subject to inventory control will be accounted for and controlled through the same systems and procedures used to account and control fixed assets subject to capitalization.

Fixed assets will be subject to inventory control if they meet at least one of the following criteria:

- Original cost of the fixed asset is equal to or greater than $5,000.

- Any asset less than $5,000 as requested by a department. This may include certain machinery and equipment that, due to their portability, value outside of the office, or character, are susceptible to theft or loss. It may also include any asset that has been requested by a department to be controlled in order to satisfy an internal (operational) or external requirement. For example, MIS may wish to track all computer hardware in order to establish replacement and upgrade schedules.

- Any asset that is required to be controlled and separately reported pursuant to grant conditions or other externally imposed requirements. For example, a grant program that has funded the acquisition of a fixed asset may impose requirements that the fixed asset be tracked and identified as a grant-funded asset.

CITY OF MARTINEZ INVESTMENT POLICY

I. Statement of Purpose

It shall be the Investment Policy of the City of Martinez that all funds not required for immediate budgeted expenditures be invested in compliance with this statement as well as applicable Federal and State legislation. The Investment Policy follows the provisions of California Government Code 53601 governing investments.

Safeguards will be set into place to ensure that adequate reserves are established and maintained to provide that cash in sufficient amounts will be available for those immediate expenditures as authorized by the City's budget. Funds so maintained will be deposited in a manner best serving the City.

It will be further recognized that the City has a responsibility to ensure the security of its assets and always maintain a level of quality so that the public at large will have the highest confidence that its best interests are being served.

The purpose of this document is to identify various policies and procedures that enhance opportunities for a systematic investment process. The initial step toward a prudent investment policy is to organize and formalize investment related activities. Related activities that comprise good cash management include accurate cash projection, the expeditious collection of revenue, the control of disbursements, cost effective banking relations, and a short-term borrowing program, which coordinates working capital requirements and investment opportunity. In concert with these requirements are the many facets of an appropriate and secure short-term investment program.

II. Scope

It is intended that this policy cover all short-term operating funds and investment activities under the direct authority of the City. These funds are described in the most current annual financial report and include General Fund, Capital Projects Fund, Special Revenue Fund, Enterprise Fund, Internal Service Funds and Fiduciary Funds.

This investment policy applies to all transactions involving the financial assets and related activities of the foregoing funds.

III. Objectives

A. Safety: Safety of principal is the foremost objective of the City, followed by liquidity and yield. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they be from securities default or erosion of market value.

Investment decisions should not incur unreasonable investment risks in order to obtain current investment income.

B. Liquidity: The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. This need for investment liquidity may be tempered to the extent that the City is able to issue short-term notes to meet its operating requirements. Emphasis will be on marketable securities with low sensitivity to market risk.

C. Yield: The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and State and local laws, ordinances or resolutions that restrict the placement of short term funds.

D. The investment portfolio shall be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institution.

E. The City shall adhere to the guidance provided by the "prudent person rule," which obligates a fiduciary to ensure that:

"...Investment shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived." (Also see Section VI.)

F. All participants in the investment process shall act reasonably as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public scrutiny and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Nevertheless, in a diversified

portfolio, it must be recognized that occasional measured losses are inevitable, and must be considered within the context of the overall portfolio investment return, provided that adequate diversification has been implemented.

G. Investments are to be made that will bear in mind the responsibility of city government to its citizens. Investments that encourage the betterment of the human condition will be sought. Alternative investments that enhance the quality of life will be given full consideration. Investments that serve to only enrich a few to the detriment of the people will be strictly avoided.

H. No investment is to be made in a company that receives revenues from the production or manufacturer or sale of tobacco products. No investment is to be made in an investment pool such as LAIF, County Treasury, CAMP, etc. that receives more than 15% of gross revenues from the production or manufacture or sale of tobacco products.

IV. Delegation of Authority

Section 53636 of the Government Code of the State of California provides that money on deposit is deemed to be in the treasury of the City.

Although the responsibility for conducting the City's investment program resides with the Treasurer, the day-to-day investment function is hereby delegated to the Assistant City Manager for Administrative Services.

