

**CITY OF MARTINEZ
CALIFORNIA**

**2011-12 AND 2012-13
BIENNIAL BUDGET**

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JUNE 15, 2011

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City of Martinez

525 Henrietta Street, Martinez CA 94553-2394

June 15, 2011

Honorable Mayor and City Council Members:

I respectfully submit to you the two-year budget for the City of Martinez for fiscal years 2011-12 and 2012-13 totaling \$81,011,050 across all funds. At the Goal Setting Session held on March 9, 2011, the City Council established a series of goals and key objectives for the next two years, which are reflected in this budget. Because of extremely tight fiscal constraints, achieving these goals will require continuous reallocation and prioritization of existing staff resources, rather than additional expenditures. Balancing the ongoing demands and expectations for City services will become even more challenging the City moves forward to an uncertain economic future.

The following is a comprehensive list of goals and key objectives established at the March 9, 2011 goals session, with a notation of how the City plans to fund each specific objective:

➤ **Provide Efficient and Effective Public Safety Services**

- a. Public outreach to promote new Neighborhood Policing Initiative – *minimal operating expense, primarily reorganizing the Police Department to increase operational efficiencies, and increased staff time to update website, create flyers, post to social media outlets, and conduct neighborhood meetings*
- b. Maintain current workforce but control costs – *cost management to greatest extent possible*

➤ **Publicize our Major Successes**

- a. Measure H projects (new pool and library) - *operating expense increases (i.e. for managing and operating the new and expanded Rankin Park Pool), and increased staff time to update website and post to social media outlets/new City Channel*
- b. Other Major CIP projects (Marina Vista Avenue) – *increased staff time to update website and post to social media outlets/new City Channel*

➤ **Focus our Economic Development Efforts**

- a. Chamber and Main Street collaboration and support – *funded through Economic Development expense budget; significant allocation of unreimbursed staff time to coordinate efforts and promote City with both organizations*
- b. Zocchi property development – *significant allocation of unreimbursed staff time, combination of developer deposits for environmental/ parking impact studies and legal review of leases; limited City funding for City Attorney review of leases*
- c. 610/630 Court Street development - *significant allocation of unreimbursed staff time to coordinate initial stages of project; successful advancement of project will result in developer deposit to recover portion of City staff time for project review and processing in accordance with City's Fee Schedule*
- d. Downtown improvements (500 block realignment) – *funded through Gas Tax*
- e. Expanded use of digital media for marketing – *primarily unreimbursed staff time to update website, post to social media outlets, and broadcast on new City Channel; City is evaluating potential funding sources for limited video productions suitable for airing on City Channel*

➤ **Develop, Maintain and Improve Infrastructure**

- a. Marina area improvements – *City expenses include contract employee for project management and coordination with State agencies such as Department of Boating and Waterways (DBAW), the State Lands Commission, and the State Department of Fish and Game*
- b. Paving projects (beyond arterials) – *sources include Gas Tax; Measure J Return to Source; and Prop 1B funding*
- c. Downtown parking study – *funded through City's Parking Fund*
- d. Pursue options for Corporation Yard relocation – *primarily allocation of unreimbursed staff time to research and evaluate options*
- e. Old Train Depot façade improvements – *funded through Impact Fees*

As the economy continued its decline that first manifested late in 2007, the City struggled to maintain revenues sufficient to meet its expenditure obligations. The City began cutting various management labor expenses during the 2007-09 budget period, and maintained these cuts into future budget cycles. As part of the 2009-11 budget

development, the City made aggressive cuts to its expenses in virtually every category, including professional services, employee travel and training, computer hardware replacements, vehicle replacements, and overtime. Furthermore, several key management staff positions were left vacant during this time, most notably the department director positions in Administrative Services and Community and Economic Development, respectively. These essential positions were either filled by part-time contract staff as was the case in the Administrative Services Department for a period of over one year, or left as an ongoing vacancy as is presently the case in the Community and Economic Development Department, which has been vacant for over one year at present and remains unfunded for the next two years covered by this budget.

The City hired a new Assistant City Manager in October 2010, and this position has assisted the City Manager with the managerial responsibilities of both departments in the absence of a Community and Economic Development Director. Additionally, the Public Works Department has temporarily taken on the managerial responsibilities of the City's Engineering Division. As we move into the next two-year budget cycle, additional staff positions will be frozen, or in some cases, eliminated, in an effort to contain costs. A chart that identifies the staffing reductions necessary to balance the budget is provided on page x of this budget message.

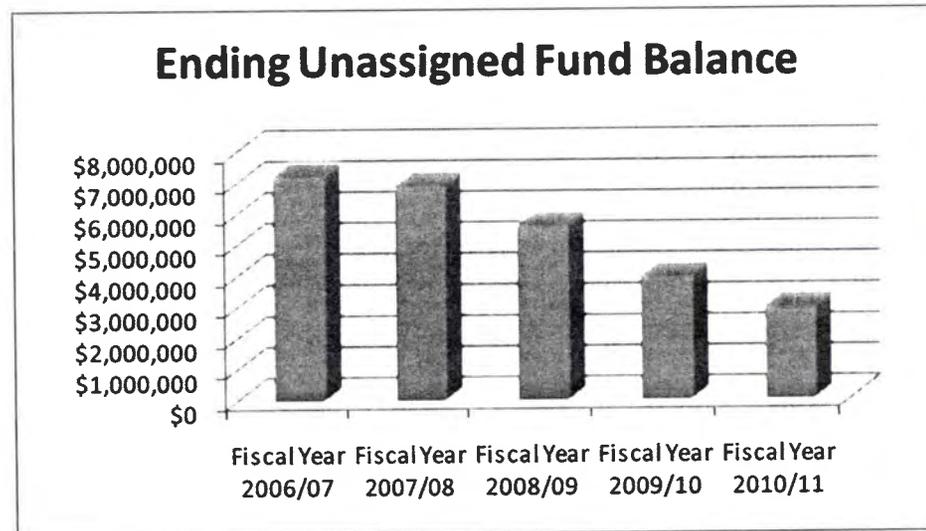
Trying to balance the needs of the City with the realities of reduced staffing has made formulating this budget exceptionally difficult. Staff will continue to forge ahead with projects that will provide new and consistent revenue streams for the City; however, for the next three to four years, the short-term objective is to control employee labor and benefit costs in a way that will preserve our first class workforce to the greatest extent possible.

As was previously mentioned, the budget provides additional expenditure reductions in a variety of areas, particularly in staffing; however, staff has 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: 1) funding current operating expenditures with current year revenues; 2) allocating resources to the highest priority services; and 3) preserving adequate reserves for the City to draw on during economic downturns or for unforeseen emergencies. The 2011-13 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 2009-11

The City adopted Governmental Standards Accounting Board (GASB) No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, in February 2011. This new standard does not change the total amount of a given fund balance, but it substantially alters the categories and terminology used to describe the components that make up fund balance.

At the end of fiscal year 2010-11, there will be an unassigned fund balance in the General Fund of approximately \$2.9 million, down from a fund balance of \$5.8 million at the beginning of the 2009-11 budget cycle. The chart below illustrates the dramatic decline in the City’s fund balance since its peak in FY 2006-07 of \$7.2 million.



The City does not presently have a written reserves policy to establish a percentage threshold in unassigned fund balance; however, an initial discussion was held with the Finance Subcommittee in February 2011 with a recommendation from staff for a 15% threshold. Until Council approves a formal reserves policy in the coming two-year budget cycle, staff will operate informally using a 15% threshold.

The City can be proud of its many accomplishments in support of the goals that the Council set for 2009-11. These achievements are enumerated in each department's budget narrative, and are recapped in detail on page xiii of the Introduction section of this budget.

FINANCIAL SUMMARY

The depths of the recent recession that began in December 2007 were not fully realized until June 2009, according to statistical data of the nation's economic activity evaluated by the National Bureau of Economic Research. Despite almost two years of improving economic activity (measured by the nation's Gross Domestic Product), fundamental concerns remain. The most recent national unemployment data released by the Bureau of Labor Statistics indicated that 13.9 million Americans were unemployed for a rate of 9.1% in May 2011, with almost half of those (6.2 million) considered long-term unemployed for a period of 27 weeks or longer. A meager 54,000 jobs were added in May 2011, the slowest in 8 months and well below the gains of 150,000 predicted by leading experts. The latest data released by the US Bureau of Economic Analysis revealed that the GDP increased at an annual rate of just 1.8% in the first quarter of 2011, down from the 3.1% increase seen in the fourth quarter of 2010. Not surprising, government spending at all levels (federal, state and local) continued to decline.

This latest rash of poor economic news has stoked fears of a double-dip recession. Many of the fundamental problems that compounded the recession, such as tightness in the credit markets following the housing market collapse, persist with no clear end in sight. As was almost uniformly predicted by leading economists, the duration and severity of the national economic crisis – the likes of which had not been seen since the Great Depression of the 1930's – was so widespread and impactful that true and lasting recovery will be measured in years and not months.

The economy in California continues to struggle. As is often the case, California's economy leads the nation during the boom times, but often lags behind during recessionary periods and the resultant aftermath. The latest figures from the California Economic Development Department show the State's unemployment rate at 11.7%, and the rate is not projected to dip below double digits until 2013 according to the UCLA Anderson Forecast.

Some good news was provided out of Sacramento recently, when Governor Brown announced that the State's receipts as of April 30th were \$2 billion above estimates, but this glimmer of light is still overshadowed by the fact the State is dealing with a budget deficit of approximately \$15.4 billion. Part of this shortfall may be addressed through extension of various tax mechanisms set to expire on July 1st, but it is unclear what additional measures the Governor may

propose. The State invoked the fiscal hardship provisions of Prop 1A in 2009, which diverted over \$800,000 in City property tax revenues to the State. Fortunately, the City and many other local governments were able to sell the repayment bonds from the State to California Communities, a joint powers authority sponsored by the California State Association of Counties and the League of California Cities, in exchange for the full property tax allocation withheld by the State.

The East Bay continues to struggle with the housing slowdown. After the precipitous falls to housing values in 2008 and 2009, median home sales prices stabilized to some degree and fluctuated both up and down throughout the majority of 2010, but any increases were minimal at best. The recent release of numerous foreclosed properties onto an already depressed market by banks and lenders has led to four consecutive months of decreased median sales values in the Bay Area (November 2010 to February 2011). The median home price in Contra Costa County fell 6.7% to \$240,000 in February 2011 compared to the same period a year before. The median home sale value in Martinez declined 13.23% for the same period, from \$310,000 in February 2010 down to \$269,000 in February 2011. As a point of reference, the median home sale value in Contra Costa County and Martinez in February 2008 was \$450,104 and \$460,000, respectively.

Contra Costa County's latest unemployment rate as of April 2011 was 10.5%, down from a record high of 11.8% in January 2010 but still over twice the amount of unemployment than before the recession began (the County's unemployment rate for the entire year of calendar 2007 was at or below 5%). The City's April 2011 unemployment rate was 8.4%, better than the county and state rates but still historically high. True economic recovery at the national, state and local levels is not expected until the rate drops well below 10%.

LOCAL ISSUES AND CONCERNS

The economic crisis has resulted in reductions to the City's revenues in virtually every category. Estimating revenue is always a challenge, and that is particularly the case when the economy continues to be in such a volatile state. The City's property tax revenues, which represent by far the most significant source of revenue, have declined by over \$400,000 relative to what the City received in FY 2008-09 in each of the past two budget years. This decline is especially painful when one considers that until this recent economic turmoil, municipalities were able to project a *minimum 2% increase* in this revenue each year due to Prop 13. The precipitous decrease in property taxes that began three years ago explains the majority of drastic cuts in operating and staffing costs. The City's property tax consultant HdL believes property tax revenues for FY 2011-12 will be flat, with cautious optimism that the housing market truly

finds a bottom and property tax revenues begin to increase again in FY 2012-13 by approximately 1%. Relative to the latest 2010-11 projections, general fund revenues (excluding transfers in) are expected to remain basically flat in FY 2011-2012, and increase marginally by less than half a percent (0.4%) in FY 2012-13. Projected general fund revenues for the major revenue sources are summarized in the Budget Highlights section.

The City received over \$1,762,100 in federal stimulus funding during the prior budget cycle to augment infrastructure improvements to Marina Vista Avenue, provide much needed paving to major arterials throughout the City, and upgrade over 200 downtown streetlights to energy efficient LED's. No major federal grant funding is anticipated in the next two years of the budget, but the City will evaluate any relevant opportunities as they become available.

On the expenditure side, the City has been forced to not only maintain the vast majority of drastic operational reductions from the 2009-11 period (which were initially planned as one-time reductions), but also take the painful course of seeking significant additional cuts to personnel in order to balance this operating budget. The budget adjustments are 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. The City's dwindling reserves make relying on fund balance to bail the City out of future deficits an almost nonexistent option.

Prior to the current economic crisis, the City already had 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, many positions are reduced, frozen, or eliminated in order to achieve the necessary salary savings. All of the labor contracts are currently under negotiation and will have to be extended beyond the current expiration date of June 30, 2011. No increases (such as cost of living adjustments) are included in this budget or in future projections beyond current MOU provisions and employee merit increases. The City expects increased retirement costs in future years due to the dramatic market losses of the stock market turmoil in 2008 and 2009, which 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. Staff recommends that a portion of any surplus in future years be added to that reserve to help offset future rate increases. The City's liability and workers compensation insurance rates have stabilized over the past year, but have increased significantly over the past 5 year period due to a rise in claims. In the first year of the budget, the City is receiving a one-time dividend that will help offset the increased premiums. 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 two-year operating budget. At this time, future year projections indicate that the City will continue to face significant operating deficits unless new sources of revenue are identified; current revenue sources rebound more dramatically than estimated; and additional operational efficiencies are identified, including concessions from the City's employee bargaining units.

The City's priority of economic development is particularly important to increase and diversify our revenues. Several key projects are underway that, if successful, will add to our tax base in the long term, including the development of the 610/630 Court Street cornerstone properties; development of the 330 and 360 Ferry Street ("Zocchi") properties; annexations of Alhambra Valley and North Pacheco into the City; implementation of the Downtown Specific Plan; and improvements to the marina and surrounding areas. Realizing the potential of these projects is crucial to improving and maintaining the City's long term fiscal health.

BUDGET HIGHLIGHTS

Revenues

Total General Fund operating revenues (excluding transfers in) relative to the adjusted FY 2010-11 revenue estimates are projected to increase less than 1% in both years to \$18,521,181 in FY 2011-12, and to \$18,562,329 in FY 2012-13. Property taxes are expected to remain flat at \$6,381,074 in FY 2011-12, and increase 1% in FY 2012-13 to \$6,444,885, according to the City's property tax consultant. Sales Tax (including Sales Tax In Lieu) is projected to increase by 3.3% to \$4,247,416 in FY 2011-12, and an additional 3.3% to \$4,392,079 in FY 2012-13. The budgeted increases reflect anticipation of backfilled revenue in FY 2011-12, which will offset a one-time loss in FY 2010-11. The VLF Property Tax Swap is projected to remain flat at \$2,483,783 in FY 2011-12 and increase 1% in FY 2012-13 to \$2,508,621. Franchise fees, which include fees from utility companies, cable providers, and garbage haulers, are expected to remain flat in both years at \$1,427,000.

Expenditures

General Fund expenditures are budgeted at \$18,567,188 in FY 2011-12 and \$18,823,032 in FY 2012-13, which includes various one-time investments, from assigned fund balance.