V. Investment Instruments

A. United States Treasury notes, bonds, bills, or certificates of indebtedness or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

B. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

C. Shares of beneficial interest issued by diversified management companies, that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking or

the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services or (2) retain an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience managing money market mutual funds with assets under management in excess of $500,000,000.

The purchase price of shares shall not exceed 20 percent of the investment portfolio of the City.

D. The State of California Local Agency Investment Fund. The LAIF portfolio should be reviewed periodically.

VI. Prudence

The standard of prudence to be used by investment officers shall be the "prudent person rule," and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence will be relieved of personal liability for an individual security credit risk or market price changes, provided that deviations from expectations are reported on a timely fashion, and appropriate action is taken to control adverse developments. (Also see Section III.E.)

Certified by:

Carolyn L. Robinson

City Treasurer

Amended: May 2005

DRAFT

RESOLUTION NO. -09

APPROVING A BUDGET AND AUTHORIZING EXPENDITURES FOR FISCAL YEARS 2009-2010 AND 2010-2011

WHEREAS, the City Council has conducted a public session concerning the Proposed Budget for July 1, 2009 through June 30, 2011, at which time any and all members of the public had an opportunity to comment on said budget; and

WHEREAS, the City Council has reviewed the City Manager's Proposed Budget for the 2009-2010 and 2010-2011 fiscal years; and

WHEREAS, the City Council desires to adopt said budget for the 2009-2010 and 2010-2011 fiscal years;

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

1. The Budget, which is on file at the office of the Assistant City Manager for Administrative Services Director and incorporated herein by this reference, is hereby adopted. The budget is attached to this resolution.

2. Recognizing that actual revenues and appropriations may vary from the estimates set forth in the budget, the Council wishes to authorize the budget with the understanding that it may require revisions as set forth in paragraph 3 below.

3. The City Manager is authorized to revise the budget so long as the total revisions in any single budget year do not exceed 5% of the budget as set forth in the attached budget, and provided that sufficient revenues are available to offset such revisions.

4. All revenues subsequently received by City funds in excess of amounts appropriated by this resolution for fiscal years 2009-2010 and 2010-2011 are hereby appropriated to their respective reserve fund balances.

5. The City Manager is authorized to act on behalf of the City and to make expenditures and incur liabilities against all funds of the City as provided for in contracts that have been authorized by the City Council. The Council's authorization of such contracts shall automatically constitute an appropriation of the necessary amount.

DRAFT

6. The City Manager of his/her designee is authorized to make appropriation transfers from one account to another within a department and is also authorized to make appropriation transfers between funds, provided that total appropriations do not exceed the limitations set forth by this resolution.

* * * * * *

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 17th day of June, 2009, by the following vote:

AYES:

NOES:

ABSENT:

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

APPROPRIATION LIMIT

Proposition 4, commonly known as the Gann Initiative was approved by the California electorate in November, 1979, establishing Article XIIIB of the State Constitution. Fundamentally, the purpose of the constitutional provisions and the implementing legislation is to restrict the growth of tax-funded programs and services by limiting the appropriations of proceeds of taxes to the 1978-79 base year limit, adjusted annually for changes in the population and inflation.

Proceed of taxes include (1) all tax revenues, (2) proceeds from licenses and user fees to the extent that such fees exceed costs of providing services, (3) interest earnings from investment of tax revenues and (4) discretionary state subventions. All other revenues, i.e. federal funds, enterprise fund revenues, and user fees which do not exceed the cost of providing services are excluded from the limit.

The State Appropriation Limit since was modified by two subsequent initiatives: Proposition 98 in 1988 and Proposition 111 in 1990. Proposition 98 established the return of tax revenues in excess of the limit, with limited exceptions, be returned to the taxpayers within two years by refund or reduction in tax rates unless extensions of the limit are approved by majority popular vote. Proposition 111 allowed new adjustment formulas for the required appropriation limit, that are more responsive to local growth issues. Beginning with the 1990-91 Appropriation limit, cities may choose using the lesser of the California Per Capita Income or U.S. CPI to measure inflation; the growth in the California Per Capita Personal Income or the growth in the non-residential assessed valuation due to new construction within the city. Additionally, instead of using only the population growth of the city, each city may choose to use the population growth within the county. These changes in population and inflation are both annual elections. The proposition also now requires an annual review of the limit calculations, i.e. reviewed by the independent auditor in conjunction with the annual financial audit.