Numerous cuts were made in the 2009-11 Budget as a result of the challenging economic conditions. These adjustments were expected to be one-time measures. As the economy continued to worsen, it became clear that future budgets, including this 2011-13 Budget, would have to maintain the reduced operational expenditure level and require additional cuts and/or savings measures beyond those already in place in order to bridge the structural deficit. The following is a list of non-personnel related additional savings measures relative to FY 2010-11, resulting in savings to operating of \$101,983 in 2011-12, and \$82,877 in 2012-13:

- **Professional Services** – reduced by \$41,173 in FY 2011-12 and \$22,965 in FY 2012-13
- **Supplies** – reduced by \$40,035 in FY 2011-12 and \$39,137 in FY 2012-13
- **AB939 and Recycle Special Revenue Fund** (with dedicated funding through the City’s franchised solid waste and recycling hauler, and various State grants) – savings of \$20,775 both fiscal years

These additional cuts and/or savings measures, however, were more than offset by increases to operating expenditures to the tune of \$485,600 in 2011-12, and \$470,600 in 2012-13, respectively, and are shown below:

- **Police Lab Fees (County)** - \$125,200 increase both fiscal years
- **Police Training** - \$41,500 increase both fiscal years (necessary restoration of one-time budget cut)
- **Main Street Martinez and Chamber of Commerce Support** - \$90,000 each fiscal year (previously paid from Fund Balance)
- **Community Group Funding Support** - \$7,500 both fiscal years (previously paid from Fund Balance)
- **Pool Costs (net of revenue)** – increase of \$121,400 in FY 2011-12 and \$106,400 in FY 2012-13
- **Reduction in Cost Recovery** – increase of \$100,000 in both fiscal years

With so much of the City’s operating budget already reduced, the City had no choice but to significantly cut staff costs in order to balance. The chart on the following page illustrates the additional reductions in staffing (salary savings listed in parentheses):

Positions	FY 2011-12	FY 2012-13
38th and 39th Police Officers	Freeze (\$296,000)	Freeze (\$301,000)
8th Dispatcher position	Freeze (\$112,000)	Freeze (\$112,000)
Maintenance Worker position	Freeze (\$75,000)	
Secretary to City Manager.	Retirement – backfill w/part time (\$46,050)	Retirement – backfill w/part time (\$62,250)
Police Records Clerk	Retirement – backfill w/part time (\$50,100)	Retirement – backfill w/part time (\$50,100)
Code Enforcement position		Retirement – backfill w/part time (\$61,000)
Administrative Aide II in Public Works	Convert to 50% General Fund (\$37,000)	Convert to 50% General Fund (\$37,000)
Planning Manager	Reduce from full time to part time (\$90,000)	Freeze (\$180,000)
Part Time Clerk in Inspection Division	Eliminate (\$16,200)	Eliminate (\$16,200)
Assistant Engineer	Freeze (\$60,000)	Freeze (\$60,000)
Part Time in Parks Maintenance	Reduce hrs from 10,000 to 6,000 (\$40,700)	Reduce hrs from 10,000 to 6,000 (\$40,700)
Part Time in Street Maintenance	Reduce hrs from 3,000 to 2,750 (\$30,500)	Reduce hrs from 3,000 to 2,750 (\$30,500)
Part Time Custodian in Public Works	Reduce hrs from 2,000 to 1,040 (\$21,000)	Reduce hrs from 2,000 to 1,040 (\$21,000)
Total Reductions	\$874,550	\$971,750

It is essential in this time of economic uncertainty that the City maintains a healthy fund balance. The budget includes very limited use of reserves for continued funding of the rental of the theatre downtown for \$48,000 in both years.

Additionally, one-time contributions from designated reserves for the City's Other Post Employment Benefits (OPEB) obligation are scheduled in FY 2012-13 of \$214,988.

This budget maintains an unassigned fund balance of 15.8% at the end of FY 2012-13. The table below summarizes the General Fund revenues, expenditures, transfers and fund balances for each of the two budget years.

GENERAL FUND SUMMARY	FY 2011-12	FY 2012-13
Revenues	\$18,521,181	\$18,562,329
Expenditures	\$18,519,188	\$18,560,044
Excess Revenues/(Expenditures)	\$1,993	\$2,285
Transfer to CIPs	\$0	\$0
Beginning Fund Balance	\$2,921,535	\$2,923,528
Net Change to Fund Balance	\$1,993	\$2,285
Ending Fund Balance	\$2,923,528	\$2,925,814

The total budgeted revenue for all City funds in FY 2011-12 is \$35,520,610, with expenditures of \$42,116,054. In FY 2012-13, revenues are budgeted at \$50,331,047, with expenditures of \$38,894,996. The total budgeted revenue estimate of \$50,331,047 for FY 2012-13 includes a substantial amount of revenue generated from the Measure H Bond funds approved by voters in November 2008. All City funds include: General, Gas Tax, Transportation, Recycle, Public Educational Government (PEG) Access, 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 revenues for FY 2011-12 are budgeted at \$10,115,400 and \$10,236,700 in FY 2012-13. The Water System's overall budget in FY 2011-12 is \$10,401,324, including CIP expenses of \$760,000 and debt service of \$898,198. The Water System's overall budget in FY 2012-13 is \$10,457,824, including CIP expenses of \$615,000 and debt service of \$891,269. Capital improvement projects for the Water System include water main replacement; GIS system; paving of reservoir access road; and repairs to various water mains. All CIPs for the Water System can be found within Section 10, Enterprise Funds.

The Parking Fund revenues for FY 2011-12 are projected at \$457,000, with the operating budget at \$389,404. Revenues for FY 2012-13 are projected to remain steady at \$457,000, with the operating budget at \$368,693. These revenues may increase in future years depending on the results of the City's short and long-term parking studies budgeted in FY 2011-12.

The Marina Fund includes revenues of \$247,774 and expenditures of \$225,702 in FY 2011-12, and revenues of \$247,774 and expenditures of \$225,709 in FY 2012-13. 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. As of June 30, 2010 the balance outstanding on these loans is \$500,523. The Marina Fund experienced almost \$50,000 in decreased revenue in FY 2010-11 due to the siltation and dilapidated state of the aging marina. Staff is seeking loans from the Department of Boating and Waterways (DBAW) in 2011 to rectify this problem.

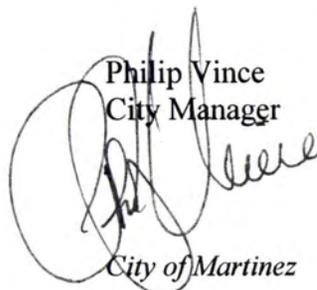
Capital Improvement Program

The City Council adopted the five-year Capital Improvement Program on April 20, 2011. The Capital Improvement Program (CIP) budget, excluding enterprise funds, is \$6,807,150 for FY 2011-12 and \$3,676,430 in FY 2012-13. These budgets include bond funds over the next two years for projects to make significant improvements to City parks. These projects and others are described in detail in Section 13, Capital Improvement Projects.

CONCLUSION

Preparing this budget has been exceptionally difficult 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 2011-13 Budget maintains a high level of services to the community in the face of numerous operating and staff cuts necessary to ensure that operating expenditures match operating revenues. However, it is critical for the City to continue to aggressively pursue opportunities to strengthen our economic base and achieve fiscal stability in order to ensure our ability to continue to provide these services in the future.

Respectfully Submitted,


Philip Vince
City Manager
City of Martinez

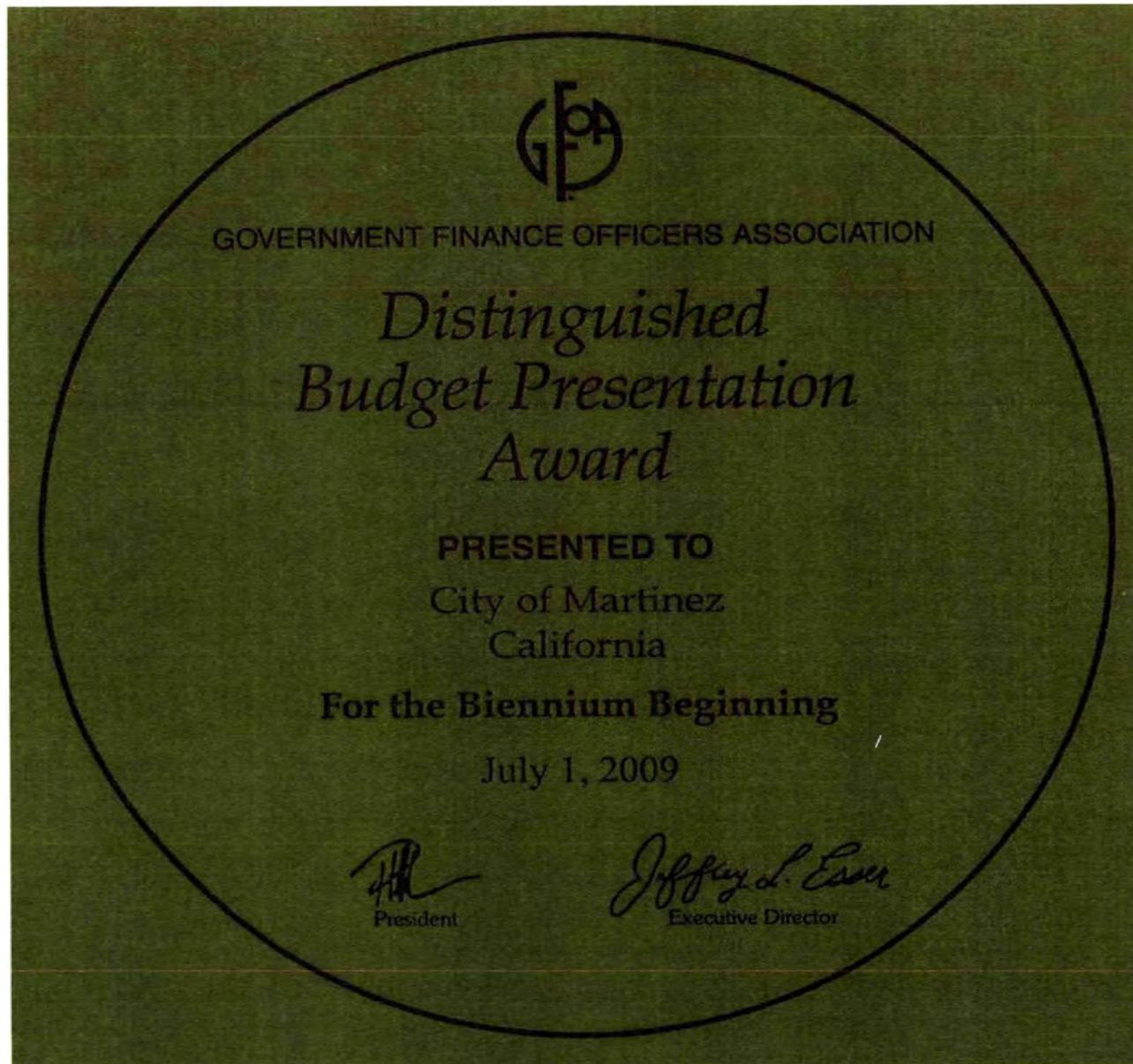
2009-11 CITY GOALS AND ACCOMPLISHMENTS

The Martinez City Council identified a series of overarching goals during the development of the 2008/09-2010/11 budget. Below is a list of those goals, and a recap of how the City accomplished those goals during the prior two-year period.

- ✓ **Economic development, revitalization, and redevelopment.**
 - Completed design and construction of Marina Vista Streetscape and Utility Undergrounding Project, resulting in major enhancements to a primary downtown corridor.
 - Obtained \$1,762,100 of federal stimulus funding for the community to pave major City thoroughfares and replace over 200 streetlights with energy-efficient LED's.
 - Completed "Economic Stimulus Program" fee reductions to encourage developers to initiate projects in Martinez within an 18-month period (September 2010 to March 2012).
 - Selected tenants and entered into Letters of Intent for both 330 and 360 Ferry Street properties to provide expanded indoor use for basketball, volleyball, softball, and rugby/soccer.
 - Implemented Phase I of the free downtown wi-fi network, becoming only the second agency in the County to offer free wi-fi.
 - Entered into exclusive negotiating agreement with Southport Land Company to convert 630 Court Street for commercial and office use.
 - Developed an education and outreach process with a series of workshops and tours to "refresh the vision," for Downtown Martinez. This series is part of the General Plan revision process.
- ✓ **Marina improvements.**
 - Secured new 46-year lease with State Lands Commission for marina lands, and initiated legislative process to try to grant marina lands to the City.
 - Completed pre-permitting studies and cost analysis in December 2009.
 - Completed Joint Aquatics Resource Permits Application (JARPA) permit in June 2011 for sea wall construction as part of Phase I of the marina reconstruction.
- ✓ **Public safety and emergency preparedness.**
 - Updated the City's Emergency Operations Plan, completed required training for all police managers and essential City staff, and utilized a federal Justice Assistance Grant (JAG) to purchase a state of the art Mobile Command Center for use during disaster situations.
 - Increased size of Community Emergency Response Team (CERT) to more than 120 members.
 - Began implementing the Neighborhood Policing Initiative to increase police-citizen interaction at the neighborhood level.
- ✓ **Adoption of an unreinforced masonry ordinance.**
 - Adopted an unreinforced masonry ordinance in July 2009.

- ✓ **Improvements to the City's parks, library, and pool.**
 - Completed design and construction of key Measure H projects, including construction of the Rankin Aquatic Center, redesign of Rankin Park, and renovation of the Martinez Library.
- ✓ **Alhambra Valley/North Pacheco annexation.**
 - Submitted completed applications to the Local Agency Formation Commission (LAFCO) for annexation of unincorporated areas in Alhambra Valley and North Pacheco in May 2011.
- ✓ **Implement Downtown Specific Plan with an emphasis on additional housing.**
 - Completed the Housing Element and achieved State Department of Housing and Community Development (HCD) certification.
 - Identified five opportunity sites in the City's Specific Plan and continued discussions with property owners to consider selling land with an objective to build attractive affordable housing in the Downtown and surrounding areas.
- ✓ **General Plan revision.**
 - Began process of updating the City's General Plan, including adoption of a new map incorporating all zoning changes since 1973; formation of a Joint Task Force; and extensive public outreach via a community-wide survey and five neighborhood meetings.
- ✓ **Parking structure.**
 - Adopted Capital Improvement Program to include funding for a downtown parking utilization study in FY 2011-12.
- ✓ **Ferry system.**
 - Continued coordination with the Water Emergency Transportation Services (WETA), which resulted in renewing the comprehensive EIR to attract ferry service at a future date to the City of Martinez.

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 2009-11. This achievement represents a significant accomplishment by a government and its management.



California Society of Municipal Finance Officers

**Certificate of Award
For**

Excellence in Operating Budgeting

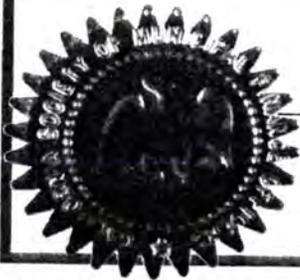
Fiscal Years 2009-2010 & 2010-2011

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.

February 18, 2010



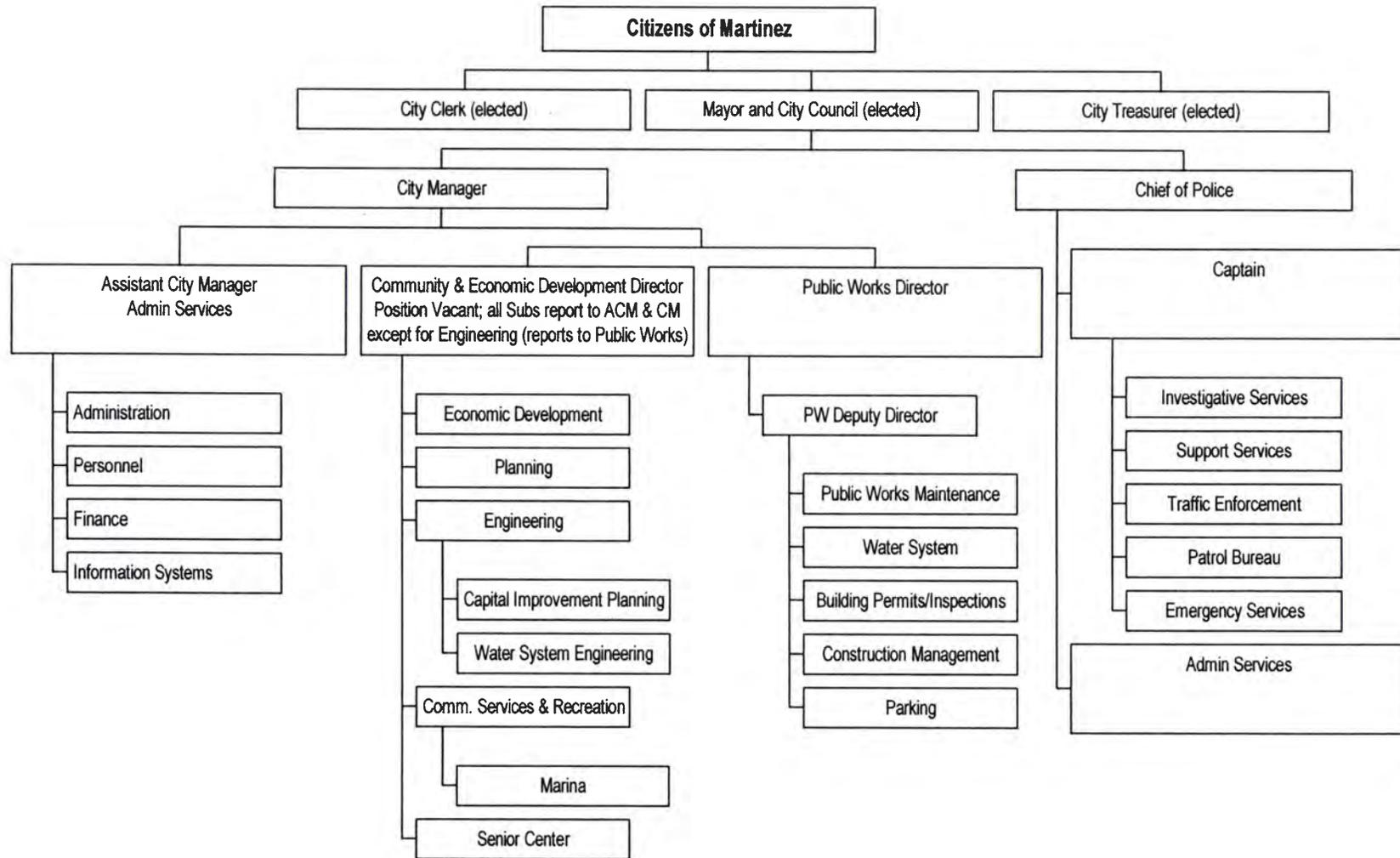
Thomas Fil

**Thomas Fil
CSMFO President**

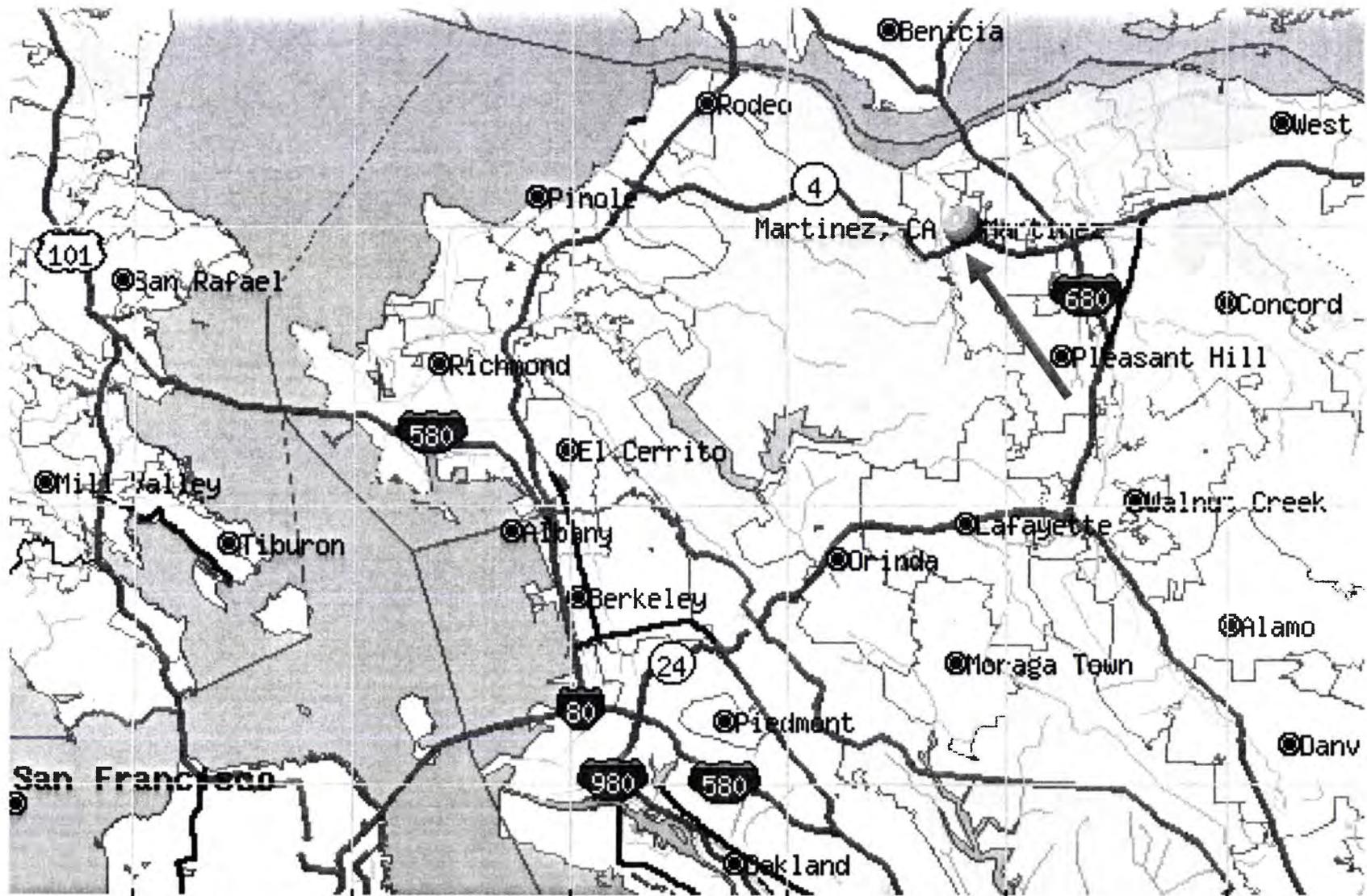
Pamela Arends-King

**Pamela Arends-King, Chair
Budgeting & Financial Reporting**

CITY OF MARTINEZ ORGANIZATION CHART



AREA MAP



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 35,948 residents. As one of California's 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 (many of which have been recently upgraded or enhanced or will be in the immediate future as part of the November 2008 passage of the Measure H Park Improvement Bond), 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 1,000-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	<u>COMMUNITY SERVICES</u>	
MILES OF STREETS	122	City Parks	17
AVERAGE MINIMUM TEMPERATURE	57 degrees	City Park acreage (developed)	271
AVERAGE MAXIMUM TEMPERATURE	92 degrees	Playgrounds	14
AVERAGE RAINFALL	18"	City Trails	9
NUMBER OF HOUSEHOLDS	14,287	Community gardens	1
MEDIAN HOME SALE VALUE (FEB 2011)	\$269,000	Senior Centers	1
AVERAGE AGE OF REAL ESTATE	33 years	Amphitheater	1
		Swimming pools	1
		Tennis Courts	10
		Skateboard park	1
		Baseball/softball diamonds	11
		Soccer fields	7
<u>HOSPITALS</u>		Number of recreation classes	354
Contra Costa Regional Medical Center		Number of community events	95
Kaiser Permanente Hospital			
Veterans Administration Medical Center			
<u>EDUCATION</u>		<u>PUBLIC SAFETY</u>	
Elementary Schools	4	Police Stations	1
Middle Schools	1	Police sworn officers	39
High Schools	1	Canine units	3
Continuation Schools	1	Motorcycle units	2
Private - Elementary/Middle	1		
<u>MAJOR EMPLOYERS</u>		<u>EMPLOYMENT (APR 2011)</u>	
Contra Costa County		Total Labor Force in Martinez	21,400
Kaiser Permanente Hospital		Total Employed	19,600
Shell Oil Refinery		Total Unemployed	1,800
Veterans Administration Medical Center		Unemployment Rate	8.4%
Private - Elementary/Middle			

Sources: Various City Records
 Martinez Area Chamber of Commerce
 MDA DataQuick
 California Employment Development Department (April 2011)
 U.S. Census 2010

DEMOGRAPHICS INFORMATION

POPULATION

State Dept of Finance (1/11)	35,958
2010 Census	35,824

ELECTION & REGISTERED VOTERS

Registered Voters (11/10)	21,780
% Voting Last Election (11/10)	69.27%

2010 CENSUS DEMOGRAPHICS

GENDER

Male	17,633	49.2%
Female	18,191	50.8%

AGE

Under 5 Years	1,792	5.0%
5 - 19 Years	6,433	18.0%
20 - 44 Years	11,139	31.1%
45 - 64 Years	12,121	33.8%
65 - 84 Years	3,838	10.7%
Over 85 Years	501	1.4%

MEDIAN AGE

42.2

SCHOOL ENROLLMENT

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

RACE

White	24,604	68.7%
Hispanic or Latino	5,258	14.7%
Asian & Pacific Island	2,876	8.0%
African American	1,303	3.6%
American Indian & Alaska Native	255	0.7%
All Other	1,528	4.3%

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 2010

*Income figures from the 2010 Census were not available at time of printing; figures shown represent 2000 Census data

ELEMENTS OF THE BUDGET DOCUMENT

The Budget for 2011-13 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 2009-11, objectives for 2011-13, 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 eleven special revenue funds: Public Safety Grants, Gasoline Tax, Traffic Congestion Relief, Measure C, NPDES, Proposition 1B, Recycling, 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 2011-13 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.

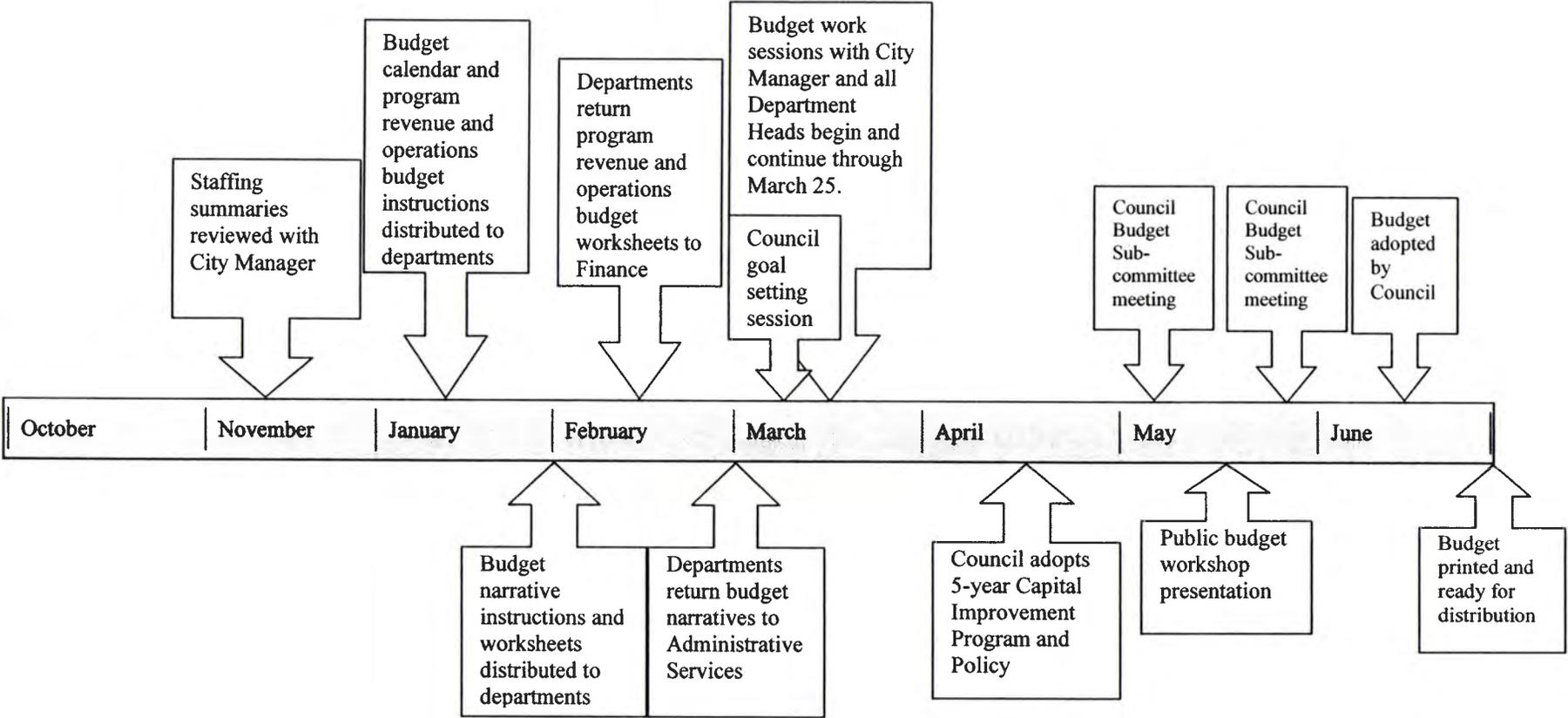
Financial Policies

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



2011-12 AND 2012-13 BUDGET SCHEDULE

<u>Date</u>	<u>Event</u>
Tuesday, November 9, 2010	Staffing summaries/personnel listings reviewed with City Manager
Tuesday, January 18, 2011	Budget calendar program revenue and operations budget instructions and worksheets distributed to departments
Tuesday, February 1, 2011	Budget narrative instructions and worksheets distributed to departments
Tuesday, February 15, 2010	Departments return program revenue and operations budget worksheets to Finance
Tuesday, March 1, 2011	Departments return budget narratives to Administrative Services
Wednesday, March 9, 2011	Council goal-setting session
March 14 - March 25, 2011	Budget work sessions with City Manager and Department Heads
Wednesday, April 20, 2011	Council adopts 5-year Capital Improvement Program (CIP) and CIP Policy
Tuesday, May 3, 2011	Budget Subcommittee meeting
Wednesday, May 18, 2011	Public Budget workshop
Tuesday, May 31, 2011	Budget Subcommittee meeting
Wednesday, June 15, 2011	Budget adopted by Council
Thursday, June 30, 2011	Budget printed and available for distribution

BUDGET DEVELOPMENT

Budget Process

The proposed budget includes estimated expenditures and forecast revenues for the next two 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 development of the budget began with the City Manager's review of the staffing summaries prepared by the Administrative Services Department in November. In January 2011, the distribution of budget instructions and guidelines were distributed to departments for the department heads to prepare estimates for required appropriations and submit requests to the City Manager by mid-February 2011. After the City Council goals session in early March 2011, the City Manager met with department heads to develop recommendations encompassing these goals to present to the Budget Subcommittee.
- On May 18, 2011, the City Council held a public workshop for the Council to provide staff direction to finalize 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 15, 2011.
- 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 is 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 encumbrance 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 2011-2013 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 J

Measure J 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.

Recycle Fund

This fund accounts for the grants the City receives for the disposal of used oil and recycling. This fund also accounts for funds received from the solid waste hauler to cover costs to implement Assembly Bill 939 programs and Climate Action Plan initiatives.

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

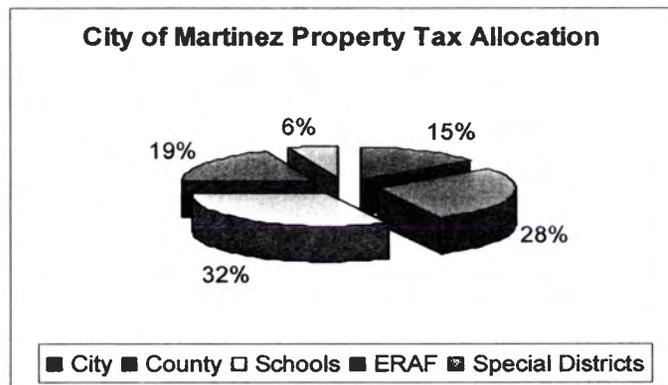
General Fund Revenues

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 (such as planning, engineering, and building inspections), leisure activities, and general administrative support – are budgeted here. The General Fund is the City's largest operating fund.

The General Fund is comprised of eight major revenue categories: Taxes; License, Permit and Fees; Fines and Forfeitures; Intergovernmental; Charges for Services; Use of Money and Property; Other Revenue; and Transfers In. For specific details of what comprises each category, please refer to the revenue schedules on pages 57-59. Within these categories, the City of Martinez relies on four major revenue sources to balance the General Fund which make up 78% of the total 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.