The Appropriation Limit for 2009-10 was calculated at $144,475,902 for the City of Martinez. This amount was calculated by taking last year's limitation and adjusting it by the California Per Capita Personal Income change of .62% and the County population change of 1.16%. The City of Martinez's budgeted tax revenues subject to the Limit are $15,244,789 or 10.55% of the Appropriations Limit. Therefore the City's tax revenues fall substantially below the appropriation limit.

The resolution to adopt the appropriation limit of $144,475,902 was adopted via Resolution 040-09, on May 6, 2009.

RESOLUTION NO. 040-09

RESOLUTION ADOPTING THE 2009-10 PROPOSITION 4 APPROPRIATIONS LIMITATION

WHEREAS, there has been submitted to this meeting of the City Council of the City of Martinez a recommendation for the 2009-10 Appropriations Limitation pursuant to Government Code Section 7910, et.seq.; and

WHEREAS, the computations necessary to determine said limit have also been submitted along with the recommended amount of $144,475,902 utilizing the county population growth and the growth in personal income as the adjustment factors; and

WHEREAS, proceeds of taxes subject to the limit do not exceed the calculated Appropriations Limit for 2009-10.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Martinez that 2009-10 Appropriations Limitation is set at the amount of $144,475,902.

* * * * * *

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on May 6, 2009 by the following vote:

AYES: Councilmembers Janet Kennendy, Mark Ross, Vice Mayor Michael Menesini, and Mayor Rob Schroder

NOES: None

ABSENT: Councilmember Lara DeLaney

RICHARD C. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

CITY OF MARTINEZ BENEFITS BY REPRESENTED UNIT

Rep Unit	Medical Insurance	Dental Insurance	LT Disability	Life Insurance	PERS Retirement	Retirement Medical	Deferred Comp
Laborer's Local 324	City pays 100% of Premium for Kaiser for employee and dependents. For employees hired after 1/1/07, the City will pay 85% of each increase in Kaiser premium and the employee will pay 15% of the increase. Employees must pay difference in costs if they choose a plan other than Kaiser.	City pays 100% of premium which provides basic benefit of $2,500 annually. This is an 80/20 co-payment plan with no annual deductible.	City pays premium for the plan that pays at a rate of 66.7% of employee's salary up to maximum benefit of $3750/month. This insurance has a 60-day elimination period.	City pays the monthly premium costs for a policy which provides 2 times the employee's annual gross salary up to maximum of $200,000.	City contributes 7% toward employee's portion of the PERS contribution.	Medical Premium Reimbursement Benefits shall be paid on a percentage basis against the cost of the Kaiser health coverage based upon the number of years of service with the City.	City makes the ICMA Deferred Compensation Plan available to all employees.
Police Officers' Association	City pays 100% of January 1, 2004 Premium for Kaiser for employee and dependents (includes prepaid drug plan and optical); employees pay 15% of annual increase in 2005 and 20% of any subsequent annual increases thereafter on a cumulative basis. Employees must pay difference in costs if they choose plan other than Kaiser.	City pays 100% of premium which provides basic benefit of $2,500 annually. This is an 80/20 co-payment plan with a $50 per person/$150 per family deductible. The deductible is waived for diagnostic and preventive care.	City pays officers $19.50 per month in lieu of LT disability plan. Officers are covered through an plan with PORAC.	City pays the monthly premium costs for a policy which provides 2 times the employee's annual gross salary up to maximum of $125,000 and 100% of premiums for health and dental benefits to widow or widower and minor dependents of officers killed in the line of duty.	City contributes 9% toward employee's portion of the PERS contribution.	For employees that retire after 1/1/04, City pays 100% of January 1, 2004 Premium for Kaiser for employee and dependents (includes prepaid drug plan and optical); employees pay 15% of annual increase in 2005 and 20% of any subsequent annual increases thereafter on a cumulative basis. Employees must pay difference in costs if they choose plan other than Kaiser.	City makes the ICMA Deferred Compensation Plan available to all employees.
Police Non-Sworn Employees' Association	City pays 100% of Premium for Kaiser for employee and dependents. For employees hired after 1/1/07, the City will pay 85% of each increase in Kaiser premium and the employee will pay 15% of the increase. Employees must pay difference in costs if they choose a plan other	City pays 100% of premium which provides basic benefit of $2,500 annually. This is an 80/20 co-payment plan with no annual deductible.	City pays premium for the plan that pays at a rate of 66.7% of employee's salary up to maximum benefit of $3750/month. This insurance has a 30-day elimination period.	City pays the monthly premium costs for a policy which provides 2 times the employee's annual gross salary and 100% of premiums for health and dental benefits to widow or widower and minor dependents of members of the association killed in the line of duty.	City contributes 7% toward employee's portion of the PERS contribution	Medical Premium Reimbursement Benefits shall be paid on a percentage basis against the cost of the Kaiser health coverage based upon the number of years of service with the City.	City will contribute $65 per month per employee into the ICMA Deferred Compensation Plan.