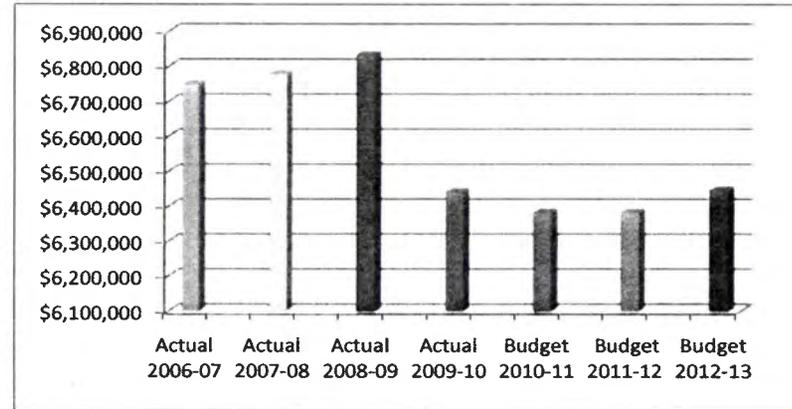
Property Tax

Property tax revenue is expected to remain flat at \$6,381,074 in 2011-12 and increase by 1% in 2012-13 to \$6,444,885. 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: school districts (32%), Contra Costa County (28%), the Education Revenue Augmentation Fund (ERAF 19%), and special districts (6%). The chart below illustrates how the City shares property tax with other agencies.

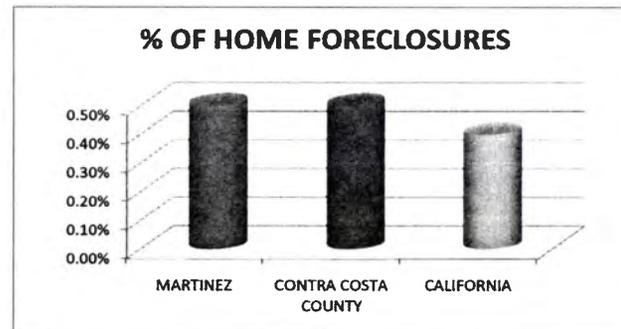


According to HdL, the City's property tax analyst, valuations for the entire region have been severely impacted by the national housing and financial markets crisis, prompting the County Tax Assessor to make significant downward adjustments, ultimately resulting in a significant decrease to the City's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

Property Tax Recent Trend and Budget Projections

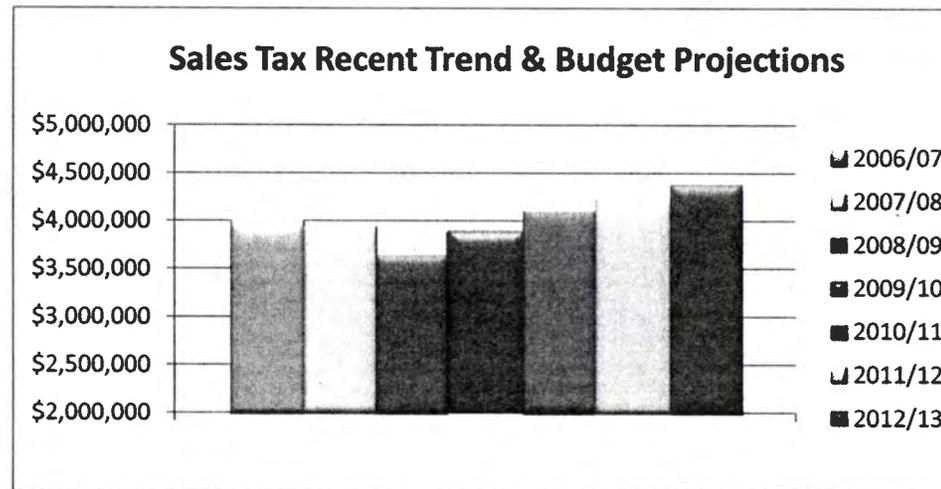


Predicting the housing market, and its resulting impact on local property tax revenues, is one of the more challenging aspects of City budgeting. The recent past has shown that the Martinez housing market is far from immune to the broader housing crisis felt at the national, State, and regional levels. A fitting example is that during the period of October 2009 to April 2011, the Martinez zip code of 94553 (which does not in all cases follow municipal boundaries) experienced 1,945 foreclosures. The chart below illustrates – as a representative snapshot in time – how the Martinez foreclosure rate in April 2011 compared 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 the General Fund's second largest individual revenue source and is highly variable depending upon the economy. 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." Total sales tax and sales tax in-lieu is projected to increase by 3.3% in both years to \$4,247,416 in 2011-12, and to \$4,392,079 in 2012-13, based on estimates provided by City's Sales Tax Analyst MBIA. 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. 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. The chart below illustrates the City's recent trend in total sales tax revenue:



The comparison of sales tax revenue among cities in Contra Costa County, shown in the table on the following page, provides additional information of the City's major revenue. The sales tax figures are the full 1% and are not reflective of any tax sharing agreements. Based on comparison, the City is slightly above the per Capita sales tax revenue than the average of Contra Costa County.

Cities in Contra Costa Count	Population 1/1/2011	2010 Calendar Year Sales Tax	Revenue Per Capita
City of Clayton	10,942	355,029	32
City of Oakley	35,997	1,404,963	39
City of Orinda	17,712	861,513	49
City of Hercules	24,153	1,272,182	53
City of San Pablo	28,931	1,582,227	55
City of Moraga	16,076	894,546	56
City of Antioch	103,054	8,991,412	87
City of Pittsburg	63,730	5,794,130	91
City of El Cerrito	23,648	2,216,335	94
City of Lafayette	24,025	2,280,680	95
City of Brentwood	52,029	5,206,557	100
City of San Ramon	73,109	7,449,763	102
City of Danville	42,215	4,395,610	104
City of Richmond	104,220	12,109,749	116
City of Martinez	35,958	4,639,088	129
City of Pinole	18,460	2,909,399	158
City of Concord	122,676	22,635,238	185
City of Pleasant Hill	33,279	6,170,876	185
City of Walnut Creek	64,707	16,690,858	258
Average	47,101	\$ 5,676,850	121

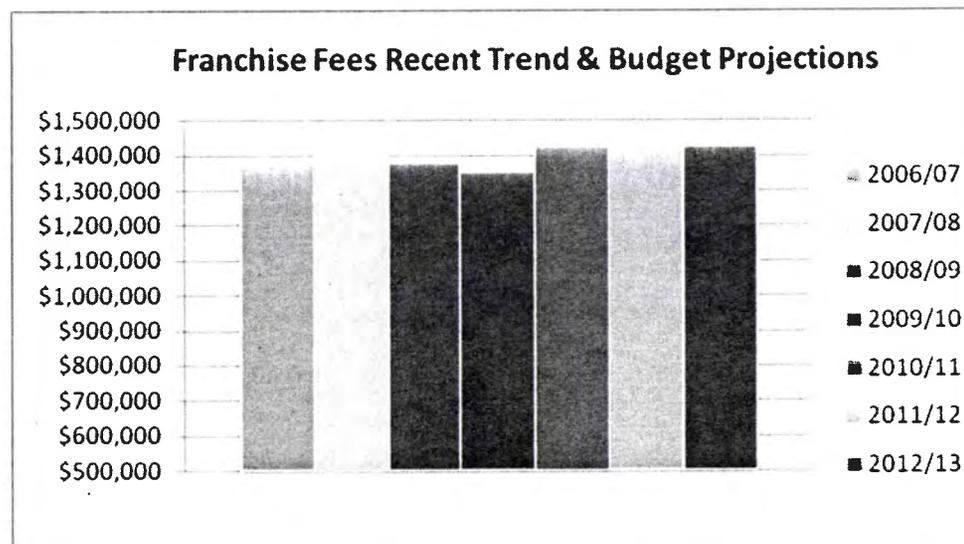
VLf Property Tax Swap & Motor Vehicle In-Lieu Tax

VLf property tax swap and motor vehicle in-lieu tax revenue is estimated to be \$2,483,783 and \$133,560 in 2011-12, and \$2,508,621 and \$135,000 in 2012-13, 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 motor vehicle in-lieu 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 remain flat for both years at \$1,427,000. 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 and AT&T (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.



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 \$346,800 for 2011-12 and \$353,736 for 2012-13.

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 2011-12 to \$415,454, and 2% in 2012-13 to \$423,763.

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 \$95,000.

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 for the next two years at \$310,000.

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 remain flat in 2011-12 at \$600,000 and increase slightly to 606,000 in 2012-13. 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 \$458,510 in 2011-12 and \$472,265 in 2012-13.

Parking Citations

This revenue includes fines for parking violations. The annual revenue is estimated to increase to \$205,000 in 2011-12 and increase to \$215,000 in 2012-13.

Public Works Inspection, Planning and Engineering Plan Check Fees

These fees cover the costs of inspection, review and plan check. Combined revenues are expected to be \$172,000 in 2011-12 and \$177,000 in 2012-13.

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). The continued historically low interest rates have greatly reduced the City's ability to earn a strong investment return. Interest income of \$76,500 is projected in 2011-12 and \$78,030 in 2012-13.

Daycare Fees

These fees are collected to offset the cost of providing contract child daycare services. This revenue is expected to drop by 14% to \$75,000 in both years.

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 \$3.32 and \$3.87 per hundred cubic feet, based on the customer's meter above mean sea level. This consumption charge represents water sales, which is estimated at \$6,065,000 for 2011-12 and \$6,186,300 for 2012-13.

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 \$23.80. The balance of meters is between 1 to 10 inches, with the charges between \$30.62 and \$2,874.01. Service charges are projected at \$3,400,000 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 114 accounts benefit from this service and revenue is approximately \$270,000 for both years.

Other revenues: The balance of revenues amount to \$380,400 (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 \$180,000 for each of the next two years

Parking Services Fund

Parking Services Fund revenue is generated from parking meters and estimated to be \$360,000 for both fiscal years. Other revenues in the Parking Fund amount to \$97,000 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 receives 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 the first year of the two year budget, 2011-12, but any funding beyond that is uncertain and as such, is not included in the second year of this budget.

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 \$492,800 for both years.

Measure J

These funds are from a voter-approved, half cent countywide sales tax levied to fund transportation and local street improvements. Revenue is projected at \$417,000 for both years.

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 \$998,100 in both fiscal years.

Recycling Fund

Revenue comes from grants received from the State of California for the disposal of used oil and recycling, budgeted at \$10,000 in both years. The City also receives annual funding of \$25,000 from our solid waste and recycling hauler to cover costs to implement Assembly Bill 939 and Climate Action Plan initiatives. In addition, the City negotiated a one-time "community impact payment" from the hauler in May 2011 of \$500,000 to help offset differential impacts from the hauler's operations on City streets and storm drains. The City received an initial payment of \$250,000 in 2010-11, and will receive a second installment of \$250,000 in 2011-12.

PEG Access

Public-Educational-Government access, or "PEG" revenue comes from payments received from the City's cable provider. Revenue is projected at \$55,000 for each of the next two 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 \$131,564 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 \$40,600 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 including both revenues and expenditures.

Revenue Assumptions

- Property tax revenues are expected to remain flat 2011-12 and increase a slight 1% in 2012-13. 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 and sales tax in-lieu revenues will increase by approximately 3.3% in both years. These projections are based on trend and input from the City's sales tax consultant.
- Motor vehicle in-lieu tax revenues are budgeted to increase by 10% in 2011-12 based on an increase in the State's per capita rate to \$3.71. A slight 1% increase is projected in 2012-13.
- VLF property tax swap revenue is projected to remain flat 2011-12 and increase by 1% in 2012-13.
- Franchise fee revenues are expected to remain flat over the next two years.
- Projections for other major General Fund tax revenues include business license tax remaining flat in the first year and increasing by 1% in the second year; documentary transfer tax and transient occupancy tax are projected to remain flat in both fiscal years.
- Revenue from fines and forfeitures is 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 44.740% in 2011-12 and 46% in 2012-13. Employer PERS contribution rates for miscellaneous personnel in both City and JFA are budgeted at 10.059 in both fiscal years. These figures were provided by PERS. In addition, the City pays the employee portion of 7% for Miscellaneous and 9% for Sworn.
- Healthcare costs are expected to increase by 6.4% in 2011-12 and 9% in 2012-13, with medical costs for retirees increasing by 2% in 2011-12 and 11% in 2012-13.
- Worker's Compensation premiums are budgeted at \$648,908 in 2011-12 and \$500,000 in 2012-13.
- Liability and ERMA insurance has been budgeted at \$449,555 in 2011-12 and \$500,000 in 2012-13.

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.

Debt Obligations

Pursuant to State of California Government Code Section 25 and 43605, the City's legal bonded indebtedness shall not exceed 3.75% of the assessed value of all real and personal property in the City. As of June 30, 2010, the City had a bonded indebtedness of \$15,000,000 against its debt limit of \$157,873,721, leaving a debt margin of \$142,873,721.

The City's bonded indebtedness is directly related to the 2009 General Obligation Bond, which was used to finance the costs of acquiring and constructing parks, library improvements, and pool and safety improvements.

COMPUTATION OF LEGAL BONDED DEBT MARGIN LAST FIVE FISCAL YEARS				
Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2010	157,873,721	15,000,000	142,873,721	10.50%
2009	165,020,110	15,000,000	150,020,110	10.00%
2008	160,386,084		160,386,084	0.00%
2007	149,024,084		149,024,084	0.00%
2006	140,035,535		140,035,535	0.00%

Bonds

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions. Below are the annual debt service requirements of principal and interest till maturity.

For Fiscal Year	GOVERNMENTAL ACTIVITIES		ENTERPRISE ACTIVITIES	
	2009 GO Bond	2003 COP	2003 COP	1999 COP
2012	\$ 1,117,144	\$ 256,931	\$ 456,089	\$ 434,609
2013	904,344	258,531	453,839	429,930
2014	745,444	259,622	455,920	429,677
2015	784,444		452,184	433,638
2016	802,244		452,649	431,878
2017-2021	4,311,720		1,356,534	2,155,044
2022-2026	4,870,738			2,140,931
2027-2031	5,534,894			426,153
2032-2036	6,314,134			
2037-2040	5,612,800			
Totals	\$ 30,997,906	\$ 775,084	\$ 3,627,215	\$ 6,881,860

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.

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.

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.

Loans Payable

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

For Fiscal Year Ending June 30, 2010	Principal Outstanding	Interest Outstanding	Total Outstanding
1960 Loan	850,000	1,665,114	2,515,114
1973 Loan	273,765	11,293	285,058
1978 Loan	140,750	5,806	146,556
1982 Loan	339,501	14,004	353,506
1985 Loan	909,466	37,515	946,981
Totals	2,513,483	1,733,733	4,247,215

1960 State Loan

In January 1960, a loan from the Department of Boating and Waterways of \$1,300,000 was granted to the City for the construction of a marina.

1973 State Loan

On December 20, 1973, a loan from the Department of Boating and Waterways of \$450,000 was granted to the City to complete a small craft harbor at the marina.

1978 State Loan

On January 30, 1978, a loan from the Department of Boating and Waterways of \$175,000 was granted to the City for construction of marina improvements.

1982 State Loan

On November 1, 1982, a loan from the Department of Boating and Waterways of \$300,000 was granted to the City for construction on new berthings and improvements to the marina.

1985 State Loan

On January 14, 1985, a loan from the Department of Boating and Waterways of \$770,425 was grant to the City to fund twelve capital improvements projects at the marina.

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. In fiscal year 2006-07, the State further agreed to allow the City to make interest-only annual payments until August 2008, at which time the City commenced making principal payments on the loans. As of June 30, 2010, the City was still in negotiations with the State for the terms of the loans.

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 2010-11, staff engaged a consultant to prepare the City's third 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 \$10,744,000. 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 2011-12 and 2012-13 budget years are \$1,179,000 and \$1,246,000, respectively. In conjunction with the pay-as-you-go, the balance needed to meet the ARC will come from a retiree health care assigned fund balance reserve established by Council back in 2002-03.

Budget for Fiscal Years 2011-12 and 2012-13

ALL FUNDS BUDGET SUMMARY

	2010-11			2011-12			2012-13			
	Fund Balance	Projected	Projected	Fund Balance	Budget	Budget	Fund Balance	Budget	Budget	Fund Balance
	06-30-10	Revenues 10-11	Expenditures 10-11	06-30-11	Revenues 11-12	Expenditures 11-12	06-30-12	Revenues 12-13	Expenditures 12-13	06-30-13
General Fund (Unassigned)	\$ 3,915,136	\$ 19,328,704	\$ 20,322,305	\$ 2,921,535	\$ 18,569,181	\$ 18,567,188	\$ 2,923,528	\$ 18,825,317	\$ 18,823,032	\$ 2,925,813
Enterprise Funds										
Water System	13,366,953	10,166,008	16,535,393	6,997,568	10,115,400	10,401,324	6,711,644	10,236,700	10,457,824	6,490,520
Marina	(734,631)	322,254	303,228	(715,605)	247,774	225,702	(693,532)	247,774	225,709	(671,467)
Parking Services	852,880	438,701	564,103	727,478	457,000	389,404	795,074	457,000	368,693	883,382
Sub-total of Enterprise Funds	13,485,202	10,926,963	17,402,723	7,009,442	10,820,174	11,016,430	6,813,186	10,941,474	11,052,225	6,702,434
Special Revenue Funds										
Public Safety Grants	177,359	581,628	179,773	579,214	100,000	117,059	562,155		560,000	2,155
NPDES	110,090	473,658	451,385	132,363	492,800	507,211	117,952	492,800	505,173	105,579
Measure J - Local	586,490	413,000	435,976	563,514	417,000	703,732	276,782	417,000	562,357	131,425
Gas Tax	430,454	675,000	999,137	106,317	998,100	893,725	210,692	998,100	588,125	620,667
Traffic Congestion Relief	329,638	1,470	331,108							
Housing In-Lieu Fund										
Proposition 1B		537,849	537,849							
Recycle Fund		273,391	23,391	250,000	285,000	130,000	405,000	35,000	130,000	310,000
PEG Access Fund	381,054	55,000	28,575	407,479	55,000	39,200	423,279	55,000	39,200	439,079
Lighting & Landscape	248,404	127,806	138,585	237,625	126,552	195,888	168,289	126,552	195,888	98,953
Mitigation/Impact Fees	645,585	229,796	1,749	873,632	40,600	50,000	864,232	40,600		904,832
Sub-total of Special Revenue	2,909,074	3,368,598	3,127,528	3,150,144	2,515,052	2,636,815	3,028,381	2,165,052	2,580,743	2,612,690
Capital Improvement Programs	16,845,996	7,591,864	18,750,710	5,687,150	1,120,000	6,807,150		16,025,000	3,676,430	12,348,570
Internal Service Funds										
Equipment Replacement	1,976,491	932,672	1,028,579	1,880,584	882,627	1,188,395	1,574,816	908,060	1,057,422	1,425,454
Information Systems	619,098	383,953	434,705	568,346	465,001	522,501	510,846	478,569	538,769	450,646
Sub-total of Internal Service	2,595,589	1,316,625	1,463,284	2,448,930	1,347,629	1,710,896	2,085,662	1,386,629	1,596,191	1,876,100
Debt Service Funds										
2003 Debt Service	60,826	243,138	263,138	40,826	240,431	260,431	20,826	242,031	262,031	826
2009 Debt Service	395,680	1,123,144	1,123,144	395,680	908,144	1,117,144	186,680	745,544	904,344	27,880
Sub-total of Debt Service	456,506	1,366,282	1,386,282	436,506	1,148,575	1,377,575	207,507	987,575	1,166,375	28,707
Totals	\$ 40,207,502	\$ 43,899,036	\$ 62,452,831	\$ 21,653,707	\$ 35,520,610	\$ 42,116,054	\$ 15,058,263	\$ 50,331,047	\$ 38,894,996	\$ 26,494,314

Budget for Fiscal Years 2011-12 and 2012-13

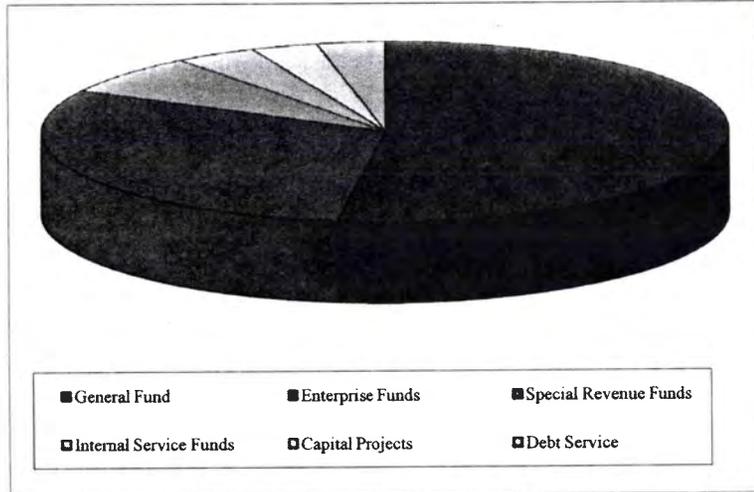
CHANGES OF FINANCIAL POSITION ALL FUNDS

	2009-10	2010-11	2011-12	2012-13
Revenue	Actuals	Projected	Budget	Budget
Taxes	\$ 15,663,924	\$ 15,873,653	\$ 16,021,337	\$ 16,268,958
Special Assessments	1,385,499	1,709,908	1,521,696	16,359,096
Licenses & permits	428,192	446,655	460,010	473,765
Fines, forfeits & penalties	360,430	371,158	365,054	379,252
Intergovernmental	3,992,450	9,226,776	2,103,660	2,012,036
Charges for services	2,609,759	2,667,169	2,648,570	2,769,041
Use of money & property	444,473	602,229	353,572	325,900
Water Sales & Service	9,783,278	9,861,403	10,013,500	10,134,800
Other Revenue	673,188	917,148	905,212	330,211
Total Revenues	35,341,191	41,676,099	34,392,610	49,053,059
Expenditures				
General Government	1,037,049	1,160,259	1,162,873	1,172,706
Nondepartmental Services	816,510	1,004,391	1,066,863	1,175,722
Administrative Services	1,152,521	1,263,397	1,450,402	1,456,775
Public Works	3,693,564	3,775,531	3,505,914	3,507,893
Police	10,137,998	9,969,309	10,102,696	10,550,263
Community Development	4,769,620	4,309,678	4,498,152	4,308,619
Water System	9,688,572	8,693,815	8,743,127	8,951,555
Marina	292,468	140,551	107,702	107,709
Parking Services	449,147	564,103	389,404	368,693
Capital Improvement Program	3,746,021	25,776,373	7,567,150	4,291,430
Debt Service	1,893,908	2,364,873	2,393,772	2,175,644
Total Expenditures	37,677,378	59,022,279	40,988,054	38,067,008
Other Sources (Uses)				
Operating Transfers In	2,217,956	2,222,937	1,128,000	1,277,988
Operating Transfers Out	(1,746,329)	(2,280,762)	(1,080,000)	(565,000)
OPEB Contribution		(83,731)		(214,988)
One-time Expenditures	(933,154)	(1,066,059)	(48,000)	(48,000)
Total Other Sources (Uses)	(461,527)	(1,207,615)	0	450,000
Net	(2,797,714)	(18,553,795)	(6,595,444)	11,436,052
Fund Balance Beginning of Year	43,005,216	40,207,502	21,653,707	15,058,263
Fund Balance End of Year	\$ 40,207,502	\$ 21,653,707	\$ 15,058,263	\$ 26,494,314

Budget for Fiscal Years 2011-12 and 2012-13

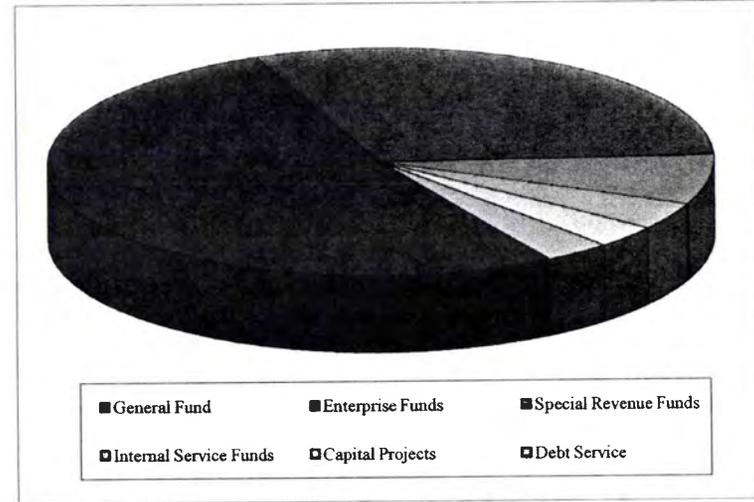
SUMMARY OF ALL FUNDS REVENUE

FISCAL YEAR 2011-12



General Fund	52.28%	18,569,181
Enterprise Funds	30.46%	10,820,174
Special Revenue Funds	7.08%	2,515,052
Internal Service Funds	3.79%	1,347,629
Capital Projects	3.15%	1,120,000
Debt Service	3.23%	<u>1,148,575</u>
Total All Funds		<u>\$ 35,520,610</u>

FISCAL YEAR 2012-13



General Fund	37.40%	18,825,317
Enterprise Funds	21.74%	10,941,474
Special Revenue Funds	4.30%	2,165,052
Internal Service Funds	2.76%	1,386,629
Capital Projects	31.84%	16,025,000
Debt Service	1.96%	<u>987,575</u>
Total All Funds		<u>\$ 50,331,047</u>

Budget for Fiscal Years 2011-12 and 2012-13

SUMMARY OF REVENUE BY FUND TYPE & CATEGORY

REVENUE - By Fund Type	2009-10 Actuals	2010-11 Projected	2011-12 Budget	2012-13 Budget
General Fund	\$ 18,384,228	\$ 19,328,704	\$ 18,569,181	\$ 18,825,317
Enterprise Funds	10,634,374	10,926,963	10,820,174	10,941,474
Special Revenue Funds	2,351,187	3,368,598	2,515,052	2,165,052
Capital Improvement Program	3,938,215	7,591,864	1,120,000	16,025,000
Internal Service Funds	1,214,985	1,316,625	1,347,629	1,386,629
Debt Service Fund	1,036,158	1,366,282	1,148,575	987,575
Total Revenues Including Transfers In	\$ 37,559,147	\$ 43,899,036	\$ 35,520,610	\$ 50,331,047

REVENUE - By Category	2009-10 Actuals	2010-11 Projected	2011-12 Budget	2012-13 Budget
Taxes	\$ 15,663,924	\$ 15,873,653	\$ 16,021,337	\$ 16,268,958
Special Assessments	1,385,499	1,709,908	1,521,696	16,359,096
Licenses & permits	428,192	446,655	460,010	473,765
Fines, forfeits & penalties	360,430	371,158	365,054	379,252
Intergovernmental	3,992,450	9,226,776	2,103,660	2,012,036
Charges for services	2,609,759	2,667,169	2,648,570	2,769,041
Use of money & property	444,473	602,229	353,572	325,900
Water Sales & Service	9,783,278	9,861,403	10,013,500	10,134,800
Other Revenue	673,188	917,148	905,212	330,211
Total Revenues	35,341,191	41,676,099	34,392,610	49,053,059
Transfers From Other Funds	2,217,956	2,222,937	1,128,000	1,277,988
Total Revenues Including Transfers In	\$ 37,559,147	\$ 43,899,036	\$ 35,520,610	\$ 50,331,047

Budget for Fiscal Years 2011-12 and 2012-13

REVENUE CATEGORIES BY FUND

	2009-10 <u>Actual</u>	2010-11 <u>Projected</u>	2011-12 <u>Budget</u>	2012-13 <u>Budget</u>
GENERAL FUND (01)				
Taxes	\$ 15,602,345	\$ 15,809,262	\$ 15,959,727	\$ 16,207,348
License, permits & fees	428,192	446,655	460,010	473,765
Fines & forfeitures	344,133	351,158	365,054	379,252
Intergovernmental	580,881	653,935	581,660	590,036
Charge for services	562,189	499,406	473,010	552,881
Use of money & property	119,075	121,495	122,408	124,736
Other revenue	595,517	604,548	559,312	234,311
Transfers	151,896	842,245	48,000	262,988
TOTAL GENERAL FUND REVENUE	18,384,228	19,328,704	18,569,181	18,825,317
 ENTERPRISE FUNDS				
Water System (71)				
Use of money & property	102,206	286,000	86,000	86,000
Water sales & service	9,783,278	9,861,403	10,013,500	10,134,800
Other revenue	20,604	2,000	15,900	15,900
Transfers	16,605	16,605		
Total Water System Fund	9,922,692	10,166,008	10,115,400	10,236,700
 Marina (73)				
Taxes	7,706	11,390	8,610	8,610
Intergovernmental	0			
Charge for services	185,063	250,000	180,000	180,000
Use of money & property	61,256	60,864	59,164	59,164
Other revenue				
Transfers				
Total Marina Fund	254,025	322,254	247,774	247,774

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
Parking Services (75)				
Taxes	53,873	53,001	53,000	53,000
Charge for services	392,289	370,000	400,000	400,000
Intergovernmental	6,302			
Use of money & property	5,193	15,000	4,000	4,000
Other revenue		700		
Total Parking Services	457,657	438,701	457,000	457,000
TOTAL ENTERPRISE FUND REVENUE	10,634,374	10,926,963	10,820,174	10,941,474
SPECIAL REVENUE FUNDS				
Public Safety Grants (20)				
Fines, forfeits & penalties	16,297	20,000.00		
Intergovernmental	129,087	110,628	100,000	
Use of money & property	563			
Other Revenue	2,399	451,000		
Total Police Grants	148,347	581,628	100,000	-
NPDES (21)				
Special Assessments	492,109	472,658	492,000	492,000
Use of money & property	364	1,000	800	800
Transfer In	63,927			
Other Revenue	922			
Total NPDES	557,322	473,658	492,800	492,800
Measure J - Local (22)				
Intergovernmental	446,851	405,000	415,000	415,000
Transfer In	41,186			
Use of money & property	3,678	8,000	2,000	2,000
Total Measure J - Local	491,714	413,000	417,000	417,000

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10	2010-11	2011-12	2012-13
	Actual	Projected	Budget	Budget
Gas Tax (23)				
Intergovernmental	610,749	671,000	997,000	997,000
Use of money & property	1,473	4,000	1,100	1,100
Transfer In	1,337			
Total Gas Tax	613,559	675,000	998,100	998,100
Traffic Congestion Relief (24)				
Intergovernmental	329,487			
Use of money & property	532	1,470		
Total Traffic Congestion Relief	330,019	1,470	-	-
Housing In-Lieu Fund (27)				
Housing In-Lieu Fee				
Total Housing In-Lieu	-	-	-	-
Proposition 1B (28)				
Proposition 1B		537,849		
Interest	914			
Total Proposition 1B	914	537,849	-	-
Recycle (29)				
Recycle Grants		5,000	5,000	5,000
Oil Grants		5,000	5,000	5,000
AB 939		253,900	275,000	25,000
Transfers In		9,491	0	0
Total Proposition 1B	-	273,391	285,000	35,000
Lighting & Landscape (33)				
Special Assessments	118,676	114,106	121,552	121,552
Use of money & property	1,490	6,000	5,000	5,000
Transfers In	6,700	7,700		
Total Lightening & Landscape	126,866	127,806	126,552	126,552

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10	2010-11	2011-12	2012-13
	Actual	Projected	Budget	Budget
Traffic Mitigation Fees (34)				
Charge for services	917	15,000	10,000	10,000
Transfers In		143,396		
Use of money & property	2,075	5,000	1,000	1,000
Total Traffic Mitigation Fees	2,992	163,396	11,000	11,000
Park In-Lieu Fees (34)				
Charge for services		10,000	5,000	5,000
Use of money & property	1,551	5,000	1,000	1,000
Total Park In-Lieu Fees	1,551	15,000	6,000	6,000
Child Care Fees (34)				
Charge for services	1,463	5,000	1,500	1,500
Use of money & property	801	2,000	500	500
Total Child Care Impact Fees	2,264	7,000	2,000	2,000
Drainage Fees (34)				
Charge for services	1,316	5,000	1,500	1,500
Use of money & property	367	2,000	500	500
Total Drainage Fees	1,683	7,000	2,000	2,000
Cultural Facilities (34)				
Charge for services	10,712	20,000	10,000	10,000
Use of money & property	733	3,000	800	800
Total Cultural Facilities	11,445	23,000	10,800	10,800
Police Facilities (34)				
Charge for services	1,279	1,000	500	500
Use of money & property	210	400		
Total Police Facilities Impact Fees	1,490	1,400	500	500