GUIDE TO FUNDS BY NUMBER

GOVERNMENTAL FUNDS	The funds through which most governmental functions typically are financed.
General Fund	Accounts for all financial resources except those required to be accounted for in another fund.
01 General Fund	The general fund is used for all general revenues of the City not specifically levied or collected for other City funds and related expenditures.
Special Revenue Funds	Account for the proceeds of specific revenue sources (other than those for major capital projects) that are restricted legally to expenditure for specific purpose.
20 Public Safety Grants Fund	To account for the revenues received from the federal government and State of California to be used specifically for public safety equipment and personnel.
21 NPDES Stormwater Fund	To account for the revenues and expenditures from assessments levied on all real property in the City in compliance with the provisions of the National Pollutant Discharge Elimination System for prevention of stormwater and flood related damage.
22 Measure C-Local	To account for the local funds as well as funds received from the State of California, Contra Costa County, Amtrak and other outside agencies for the construction of the Intermodal facility and similar projects related to transportation and traffic.
23 Gas Tax Fund	To account for the funds received from the State of California under code 2105, 2106, and 2107 to be used for street and highway related projects.
24 Traffic Congestion Relief	To account for the revenues received from the State of California under AB2928. The allocations must be spent on local streets and roads maintenance, rehabilitation and reconstruction projects according to the State's Traffic Congestion relief Plan.
28 Proposition 1B	To account for the 2006 voter approved Proposition 1B funds to be used for street improvements, including pavement rehabilitation projects.
33 Lighting and Landscaping Fund	To account for the installation, maintenance and improvement of subdivision landscape and lighting within the special districts. Monies are collected through an annual levy on the property owners within each district.
34 Mitigation/Impact Fee Fund	To account for revenue received through the collection of mitigation/impact fees.
36 PEG Access Fund	To account for revenue received the City's cable provider to be used for public, educational and governmental capital support.
Capital Projects Funds	Account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).
31 Capital Improvements Fund	To account for the funds spent and revenue received for various capital projects within the city.
35 Measure H Fund	To account for the funds received from the 2009 General Obligation Bonds to fund projects approved by the
Debt Service Funds	Account for the accumulation of resources for, and the retirement of, general long-term debt principal and interest.
41 City Hall Certificates of Participation	On December 1, 1992 the City issued Certificates of Participation in the amount of $3,010,000. COP proceeds were used to finance the rehabilitation and expansion of the Martinez City Hall.
44 General Obligation Bonds, Election of 2008, Series A	On May 5, 2009 the City issued General Obligations Bonds in the amount of $15,000,0000. GOP proceeds will be used to finance the costs of acquiring and constructing parks, library improvements, and pool and safety improvements within the City.
PROPRIETARY FUNDS	The funds used to account for a government's business-type activities (activities supported in least part by fees or charges).
Enterprise Funds	Account for activities for which a fee is charged to external users for goods and services.
71 Water System Fund 72 Water System Capital Improvements Fund	To account for the funds received from customers receiving water service provided by the City and the related expenditures for administration; system improvements, maintenance and repairs; debt service for issues related to the provision of water to customers.
73 Marina System Fund 74 Marina System Capital Improvement Fund	To account for the operations of the municipal marina.
75 Parking Services Fund 76 Parking Services Capital Improvement Fund	To account for the activities related to the various parking lots in the downtown area and Martinez Museum site, including parking meters and shuttle services.
Internal Services Funds	Account for the financing of goods and services provided by one fund, department, or agency to other funds, departments or agencies of the financial reporting entity, or to governments, on a cost-reimbursement basis.
81 Equipment Replacement Fund	To account for the accumulation of funds for equipment replacement and the subsequent replacement and maintenance of equipment under City control.
82 Management Information System Fund	To account for the services rendered to all City departments for management of the City's hardware and software needs.

BUDGET GLOSSARY

The City's budget document contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the budget document in understanding the terms, this glossary has been included in the document.

Account – A subdivision within a fund for the purpose of classifying transactions.

Accounting System – The total set of records and procedures that are used to record, classify, and report information on an entity's financial status and operations.

Account Number – Numeric identification of the account.

Accrual Basis of Accounting – The method of accounting that recognizes transactions on the basis of when they are incurred or committed, rather than when they are made or received.

Accrued – Term to describe balances that have increased or accumulated over a period of time, as with a budget, fund, or benefit.

Activity – A function or a group of related functions for which the budgetary unit is responsible; for Martinez's budgeting purposes, an activity is the same as a program.

Adopted Budget – Revenues and appropriations approved by the City Council in June for the next fiscal year.

Agency – The term for the highest organizational level, in most cases a City, department, or independent board.

Agency Funds – Funds that are used to account for assets held by the City on behalf of individuals, private organizations, other governments, and/or other funds.

Allocation – A distribution of funds or an expenditure limit established for an organizational unit.

Appropriation – An authorization made by the City Council that permits the City to incur obligations and to expend resources. An appropriation is limited in the amount and the period of time in which it may be expended.

Appropriation Limit – As defined by Section 8 of Article XIIIB of the California Constitution, enacted by the passage of Proposition 4 at the November 6, 1979 General Election, the growth in the level of certain appropriations from tax proceeds are generally limited to the level of the prior year's appropriation limit as adjusted for changes in cost of living and population. Other adjustments may be made for such reasons as the transfer of services from one government entity to another.

Appropriation Resolution – The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

Assessed Valuation – An official value established for real estate or other property as a basis for levying property taxes.

Assets – Government-owned property that has monetary value.

Audit – A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's (City Council's) appropriations.

Authorized Positions – Those ongoing positions approved in the final budget of the preceding year.

Balance Available – The amount of money available for appropriation or encumbrance. It is the excess of cash and near-cash assets of a fund over its liabilities and reserves, commonly called surplus available for appropriation. It is also the unobligated balance of an appropriation that may be encumbered for the purposes of the specific appropriation.

Balance Sheet – A financial statement listing a fund or organization's total assets, liabilities, and equity on a specific date.

Bond – A written promise from a local government to repay a sum of money on a specific date at a specified interest rate. Bonds are most frequently used to finance capital improvement projects such as buildings, streets, and bridges.

Budget – A financial plan for a specific period of time (fiscal year) that matches all planned revenue and expenditures with various municipal services.

Budget Amendment – A legal procedure utilized to revise a budget appropriation. City Staff has the prerogative to adjust expenditures within or between departmental budgets. The City Manager is authorized to revise the budget so long as the total revisions in any single budget year do not exceed 5% of the budget, and provided that sufficient revenues are available to offset such revisions. Council approval is required for additional appropriation from fund balances or new revenue sources.

Budget Calendar – The schedule of key dates which City departments follow in the preparation, revision, adoption, and administration of the budget.

Budget Detail – A support document to the published budget that details the line item expenditures.