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10	2010-11	2011-12	2012-13
	Actual	Projected	Budget	Budget
Park & Recreation Fees (34)				
Charge for services	8,093	12,000	8,000	8,000
Use of money & property	422	1,000	300	300
Total Park & Recreation Fees	8,515	13,000	8,300	8,300
PEG Access (36)				
Grants	52,505	55,000	55,000	55,000
Transfers In				
Total PEG Access	52,505	55,000	55,000	55,000
TOTAL SPECIAL REVENUE FUND	2,351,187	3,368,598	2,515,052	2,165,052
INTERNAL SERVICE FUNDS				
Equipment Replacement (81)				
Charge for services	881,034	862,672	857,627	883,060
Use of money & property	21,798	70,000	25,000	25,000
Other revenue	1,200			
Total Equipment Replacement	904,032	932,672	882,627	908,060
Information Systems (82)				
Charge for services	306,671	373,953	441,601	455,169
Technology Fee			19,400	19,400
Use of money & property	4,241	10,000	4,000	4,000
Other revenue	41			
Transfers In				
Total Information Systems	310,954	383,953	465,001	478,569
TOTAL INTERNAL SERVICE REVENUE	1,214,985	1,316,625	1,347,629	1,386,629

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
DEBT SERVICE FUNDS				
2003 Debt Service (41)				
Charge for services	260,031	243,138	240,431	242,031
Use of money & property	134			
Total 2003 Debt Service	260,165	243,138	240,431	242,031
2009 Debt Service (44)				
Tax Levy	774,714	1,123,144	908,144	745,544
Bond Premium				
Use of money & property	1,279			
Total 2009 Debt Service	775,993	1,123,144	908,144	745,544
TOTAL DEBT SERVICE REVENUE	1,036,158	1,366,282	1,148,575	987,575
CAPITAL PROJECTS (31)				
Special Assessments				15,000,000
Intergovernmental	1,888,529	6,838,364		
Miscellaneous				
Use of money & property	113,381		40,000	10,000
Transfers In	1,936,305	753,500	1,080,000	1,015,000
TOTAL CAPITAL PROJECTS REVENUE	3,938,215	7,591,864	1,120,000	16,025,000
TOTAL REVENUES	\$ 37,559,147	\$ 43,899,036	\$ 35,520,610	\$ 50,331,047

Budget for Fiscal Years 2011-12 and 2012-13

SUMMARY OF EXPENDITURES BY FUND TYPE & CATEGORY

<u>EXPENSE - By Fund Type</u>	<u>2009-10</u> <u>Actuals</u>	<u>2010-11</u> <u>Projected</u>	<u>2011-12</u> <u>Budget</u>	<u>2012-13</u> <u>Budget</u>
General Fund	\$ 20,084,154	\$ 20,322,305	\$ 18,567,188	\$ 18,823,032
Enterprise Funds	12,338,427	17,402,723	11,016,430	11,052,225
Special Revenue Funds	2,689,335	3,127,528	2,636,815	2,580,743
Capital Improvement Program	3,006,944	18,750,710	6,807,150	3,676,430
Internal Service Funds	1,433,386	1,463,284	1,710,896	1,596,191
Debt Service Fund	804,615	1,386,282	1,377,575	1,166,375
Total Expenditures Including Transfers Out	<u>\$ 40,356,861</u>	<u>\$ 62,452,831</u>	<u>\$ 42,116,054</u>	<u>\$ 38,894,996</u>
<u>EXPENSE - By Category</u>	<u>2009-10</u> <u>Actuals</u>	<u>2010-11</u> <u>Projected</u>	<u>2011-12</u> <u>Budget</u>	<u>2012-13</u> <u>Budget</u>
General Government	\$ 1,037,049	\$ 1,160,259	\$ 1,162,873	\$ 1,172,706
Nondepartmental Services	816,510	1,004,391	1,066,863	1,175,722
Administrative Services	1,152,521	1,263,397	1,450,402	1,456,775
Public Works	3,693,564	3,775,531	3,505,914	3,507,893
Police	10,137,998	9,969,309	10,102,696	10,550,263
Community Development	4,769,620	4,309,678	4,498,152	4,308,619
Water System	9,688,572	8,693,815	8,743,127	8,951,555
Marina	292,468	140,551	107,702	107,709
Parking Services	449,147	564,103	389,404	368,693
Capital Improvement Program	3,746,021	25,776,373	7,567,150	4,291,430
Debt Service	1,893,908	2,364,873	2,393,772	2,175,644
Total Expenditures	<u>37,677,378</u>	<u>59,022,279</u>	<u>40,988,054</u>	<u>38,067,008</u>
Transfers To Other Funds & One-time Expenditures	2,679,483	3,430,552	1,128,000	827,988
Total Expenditures Including Transfers Out	<u>\$ 40,356,861</u>	<u>\$ 62,452,831</u>	<u>\$ 42,116,054</u>	<u>\$ 38,894,996</u>

Budget for Fiscal Years 2011-12 and 2012-13

ALL FUNDS EXPENDITURES BY DEPARTMENT

	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
GENERAL FUND				
City Council	280,864	301,755	312,504	317,689
City Clerk	152,959	201,769	156,437	181,655
City Treasurer	12,531	14,561	15,056	15,666
City Manager	485,250	515,846	456,817	435,630
City Attorney	105,445	126,328	222,057	222,065
Total General Government Expenditures	1,037,049	1,160,259	1,162,873	1,172,706
General Services	154,791	147,755	158,176	158,176
Franchise	38,054	71,638	42,687	48,546
Contingencies		0	80,000	80,000
Retiree Benefits	623,665	784,998	786,000	889,000
Total Non-departmental Expenditures	816,510	1,004,391	1,066,863	1,175,722
Administration	196,378	148,391	166,594	163,032
Personnel	137,259	159,731	160,140	158,174
Finance	391,948	468,604	431,967	427,600
Total Administrative Services Expenditures	725,585	776,726	758,701	748,806
Inspection	749,133	674,949	659,142	640,261
Code Enforcement	128,654	137,572	124,910	46,200
Traffic Control Maintenance	267,473	229,166	141,285	141,285
Street Lighting	347,374	356,475	327,337	327,335
Parks/Grounds Maintenance	1,261,900	1,301,601	1,243,221	1,292,301
Cemetery Maintenance	5,774	5,938	2,655	2,691
Open Space Maintenance	157,460	147,040	131,389	133,050
Public Facilities Maintenance	176,147	221,621	208,476	208,508
City Hall Building Maintenance	0	0	0	0
Maintenance Services	599,649	701,169	667,499	716,264
Total Public Works Expenditures	3,693,564	3,775,531	3,505,914	3,507,893

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
Police Administration	1,393,452	1,323,235	1,522,997	1,540,510
Investigative Services	1,112,363	965,773	995,235	988,648
Support Services	1,528,395	1,417,979	1,482,198	1,490,238
Traffic Enforcement	503,350	282,172	672,575	665,358
Patrol Bureau	5,337,134	5,784,529	5,298,633	5,291,511
Emergency Services	36,750	15,848	13,998	13,998
Total Police Department Expenditures	9,911,444	9,789,536	9,985,637	9,990,263
Community Development	373,718	56,169	38,985	39,123
Economic Development	33,987	28,516	110,029	110,054
Planning	520,851	541,660	480,111	444,792
Engineering	422,591	384,190	279,442	274,620
Community Services Administration	378,970	398,179	408,313	378,740
Cultural & Arts	103,035	24,570	7,325	7,325
General Recreation	63,388	65,655	73,060	72,866
Municipal Swimming Pool	75,914	15,959	177,066	176,643
Amphitheatre	13,758	11,564	11,722	11,728
Day Care	48,315	64,149	54,053	54,055
Sports Programs	68,961	81,010	81,104	80,802
Senior Center Programs	304,956	325,785	306,216	302,203
Alzheimer Respite	9,799	11,061	11,774	11,704
Total Community Development	2,418,243	2,008,467	2,039,202	1,964,655
Total General Fund Operating	18,602,395	18,514,910	18,519,188	18,560,044
One-time expenditures	933,154	1,149,790	48,000	262,988
Transfers Out	548,605	657,605	0	0
TOTAL GENERAL FUND	20,084,154	20,322,305	18,567,188	18,823,032

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
ENTERPRISE FUNDS				
Water System				
Water Administration	3,933,195	1,870,497	1,805,958	1,930,148
Water Treatment	4,271,182	5,059,396	4,957,350	5,049,342
Water Distribution	1,484,195	1,763,922	1,979,818	1,972,065
Transfers Out	79,870	-	-	-
Capital Improvement Program	739,077	6,942,986	760,000	615,000
Debt Service	975,427	898,592	898,198	891,269
Total Water System	<u>11,482,946</u>	<u>16,535,393</u>	<u>10,401,324</u>	<u>10,457,824</u>
Marina				
Administraion	165,009	59,963	62,315	62,317
Operations	127,459	80,588	45,387	45,392
Capital Improvement Program		82,677	-	
Debt Service	113,866	80,000	118,000	118,000
Total Marina	<u>406,334</u>	<u>303,228</u>	<u>225,702</u>	<u>225,709</u>
Parking Services				
Parking Services	449,147	439,103	389,404	368,693
Capital Projects		125,000		
Total Parking Services	<u>449,147</u>	<u>564,103</u>	<u>389,404</u>	<u>368,693</u>
TOTAL ENTERPRISE FUNDS	<u><u>12,338,427</u></u>	<u><u>17,402,723</u></u>	<u><u>11,016,430</u></u>	<u><u>11,052,225</u></u>
DEBT SERVICE				
Debt Service	804,615	1,386,282	1,377,575	1,166,375
TOTAL DEBT SERVICE FUND	<u><u>\$ 804,615</u></u>	<u><u>\$ 1,386,282</u></u>	<u><u>\$ 1,377,575</u></u>	<u><u>\$ 1,166,375</u></u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
SPECIAL REVENUE FUNDS				
Public Safety Grants				
Federal-Jag Award	19,996	53,921	-	-
East Bay Regional Radio Communications	-	-	-	450,000
Office of Traffic Safety	9,091	24,052	-	-
OCJP	34,314	300	-	-
Supplemental Law Enforcement (SLESF)	135,136	100,000	100,000	100,000
C.E.R.T.	-	1,000	1,980	-
Swat Fund	-	-	2,079	-
Asset Seizure	26,821	-	10,000	10,000
Canine Fund	24	-	2,500	-
Donations	1,172	500	500	-
Total Public Safety	<u>226,554</u>	<u>179,773</u>	<u>117,059</u>	<u>560,000</u>
NPDES				
Municipal Maintenance	279,184	213,461	289,397	288,205
Agency Administration	190,194	237,224	192,814	191,967
Transfers Out	75,000	700	25,000	25,000
Total NPDES	<u>544,378</u>	<u>451,385</u>	<u>507,211</u>	<u>505,173</u>
Measure J				
Measure J - Local	82,149	135,976	178,732	162,357
Transfers Out	450,000	300,000	525,000	400,000
Total Measure C	<u>532,149</u>	<u>435,976</u>	<u>703,732</u>	<u>562,357</u>
Gas Tax				
Street Maintenance	289,406	355,461	266,574	278,491
Arterial Maintenance	151,673	190,176	147,152	169,633
Transfers Out	200,000	453,500	480,000	140,000
Total Gas Tax	<u>641,080</u>	<u>999,137</u>	<u>893,725</u>	<u>588,125</u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
Traffic Congestion Relief				
Paving Project	152,854	331,108		
Total Traffic Congestion Relief	152,854	331,108	-	-
Proposition 1B				
Paving Project		537,849		
Total Proposition 1B	0	537,849	-	-
Recycle				
Recycle		23,391	130,000	130,000
Total Recycle	0	23,391	130,000	130,000
Mitigation Fees				
Traffic	240,000			
Park In Lieu	32,245		50,000	
Child Care	124,000			
Zone 5 Drainage				
Cultural & arts				
Police Facilities	36,920	1,749		
Park & Recreation				
Total Mitigation Fees	433,164	1,749	50,000	0
Lighting & Landscape				
Village Oaks	4,034	5,216	7,970	7,970
Muir Station	8,393	9,775	9,780	9,780
Creekside	4,638	5,915	25,680	25,680
Brittany Hills	48,159	60,387	93,433	93,433
Vista Oaks	12,036	15,789	15,080	15,080
Costco Center	5,720	7,733	7,980	7,980
Terra Vista	5,808	8,435	11,085	11,085
LL AD 2003	21,534	25,335	24,880	24,880
Total Lighting & Landscape	110,321	138,585	195,888	195,888

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
PEG Access				
PEG Access	48,835	28,575	39,200	39,200
Total PEG Access	<u>48,835</u>	<u>28,575</u>	<u>39,200</u>	<u>39,200</u>
 TOTAL SPECIAL REVENUE FUNDS	 <u><u>2,689,335</u></u>	 <u><u>3,127,528</u></u>	 <u><u>2,636,815</u></u>	 <u><u>2,580,743</u></u>
 INTERNAL SERVICE FUNDS				
Equipment Replacement				
Equipment Replacement	1,055,284	1,028,579	1,188,395	1,057,422
Total Equipment Replacement	<u>1,055,284</u>	<u>1,028,579</u>	<u>1,188,395</u>	<u>1,057,422</u>
 Information Systems				
Information Systems	378,101	434,705	522,501	538,769
Total Information Systems	<u>378,101</u>	<u>434,705</u>	<u>522,501</u>	<u>538,769</u>
 TOTAL INTERNAL SERVICE FUNDS	 <u><u>1,433,386</u></u>	 <u><u>1,463,284</u></u>	 <u><u>1,710,896</u></u>	 <u><u>1,596,191</u></u>
 CAPITAL PROJECTS				
<u>Drainage</u>				
Annual Storm Drain Project	14,784	134,047	50,000	50,000
Alhambra Creek Channel Maintenance	-	90,482	25,000	25,000
Total Drainage	<u>14,784</u>	<u>224,529</u>	<u>75,000</u>	<u>75,000</u>
 <u>Public Buildings</u>				
Amphitheater		13,213		
Old Train Depot		185,736		
Senior Center Improvements	8,948			
Kiwanis Building				
Sub-total Public Buildings	<u>8,948</u>	<u>198,949</u>	<u>0</u>	<u>0</u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
<u>Parks and Trails</u>				
Nancy Boyd Park	4,232	93,000	-	-
Bay Trail Phase 2			25,000	-
Waterfront Road Open Space			50,000	-
Downtown Bicycle Project		38,500		
Alhambra Ave Pedestrian Safety Project	4,701			
Alhambra Creek Plaza Improvements		48,910		
Sub-total Parks and Trails	<u>8,933</u>	<u>180,410</u>	<u>75,000</u>	<u>0</u>
<u>Streets</u>				
Annual Pavement Mgt.	1,493,241	1,115,413	700,000	900,000
Alhambra Avenue Improvements	171,678	167,452		
Alhambra Avenue Overlay Project	81,468			
LED Lights		150,800		
Handicap Access Program		40,000	20,000	25,000
Sidewalk Repair Project	66,995	10,000	10,000	15,000
Marina Vista Streetscape	488,818	3,111,355		
Marina Vista Phase II		137,006		
Main Street Improvements			200,000	
Railroad Quiet Zone	24,336	6,862		
Main Street Streetscape		60,000		
Downtown Tree Lighting		17,751		
Ferry Shelter	19,000			
Intermodal Phase III	109,765	3,977,435		
Total Streets	<u>2,455,301</u>	<u>8,794,074</u>	<u>930,000</u>	<u>940,000</u>