Budget Document – The financial plan report, reviewed and adopted by the City Council.

Budget Message – The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and presents recommendations made by the City Manager.

Budget Year – Is the fiscal year for which the budget is being considered; i.e. the fiscal year following the current year.

Budgetary Unit – An organizational component budgeted separately, usually a department or division.

Capital Improvement – Any project or physical public improvement that results in a permanent addition to the City's fixed assets, or a revitalization/improvement that extends a fixed asset's useful life or increases its usefulness or capacity. A capital improvement has an estimated service life of at least eight years and a value of at least $25,000.

Capital Improvement Program (CIP) – A plan for capital expenditures to provide for the acquisition, expansion, or rehabilitation of an element of the City's physical property to be incurred over a fixed period of several future years.

Capital Outlay – Expenditures relating to the purchase of equipment, land, or other fixed assets.

Carryover or Carry Forward – The process of carrying a budgeted and encumbered item from the current fiscal year to the next fiscal year.

Cash Basis or Cash Method – An accounting method that recognizes income and deductions when money is received or paid. The modified-accrual method is the preferred method for government organizations.

Certificate of Participation (COP) – Obligations of a public entity based on a lease or installment sale agreement.

Comprehensive Annual Financial Report (CAFR) – An official annual financial report of a government.

Consumer Price Index (CPI) – Also known as the Cost-of-Living Index, it is a measure of change as determined by a monthly survey of the U.S. Bureau of Labor Statistics. Many pension and employment contracts are tied to changes in consumer prices as protection against inflation and reduced purchasing power. Among the CPI components are the costs of housing, food, transportation, and electricity.

Contingency – An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as flood emergencies, Federal mandates, shortfalls in revenue, and similar events.

Contingency Fund – Amount reserved for a possible loss.

Cost Accounting – The continuous process of analyzing, classifying, recording, and summarizing cost data within the confines and controls of a formal cost accounting system and reporting them to users on a regular basis.

Cost Allocation Plan – The documentation identifying, accumulating, and distributing allowable costs under grants and contracts together with the allocation method used.

Cost Approach – Method of appraising property based on adding the reproduction cost of improvements, less depreciation, to the market value of the site.

Cost Basis – Original price of an asset, used in determining depreciation and capital gains or losses.

Cost of Living Allowance (COLA) – Adjustment of wages designed to offset changes in the cost of living, usually as measured by the consumer price index.

Cost Recovery – The establishment of user fees which are intended to cover the cost of providing services.

Debt Margin – The difference between the debt limit and the total outstanding debt.

Debt Service – The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

Debt Service Fund – A governmental fund used to account for the accumulation of resources for, and payment of, general obligation bond principal and interest from governmental resources, and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

Deficit – (1) Insufficiency in the account or number, whether as the result of defaults and misappropriations, mistakes, or shrinkage in value. (2) Excess of the government's spending over its revenues.

Department – A major administrative segment of the City, which indicates overall management responsibility for an operation or a group of related operations within a functional area. An example is the Community Development Department within the General Fund.

Depreciation – The process of allocating the cost of a capital asset to the periods during which the asset is used.

Designated Fund Balance – A portion of unreserved fund balance designed by City policy for a specific future use.

Direct Cost – Costs changed easily by management decisions such as advertising, repairs and maintenance, and research and development; also called managed costs.

Direct Labor – Cost of personnel that can be identified in the product or service, such as the salary of the person who provides the direct service.

Division – A unit of organization that reports to a department.

Downtown Specific Plan – The City's set of guidelines and policies to shape the future of downtown Martinez. This Plan will directly affect future initiatives associated with revitalizing the downtown area.

Encumbrance – Obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Enterprise Fund – A proprietary fund used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the legislative body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The rate schedule for these services are established to ensure that revenues are adequate to meet all necessary expenditures.

Equity – The difference between fund assets and fund liabilities.

Expenditure – Utilization of fund resources. Expenditures include operating expenses, debt service, and capital outlays. Expenditures reduce the remaining budget authorization (appropriation) available.

Expenditure Category – A basis of distinguishing types of expenditures. The major expenditure categories used by the City of Martinez are Labor, Operating, Capital, and Direct and Indirect Costs.

Fee – The amount charged by the City to provide a specific service, tied directly to the cost to the City of providing that service.

Fiduciary Funds – Also referred to as Trust and Agency Funds. These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Fiscal Year – A twelve-month time period signifying the beginning and ending period for recording financial transactions. The City of Martinez has specified July 1 through June 30 as its fiscal year.

Fixed Assets – Assets of significant value that have a useful life of several years such as land, buildings, machinery, equipment, and furniture.

Fixed Asset Management – Tagging and preparing asset ledgers for plant, facilities, and equipment; recording changes in asset status; and conducting periodic inventories of assets.

Fringe Benefit – Compensation that an employer contributes to its employees such as retirement, life/health insurance, or training supplements. Fringe benefits can be either mandatory, such as PERS contributions, or voluntary, such as health insurance benefits.

Full-time Equivalent (FTE) – Positions or fractions thereof based on full-time definition of forty hours of work per week.

Function – An activity or a group of related activities for which the budgetary unit is responsible; in Martinez, a function is the same as the program.

Fund – A separate accounting entity with a self-balancing set of accounts to record all financial transactions (revenues and expenditures) for specific activities or government functions. Funds are classified into three categories: governmental, proprietary, and fiduciary. Commonly used funds in governmental accounting are: General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds, Agency Funds, and Special Assessment Funds.

Fund Balance – The net effect of assets less liabilities at any given point in time.

General Fund – A fund used to account for the major operating revenues and expenditures of the City, excluding those financial resources that are required to be accounted for in another fund category. General Fund revenues are derived primarily from property and other taxes.

General Long Term Debt – All debt that has not matured except that of proprietary funds. Provides a way for governments to list all the long-term general obligation debt they have in an "off balance sheet" manner such that the debt has no negative effect on the fund balances of the governmental funds. If sufficient assets are not available to cover the debt, it is covered by the full faith and credit of the government in the form of the amount provided.

General Plan – The master plan for the City which guides its physical, economic, and social development. It contains key elements such as land use, traffic/circulation, noise concerns, and recreational considerations.

Goals – Broad mission statements which serve as guiding principles of the City Council.

Governmental Funds – These include general, special revenue, capital project, and debt service. They measure how government is doing in the short term and often in comparison to the budget.

Grant – Contributions or gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is the Community Development Block Grant awarded by the Federal Government.

Indirect Cost – A cost not directly associated with a specific item or service that is allocated across a number of budget areas. Electricity and building insurance are examples of indirect costs. Also referred to as Overhead.

Infrastructure – Refers to the major physical components of a jurisdiction including the streets, bridges, reservoirs, and sewers, all of which are generally immovable. Infrastructure is differentiated from fixed assets which include property and equipment such as buildings, vehicles, and machinery.

Internal Service Fund – A fund used to account for services provided by one department to other departments on a cost-reimbursement basis.

Liability – Debt or other legal obligations arising out of past transactions which much be liquidated, renewed, or refunded at some future date. Encumbrances are not considered to be liabilities.

Lighting and Landscaping Funds – Funds to account for the installation, maintenance, and improvement of subdivision landscape and lighting within the special districts. Monies are collected through an annual levy on the property owners within each district.

Modified Accrual Basis or Method – A basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of accrual and cash accounting since expenditures are immediately incurred as a liability when they are committed, while revenues are not recorded until they are actually received or are "measurable" and available for expenditure.

NPDES – National Pollutant Discharge Elimination System. This program controls water pollution by regulating point sources that discharge pollutants into waters of the United States. Point sources are discrete conveyances such as pipes or man-made ditches.

Nondepartmental – The department designation assigned to budgets that provide for performance of work or purchase of goods that cross or transcend departmental lines.

Objectives – Specific plans, programs, or activities that departments and their divisions intend to accomplish in the upcoming fiscal years.

Operating Budget – A financial plan for the provision of direct service and support functions that provide basic governmental services. The operating budget contains appropriations for such expenditures as salaries and benefits, services, supplies, capital outlays, and debt service/other. It does not include Capital Improvement Program expenditures.