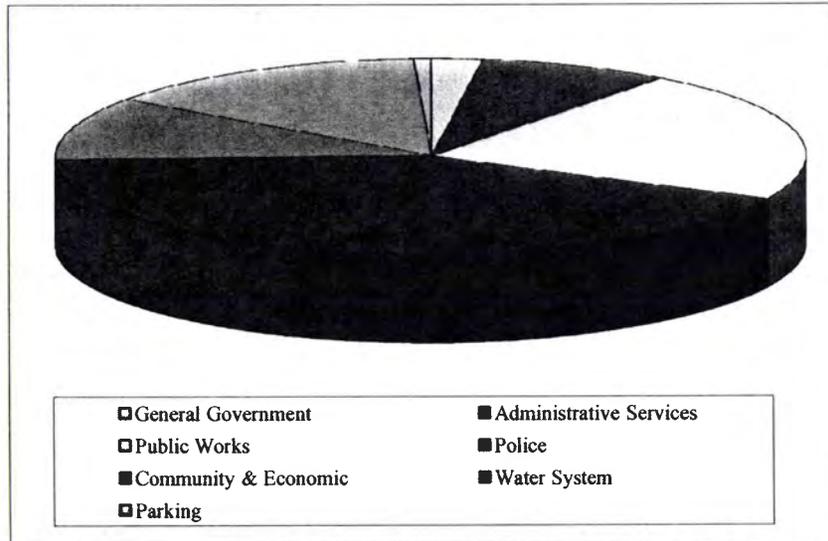
Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
<u>Community Programs</u>				
General Plan	89,711	482,296		
Total Community Programs	89,711	482,296	0	0
 <u>Measure H</u>				
Rankin Pool Reconstruction	325,707	5,674,292		
Library Renovations	68,696	1,931,304		
Park Improvements	34,864	1,264,856	5,727,150	2,661,430
Total Measure H	429,267	8,870,452	5,727,150	2,661,430
 TOTAL CAPITAL PROJECTS	 <u>3,006,944</u>	 <u>18,750,710</u>	 <u>6,807,150</u>	 <u>3,676,430</u>
 TOTAL EXPENDITURES ALL FUNDS	 <u>\$ 40,356,861</u>	 <u>\$ 62,452,831</u>	 <u>\$ 42,116,054</u>	 <u>\$ 38,894,996</u>

Budget for Fiscal Years 2011-12 and 2012-13

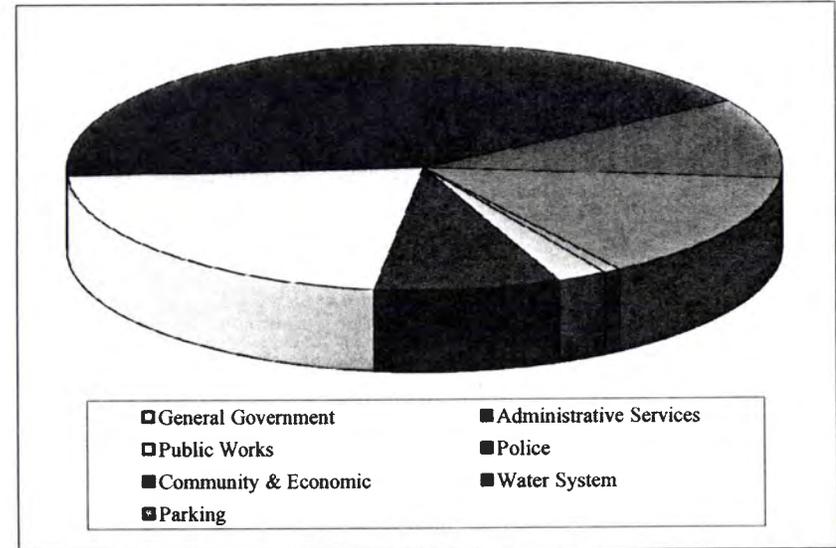
STAFFING SUMMARY

FISCAL YEAR 2011-12



General Government	2.26%	3.0
Administrative Services	8.28%	11.0
Public Works	21.84%	29.0
Police	42.17%	56.0
Community & Economic	10.39%	13.8
Water System	14.31%	19.0
Parking	0.75%	<u>1.0</u>
Total Staffing		<u>132.8</u>

FISCAL YEAR 2012-13



General Government	2.28%	3.0
Administrative Services	8.35%	11.0
Public Works	21.24%	28.0
Police	42.49%	56.0
Community & Economic	10.47%	13.8
Water System	14.42%	19.0
Parking	0.76%	<u>1.0</u>
Total General Fund		<u>131.8</u>

SUMMARY OF AUTHORIZED POSITIONS

	FISCAL YEAR 2009-10	FISCAL YEAR 2010-11	FISCAL YEAR 2011-12	FISCAL YEAR 2012-13
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	1.0	1.0
Account Technician II	2.0	2.0	2.0	2.0
Information Systems Specialist	1.0	1.0		
Information Technology Administrator			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	
Building Inspector II	2.0	2.0	2.0	2.0
Permit Technician II	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	5.0	3.0	4.0	5.0 ***
General Laborer	0.0	2.0	1.0	0.0

	<u>FISCAL YEAR</u> <u>2009-10</u>	<u>FISCAL YEAR</u> <u>2010-11</u>	<u>FISCAL YEAR</u> <u>2011-12</u>	<u>FISCAL YEAR</u> <u>2012-13</u>
PUBLIC WORKS DEPARTMENT (continued from previous page)				
Equipment Mechanic	2.0	2.0	2.0	2.0
Account Technician II	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	5.0	5.0	5.0	5.0
	<u>30.0</u>	<u>30.0</u>	<u>29.0</u>	<u>28.0</u>
POLICE DEPARTMENT				
Police Chief	1.0	1.0	1.0	1.0
Police Captain			1.0	1.0
Police Commander	2.0	1.0		
Police Lieutenant		2.0	2.0	2.0
Police Sergeant	6.0	5.0	5.0	5.0
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	8.0	8.0	8.0	8.0 **
Administrative Secretary	1.0	1.0	1.0	1.0
Police Assistant	4.0	4.0	4.0	4.0
Records Clerk	2.0	2.0	2.0	2.0 **
	<u>56.0</u>	<u>56.0</u>	<u>56.0</u>	<u>56.0</u>
COMMUNITY and ECONOMIC DEVELOPMENT DEPARTMENT				
Community Development Director	1.0	1.0	1.0	1.0 *
Planning Manager	1.0	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 *

	<u>FISCAL YEAR</u> <u>2009-10</u>	<u>FISCAL YEAR</u> <u>2010-11</u>	<u>FISCAL YEAR</u> <u>2011-12</u>	<u>FISCAL YEAR</u> <u>2012-13</u>
COMMUNITY and ECONOMIC DEVELOPMENT DEPARTMENT (continued from previous page)				
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
	<u>13.8</u>	<u>13.8</u>	<u>13.8</u>	<u>13.8</u>
WATER SYSTEM				
Water Superintendent	1.0	1.0	1.0	1.0
Assistant Water Superintendent	1.0	1.0	1.0	1.0
Administrative Aide II			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	2.0	2.0	2.0	2.0
Senior Meter Service Worker	1.0	1.0	1.0	1.0
Meter Service Worker	2.0	2.0	2.0	2.0
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
	<u>18.0</u>	<u>18.0</u>	<u>19.0</u>	<u>19.0</u>
PARKING				
Parking Meter Maintenance Worker	1.0	1.0	1.0	1.0
	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
TOTAL PERSONNEL	<u><u>132.8</u></u>	<u><u>132.8</u></u>	<u><u>132.8</u></u>	<u><u>131.8</u></u>

Notes: A blank space means the position either did not exist, or has been eliminated

*These positions will not be funded in 2011/12 and 2012/13.

**2 Police Officer, 1 Dispatcher and 1 Records Clerk positions will not be funded in 2011/12 and 2012/13.

***1 Maintenance Worker position will not be funded in 2011/12.

Budget for Fiscal Years 2011-12 and 2012-13

GENERAL FUND - FUND BALANCE

	2009-10 Actuals	2010-11 Projected	2011-12 Budget	2012-13 Budget
Operating Revenues	\$ 18,232,332	\$ 18,486,459	\$ 18,521,181	\$ 18,562,329
Operating Expenditures	<u>18,602,395</u>	<u>18,514,910</u>	<u>18,519,188</u>	<u>18,560,044</u>
Excess of Revenues/(Expenditures)	<u>(370,063)</u>	<u>(28,451)</u>	<u>1,993</u>	<u>2,285</u>
One-Time				
OPEB		(83,731)		(214,988)
Consultant for Annexation	(32,785)	(34,910)		
Legal Cost on Land Use Issue	(287,369)	(80,000)		
Consultant for Ferry Terminal Project	(18,000)	(18,000)		
Marina Consultant		(30,000)		
Payoff PERS Side Fund		(631,914)		
Chamber & Main Street Contribution	(95,000)	(95,000)		
Rent at 636 Ward Street		(48,000)	(48,000)	(48,000)
Agreement MUSD	(500,000)			
EBRCSA-Debt Service		<u>(128,235)</u>		
Total One-Time Funding	<u>(933,154)</u>	<u>(1,149,790)</u>	<u>(48,000)</u>	<u>(262,988)</u>
Other Sources				
Transfer In-Assigned Fund Balance: Retiree Benefits	151,896	715,645		214,988
Transfer In-Assigned Fund Balance: EBRCSA		78,600		
Transfer In-Assigned Fund Balance: Rent for 636 Ward		48,000	48,000	48,000
Transfers Out	<u>(548,605)</u>	<u>(657,605)</u>	<u>0</u>	<u>0</u>
Total Other Sources (Uses)	<u>(396,709)</u>	<u>184,640</u>	<u>48,000</u>	<u>262,988</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,699,926)</u>	<u>(993,601)</u>	<u>1,993</u>	<u>2,285</u>
Beginning Unassigned Fund Balance	<u>5,615,062</u>	<u>3,915,136</u>	<u>2,921,535</u>	<u>2,923,528</u>
Ending Unassigned Fund Balance	<u>\$ 3,915,136</u>	<u>\$ 2,921,535</u>	<u>\$ 2,923,528</u>	<u>\$ 2,925,813</u>

Budget for Fiscal Years 2011-12 and 2012-13

GENERAL FUND - FUND BALANCE

	2009-10 Balance	2010-11 Balance	2011-12 Balance	2012-13 Balance
Fund Balance:				
<u>Committed</u>				
Catastrophes	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Contingencies	100,000	100,000	100,000	100,000
Economic Uncertainty	600,000	600,000	600,000	600,000
Future Pension Obligations	250,000	250,000	250,000	250,000
Insurance	582,425	582,425	582,425	582,425
Total Committed	1,832,425	1,832,425	1,832,425	1,832,425
 <u>Assigned</u>				
EBRCSA	78,600			
Capital Improvements	219,508	219,508	219,508	219,508
Retiree Benefits	992,277	276,632	276,632	61,644
Rent for 636 Ward	226,000	178,000	130,000	82,000
Account for DBAW Loan	350,000	350,000	350,000	350,000
Deferred Maintenance	76,855	76,855	76,855	76,855
Total Assigned	1,943,240	1,100,995	1,052,995	790,007
Total Committed & Assigned	3,775,665	2,933,420	2,885,420	2,622,432
 <u>Unassigned</u>				
Unassigned	3,915,136	2,921,535	2,923,528	2,925,813
Total Unassigned	3,915,136	2,921,535	2,923,528	2,925,813
Total Fund Balance	\$ 7,690,801	\$ 5,854,955	\$ 5,808,948	\$ 5,548,245

Budget for Fiscal Years 2011-12 and 2012-13

GENERAL FUND TRANSFER SUMMARY

To Fund	From Fund	Purpose	Transfer In (Transfer Out) 2009-10	Transfer In (Transfer Out) 2010-11	Transfer In (Transfer Out) 2011-12	Transfer In (Transfer Out) 2012-13
<u>Transfers In</u>						
General Fund	Assigned Fund Balance	Willows Theatre Rent		48,000	48,000	48,000
General Fund	Assigned Fund Balance	Capital Equipment		78,600		
General Fund	Assigned Fund Balance	Payoff PERS Side Fund		631,914		
General Fund	Assigned Fund Balance	OPEB	151,896	83,731		214,988
	Sub-Total Transfer In		151,896	842,245	48,000	262,988
<u>Transfers Out</u>						
Transfer to Other Funds						
Marina System	General Fund	Reconstruction Project		184,000		
Water System	General Fund	Funding of Lifeline for Water	16,605	16,605		
Police Special Revenue	General Fund	Funding of EBRCSA Radios		450,000		
Landscape District	General Fund	Lighting & Landscape	6,000	7,000		
		Sub-total transfers to other funds	22,605	657,605	0	0
Transfer to Committed/Assigned Fund Balance						
Assigned	General Fund	Willows Theatre	226,000			
Committed	General Fund	Future Pension Benefit Costs				
Committed	General Fund	Economic Uncertainty	300,000			
		Sub-total transfers to committed/assigned	526,000	0	0	0
	Sub-Total Transfer Out		548,605	657,605	0	0
	TOTAL INTERFUND TRANSFERS		\$ (396,709)	\$ 184,640	\$ 48,000	\$ 262,988

Budget for Fiscal Years 2011-12 and 2012-13

GENERAL FUND - REVENUES

		<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Taxes</u>		<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>Budget</u>
4111	Property Tax	\$ 6,440,055	\$ 6,381,074	\$ 6,381,074	\$ 6,444,885
4199	State Tax Shift				
4115	Sales & Use Tax	2,890,078	3,219,314	3,061,020	3,214,071
4116	Sales Tax In-Lieu	1,013,254	890,783	1,186,396	1,178,008
4117	VLF Property Tax Swap	2,553,503	2,483,783	2,483,783	2,508,621
4121	Transient Occupancy Tax	269,200	310,000	310,000	310,000
4122	Business License Tax	584,791	600,000	600,000	606,000
4123	Franchise Fees	1,355,211	1,427,000	1,427,000	1,427,000
4124	Document Transfer Tax	96,931	90,000	95,000	95,000
4130	Water System In-Lieu Tax	399,322	407,308	415,454	423,763
	Total Taxes	15,602,345	15,809,262	15,959,727	16,207,348
	<u>License, Permit & Fees</u>				
4430	Building Permits	306,408	301,930	310,988	320,318
4480.1	Taxi/Card Room Fees		1,500	1,500	1,500
4440	Mechanical Permits	121,784	143,225	147,522	151,947
	Total License, Permit & Fees	428,192	446,655	460,010	473,765
	<u>Fines & Forfeitures</u>				
4281	Court Fines	29,358	31,212	36,000	36,720
4282	Traffic Safety Fund	35,993	46,818	47,754	48,709
4283	Parking Citations	205,094	200,000	205,000	215,000
4285	Tow Releases	31,607	46,818	49,000	51,000
4287	Code Enforcement Citations		300	300	300
4290	Abandoned Vehicles	42,081	26,010	27,000	27,523
	Total Fines & Forfeitures	344,133	351,158	365,054	379,252

Budget for Fiscal Years 2011-12 and 2012-13

		2009-10	2010-11	2011-12	2012-13
		Actual	Projected	Budget	Budget
<u>Intergovernmental Agencies</u>					
4311	Public Safety Sales Tax Prop 172	322,340	340,000	346,800	353,736
4330	Motor Vehicle-In-Lieu VLF	108,204	120,000	133,560	135,000
4335	Off Highway				
4340	Homeowners Property Tax Relief	69,879	75,000	75,000	75,000
4521	State Grant-POST Reimbursement	23,768	35,000		
4530	State Mandates	25,971	70,000	25,000	25,000
4531.1	Bulletproof Vest Grant		1,300	1,300	1,300
4380	Booking Fees Reimbursement				
4535	Stimulus Funds				
4535.6	Recycling Grants	14,025			
4523	Grants	16,694	12,635		
	Total Intergovernmental Revenues	580,881	653,935	581,660	590,036
<u>Charges for Service</u>					
4450	Planning Fees	35,666	51,180	50,000	100,000
4621	Public Works Inspections	88,858	60,000	60,000	60,000
4873	Construction & Demolition	31,098	5,000		10,000
4622	Engineering Plan Check Fees	114,695	100,000	50,000	50,000
4430.1	Micro-film Fees	4,555	5,305	2,500	3,000
4631	Police Services	16,083	25,000	17,000	18,000
4665	Park Maintenance Fee	30,000	30,000	30,000	30,000
4644.5	Field Usage Fees	17,239	15,914	16,391	16,883
4643	General Recreation Fees	33,447	26,522	27,318	28,137
4643.1	Recreation Class Fees	21,121	26,522	27,318	28,137
4644.1	Sports Programs	36,939	26,522	27,318	28,137
4644.2	Swimming Pool	38,106	10,684	50,000	65,000
4644.3	Tournament Revenue	10,970	15,914	16,391	16,883
4648	Respite Day Care Fees		2,000	11,774	11,704
4649	Day Care Fees	66,092	87,000	75,000	75,000
4651	Planning Plan Check Fees	17,321	11,843	12,000	12,000
	Total Charges for Services	562,189	499,406	473,010	552,881