Ordinance – A law passed by the legislative authority (City Council) of a local jurisdiction.

Organization – Organized structure of roles and responsibilities functioning to accomplish predetermined objectives.

Organization Chart – A chart showing the interrelationships of positions within an organization in terms of authority and responsibilities.

Overhead – Indirect expenses of running an organization not directly associated with a particular item or service. Also referred to as Indirect Cost.

PERS – Public Employees Retirement System, a mandatory fringe benefit for City employees.

Program – An organized, self-contained set of related work activities within a department or division which are directed toward common objectives and represent a well-defined expenditure of City resources.

Program Budget – A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Proprietary Fund – A fund used to account for operations that are financed and operated in a manner similar to business enterprises. Such a fund is established as a self-supporting operation with revenues derived primarily from fees, charges, or contracts for services.

Recognized – The time at which an item is officially recorded and measurable, as with a financial transaction.

Reserve – An account used to designate a portion of the fund balance for a specific future use and is therefore not available for general appropriation.

Resolution – A legal order by a government entity.

Revenues – Funds received from various sources and treated as income to the City to be used to finance expenditures. Revenues include such items as taxes, fees, user charges, grants, fines, forfeits, and interest income.

Section – A unit or organization which reports to a division.

Special Assessment – A tax or levy customarily imposed against only those specific parcels of real estate that will benefit from a proposed public improvement, as opposed to a general tax on the entire community. Because the proposed improvement will enhance the value of the affected homes, only those affected owners must pay this special lien. Common examples of special assessments are water, lighting and landscaping, sidewalk and sewer assessments, or other special improvements such as parks and recreational facilities.

Unreserved Fund Balance – In a governmental or expendable trust fund, the balance of net financial resources that are available for appropriation.

User Fees – Fees charged to users of a particular service provided by the City.

LIST OF ACRONYMS

ABAG - Association of Bay Area Governments
CAFR - The Comprehensive Annual Financial Report is prepared in conformity with Generally Accepted Account Principals (GAAP) as set forth by the Governmental Accounting Standards Boards (GASB).
CCC - Contra Costa County
CCCMRMIA - Contra Costa County Municipal Risk Management Insurance Authority
CCCSD – Central Contra Costa Sanitary District
CCTA - Contra Costa Transportation Authority
CCWD - Contra Costa Water District
CDBG - The Community Development Block Grant program is funded by the Federal Department of Housing and Urban Development.
CERT – The Community Emergency Response Team program provides emergency services training to enable neighborhood or workplace teams to prepare for and respond effectively to an emergency situation until professional responders arrive.
CIP - Capital Improvements Program outlining the infrastructure needs for the City of Martinez.
COP - Certificate of Participation - Obligations of a public entity based on a lease or installment sale agreement.
CPI - Consumer Price Index
CSMFO - California Society of Municipal Finance Officers. The purpose of this organization is to promote professional administration of municipal finance and to strive for the attainment of professional status of all those responsible for the conduct of the activities of the field.
DBAW – Department of Boating and Waterways
ERAF - Educational Revenue Augmentation Fund is a state mandated property tax shift to schools.
GAAP - Generally Accepted Accounting Principles
GASB – Governmental Accounting Standards Board
GFOA - Government Finance Officers Association is a non-profit professional association serving 9,500 government finance professionals throughout North America. Over 11,000 governments participate actively in the associations' activities.
HES – Hazard Elimination System
ISTEA – Intermodal Surface Transportation Efficiency Act. This fund was created to administer those monies the City has secured for various street and traffic signal projects from the Federal government.
LAIF - Local Agency Investment Fund, which is a State pool of municipal funds.
LLD - Landscape and Lighting District
NPDES - National Pollutant Discharge Elimination System
O & M – The Operation & Maintenance cost associated with a capital facility that will impact the City on an ongoing and annual basis.
OPEB – Other Post Employment Benefits
POST - Peace Officer Standards and Training Act regulates law enforcement standards.
TEA – Transportation Equity Act
TFCA – Transportation Funds for Clean Air

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