Budget for Fiscal Years 2011-12 and 2012-13

		2009-10	2010-11	2011-12	2012-13
		Actual	Projected	Budget	Budget
<u>Use of Money & Property</u>					
4752	Park Rental	19,661	15,606	15,806	16,122
4753	Concession	5,949	4,162	5,000	5,100
4701	Interest Income	61,149	75,000	76,500	78,030
4750	Rental Income	26,047	18,727	19,102	19,484
4751	Senior Center Rental	6,269	8,000	6,000	6,000
4760	Sale of Property				
	Total Use of Money & Property	<u>119,075</u>	<u>121,495</u>	<u>122,408</u>	<u>124,736</u>
<u>Other Revenue</u>					
4815	Water System Admin Fee				
4872	Solid Waste	2,416	1,000		
4650	Maps & Publications		300		
4825	Interest Payment on Loan	23,899	24,771	21,382	20,065
4826	Principal payment on loan		28,477	27,930	29,246
4870	Miscellaneous Revenue	14,021	10,000	15,000	15,000
4804	Friends of the Library			15,000	15,000
4805	Martinez Senior Club			15,000	15,000
4754	Billboard Ad Revenue				125,000
4878	Litigation Settlement	113			
4875	Refunds and Rebates		5,000		
4875.2	Workers Comp/Liability Rebate	456,001	510,000	450,000	
4875.3	Employee Workers Comp Reimbursement	64,802			
4830	Restitution, Damage & Recoveries	15,874	5,000	10,000	10,000
4802	Donations & Contributions	18,390	20,000	5,000	5,000
	Total Other Revenue	<u>595,517</u>	<u>604,548</u>	<u>559,312</u>	<u>234,311</u>
	Sub-total Operating Revenues	18,232,332	18,486,459	18,521,181	18,562,329
4001	Transfers In	151,896	842,245	48,000	262,988
	TOTAL REVENUE GENERAL FUND	<u><u>\$ 18,384,228</u></u>	<u><u>\$ 19,328,704</u></u>	<u><u>\$ 18,569,181</u></u>	<u><u>\$ 18,825,317</u></u>

Budget for Fiscal Years 2011-12 and 2012-13

GENERAL FUND EXPENDITURES BY DEPARTMENT
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	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
0100101 City Council	280,864	301,755	312,504	317,689
0100102 City Clerk	152,959	201,769	156,437	181,655
0100103 City Treasurer	12,531	14,561	15,056	15,666
0100104 City Manager	485,250	515,846	456,817	435,630
0100105 City Attorney	105,445	126,328	222,057	222,065
Total General Government Expenditures	1,037,049	1,160,259	1,162,873	1,172,706
0100201 General Services	154,791	147,755	158,176	158,176
0100202 Franchise	38,054	71,638	42,687	48,546
0100203 Contingencies		0	80,000	80,000
0100204 Retiree Benefits	623,665	784,998	786,000	889,000
Total Non-departmental Expenditures	816,510	1,004,391	1,066,863	1,175,722
0100401 Administration	196,378	148,391	166,594	163,032
0100402 Personnel	137,259	159,731	160,140	158,174
0100404 Finance	391,948	468,604	431,967	427,600
Total Administrative Services Expenditures	725,585	776,726	758,701	748,806
0100502 Inspection	749,133	674,949	659,142	640,261
0100503 Code Enforcement	128,654	137,572	124,910	46,200
0100710 Traffic Control Maintenance	267,473	229,166	141,285	141,285
0100712 Street Lighting	347,374	356,475	327,337	327,335
0100720 Parks/Grounds Maintenance	1,261,900	1,301,601	1,243,221	1,292,301
0100723 Cemetery Maintenance	5,774	5,938	2,655	2,691
0100724 Open Space Maintenance	157,460	147,040	131,389	133,050
0100730 Public Facilities Maintenance	176,147	221,621	208,476	208,508
0100790 City Hall Building Maintenance (1)	0	0	0	0
0100791 Maintenance Services	599,649	701,169	667,499	716,264
Total Public Works Expenditures	3,693,564	3,775,531	3,505,914	3,507,893

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
0100601 Police Administration	1,393,452	1,323,235	1,522,997	1,540,510
0100602 Investigative Services	1,112,363	965,773	995,235	988,648
0100603 Support Services	1,528,395	1,417,979	1,482,198	1,490,238
0100604 Traffic Enforcement	503,350	282,172	672,575	665,358
0100605 Patrol Bureau	5,337,134	5,784,529	5,298,633	5,291,511
0100607 Emergency Services	36,750	15,848	13,998	13,998
Total Police Department Expenditures	9,911,444	9,789,536	9,985,637	9,990,263
0100701 Community Development	373,718	56,169	38,985	39,123
0100702 Economic Development	33,987	28,516	110,029	110,054
0100703 Planning	520,851	541,660	480,111	444,792
0100704 Engineering	422,591	384,190	279,442	274,620
0100801 Community Services Administration	378,970	398,179	408,313	378,740
0100802 Cultural & Arts	103,035	24,570	7,325	7,325
0100803 General Recreation	63,388	65,655	73,060	72,866
0100804 Municipal Swimming Pool	75,914	15,959	177,066	176,643
0100805 Amphitheatre	13,758	11,564	11,722	11,728
0100806 Day Care	48,315	64,149	54,053	54,055
0100808 Sports Programs	68,961	81,010	81,104	80,802
0100809 Senior Center Programs	304,956	325,785	306,216	302,203
0108091 Alzheimer Respite	9,799	11,061	11,774	11,704
Total Community Development	2,418,243	2,008,467	2,039,202	1,964,655
Total General Fund Operating	18,602,395	18,514,910	18,519,188	18,560,044
One-time expenditures	933,154	1,149,790	48,000	262,988
Transfers Out	548,605	657,605	0	0
Total General Fund Expenditures & Transfers	\$ 20,084,154	\$ 20,322,305	\$ 18,567,188	\$ 18,823,032

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

Budget for Fiscal Years 2011-12 and 2012-13

GENERAL FUND 10 YEAR HISTORY OF REVENUES

<u>Description</u>	<u>Actual 2003-04</u>	<u>Actual 2004-05</u>	<u>Actual 2005-06</u>	<u>Actual 2006-07</u>	<u>Actual 2007-08</u>	<u>Actual 2008-09</u>	<u>Actual 2009-10</u>	<u>Projected 2010-11</u>	<u>Budget 2011-12</u>	<u>Budget 2012-13</u>
Property Taxes	5,072,309	5,603,872	6,048,835	6,749,316	6,778,683	6,833,240	6,440,055	6,381,074	6,381,074	6,444,885
Sales Tax	3,683,973	3,770,933	4,271,279	3,995,664	3,953,070	3,648,054	3,903,332	4,110,097	4,247,416	4,392,079
VLF Property Tax Swap		1,971,541	2,387,675	2,438,135	2,619,831	2,663,236	2,553,503	2,483,783	2,483,783	2,508,621
Franchise Fees	962,045	946,323	1,294,839	1,253,130	1,432,161	1,380,404	1,355,211	1,427,000	1,427,000	1,427,000
Other Taxes	1,576,999	929,215	991,637	1,613,242	1,460,318	1,376,900	1,350,243	1,407,308	1,420,454	1,434,763
Licenses, Permits and Fees	355,725	480,275	609,979	818,761	600,052	534,486	428,192	446,655	460,010	473,765
Fines & Forfeitures	231,412	294,715	276,466	287,997	352,119	354,942	344,133	351,158	365,054	379,252
Intergovernmental Agencies	1,855,593	1,415,980	851,560	1,134,651	860,003	751,540	580,881	653,935	581,660	590,036
Charges for Services	722,266	706,670	1,009,212	769,834	714,190	716,173	562,189	499,406	473,010	552,881
Use of Money and Property	164,775	263,164	491,293	824,582	768,876	311,508	119,075	121,495	122,408	124,736
Other Revenue	125,203	142,251	1,722,642	1,250,554	127,194	599,727	595,517	604,548	559,312	234,311
Total Operating	14,750,299	16,524,939	19,955,417	21,135,864	19,666,497	19,170,210	18,232,332	18,486,459	18,521,181	18,562,329
Transfer In from Other Funds	555,766		135,450	131,267	4,070,900	186,837	151,896	842,245	48,000	262,988
Total General Fund Revenues	\$ 15,306,065	\$ 16,524,939	\$ 20,090,867	\$ 21,267,131	\$ 23,737,397	\$ 19,357,047	\$ 18,384,228	\$ 19,328,704	\$ 18,569,181	\$ 18,825,317

Budget for Fiscal Years 2011-12 and 2012-13

GENERAL FUND 10 YEAR HISTORY OF EXPENDITURES

<u>Description</u>	<u>Actual 2003-04</u>	<u>Actual 2004-05</u>	<u>Actual 2005-06</u>	<u>Actual 2006-07</u>	<u>Actual 2007-08</u>	<u>Actual 2008-09</u>	<u>Actual 2009-10</u>	<u>Projected 2010-11</u>	<u>Budget 2011-12</u>	<u>Budget 2012-13</u>
General Government	850,845	827,226	1,253,927	1,249,523	1,055,630	1,327,384	1,037,049	1,160,259	1,162,873	1,172,706
Non Departmental	583,170	602,262	722,957	2,100,557	5,294,070	1,156,191	816,510	1,004,391	1,066,863	1,175,722
Administrative Services	578,412	596,296	691,218	791,144	710,163	757,298	725,585	776,726	758,701	748,806
Community Development	4,458,024	4,547,174	4,615,527	4,619,296	2,685,236	2,803,324	2,418,243	2,008,467	2,039,202	1,964,655
Community Services										
Public Works					3,533,821	3,773,961	3,693,564	3,775,531	3,505,914	3,507,893
Building Department	618,243	763,635	826,781	904,338						
Police Services	7,355,196	8,295,540	8,518,588	8,862,394	9,712,486	9,618,937	9,911,444	9,789,536	9,985,637	9,990,263
Total Operating	<u>14,443,890</u>	<u>15,632,133</u>	<u>16,628,998</u>	<u>18,527,252</u>	<u>22,991,406</u>	<u>19,437,095</u>	<u>18,602,395</u>	<u>18,514,910</u>	<u>18,519,188</u>	<u>18,560,044</u>
One-time expenditures							933,154	1,149,790	48,000	262,988
Transfer To Other Funds	1,723,953	378,530	362,135	267,635	1,414,709	638,058	548,605	657,605	0	0
Total General Fund Expenditures	<u>\$ 16,167,843</u>	<u>\$ 16,010,663</u>	<u>\$ 16,991,133</u>	<u>\$ 18,794,887</u>	<u>\$ 24,406,115</u>	<u>\$ 20,075,153</u>	<u>\$ 20,084,154</u>	<u>\$ 20,322,305</u>	<u>\$ 18,567,188</u>	<u>\$ 18,823,032</u>

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 2013-2014 TO 2016-2017

Revenues

- Property tax revenues will increase 1% in 2013/14 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 2013/14 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 Documentary Transfer Tax and VLF Property Tax Swap.
- Business License Tax, Transient Occupancy Tax and Franchise Fees will increase 2% in 2013/14 and 3% thereafter.
- Licenses and Permits is expected to increase by 3% each year.
- Fines and forfeitures, current fees and income from use of property are expected to increase by 3% in each year.
- 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

- There are no salary increases in the projections, except for current MOU provisions and employee merit increases. Out years assume merit increases and for budgeting purposes are tied to property tax increases of 1% in 2013/14 and 2% thereafter.
- Health benefits projections are based on the OPEB actuarial assumptions of 8.5% in 2013/14; 8% in 2014/15; 7.5% in 2015/16; and 7% in 2016/17.
- PERS employer rates (from PERS Actuary):

	<u>2013-14</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>
Sworn	50.20%	50.80%	51.30%	51.90%
Misc JFA	12.50%	12.70%	13.00%	13.20%
Misc City	12.40%	12.70%	12.90%	13.20%

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 2011-12 and 2012-13

GENERAL FUND PROJECTIONS

	2010-11 Projected	2011-12 Budget	2012-13 Budget	2013-14 Projected	2014-15 Projected	2015-16 Projected	2016-17 Projected
REVENUE							
Taxes	15,809,262	15,959,727	16,207,348	16,441,010	16,832,347	17,239,690	17,657,302
Licenses, Permits & Fees	446,655	460,010	473,765	486,433	501,026	516,057	531,538
Fines and Forfeitures	351,158	365,054	379,252	389,845	400,739	411,944	423,469
Intergovernmental	653,935	581,660	590,036	627,011	638,511	650,241	662,206
Charges for Services	499,406	473,010	552,881	555,258	579,952	585,084	610,666
Use of Money & Property	121,495	122,408	124,736	127,891	131,349	134,906	138,567
Other Revenue	604,548	559,312	234,311	234,311	234,311	234,311	234,311
Total Revenue	18,486,459	18,521,181	18,562,329	18,861,758	19,318,235	19,772,234	20,258,060
EXPENDITURES							
General Government	1,160,259	1,162,873	1,172,706	1,154,922	1,169,294	1,184,292	1,198,942
Nondepartmental	1,004,391	1,066,863	1,175,722	1,247,436	1,309,262	1,370,061	1,429,163
Administrative Services	776,726	758,701	748,806	793,781	802,037	811,264	819,489
Community Development	2,008,467	2,039,202	1,964,655	1,929,209	1,943,088	1,958,125	1,972,111
Public Works	3,775,531	3,505,914	3,507,893	3,839,986	3,658,875	3,730,927	3,791,753
Police Services	9,789,536	9,985,637	9,990,263	10,847,988	10,975,688	11,097,934	11,222,926
Total Expenditures	18,514,910	18,519,188	18,560,044	19,813,323	19,858,245	20,152,602	20,434,384
Operating Surplus (Deficit)	(28,451)	1,993	2,285	(951,565) *	(540,010) *	(380,368) *	(176,324)
UNASSIGNED FUND BALANCE							
Beginning Balance	3,915,136	2,921,535	2,923,528	2,925,813	1,974,248	1,434,238	1,053,870
Transfers for One-Time Expenditures	(1,149,790)	(48,000)	(262,988)	(48,000)	(24,000)		
Transfer to EBRCSA	(450,000)						
Transfer to Marina	(184,000)						
Transfers In(Out) Other Funds	(23,605)						
Transfer In(Out) Assigned Fund Balance	842,245	48,000	262,988	48,000	24,000		
Unassigned Fund Balance	2,921,535	2,923,528	2,925,813	1,974,248	1,434,238	1,053,870	877,545
COMMITTED 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	600,000	600,000	600,000	600,000	600,000	600,000	600,000
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
Committed Fund Balance	1,832,425	1,832,425	1,832,425	1,832,425	1,832,425	1,832,425	1,832,425
ASSIGNED FUND BALANCE							
Retiree Benefits	276,632	276,632	61,644	61,644	61,644	61,644	61,644
Account for DBAW Loan	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Willows Theatre Rent	178,000	130,000	82,000	34,000	10,000	10,000	10,000
Capital Improvements	219,508	219,508	219,508	219,508	219,508	219,508	219,508
Deferred Maintenance	76,855	76,855	76,855	76,855	76,855	76,855	76,855
Assigned Fund Balance	1,100,995	1,052,995	790,007	742,007	718,007	718,007	718,007
Total Fund Balance	\$ 5,854,955	\$ 5,808,948	\$ 5,548,245	\$ 4,548,680	\$ 3,984,670	\$ 3,604,302	\$ 3,427,977

* There are no salary increases in the projections, except for MOU provisions and employee merit increases.
 In Fiscal Year 2013-14 two Police Officer Positions and one Dispatcher Position is included.
 In Fiscal Year 2014-15 the General Fund budget was reduced by \$250,000 due to the expiration of the City Hall Bond.

Budget for Fiscal Years 2011-12 and 2012-13

DEBT SERVICE FUND - REVENUE

		<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
2003 Debt Service (41)					
4701	Interest Income	134			
4755	Rental Charges-City	<u>260,031</u>	<u>243,138</u>	<u>240,431</u>	<u>242,031</u>
	Total 2003 Debt Service	<u>260,165</u>	<u>243,138</u>	<u>240,431</u>	<u>242,031</u>
 2009 Debt Service (44)					
4701	Interest Income	1,279			
4820	Bond Premium				
4185	Tax Levy	<u>774,714</u>	<u>1,123,144</u>	<u>908,144</u>	<u>745,544</u>
	Total 2009 Debt Service	<u>775,993</u>	<u>1,123,144</u>	<u>908,144</u>	<u>745,544</u>
	 TOTAL DEBT SERVICE	 <u>\$ 1,036,158</u>	 <u>\$ 1,366,282</u>	 <u>\$ 1,148,575</u>	 <u>\$ 987,575</u>

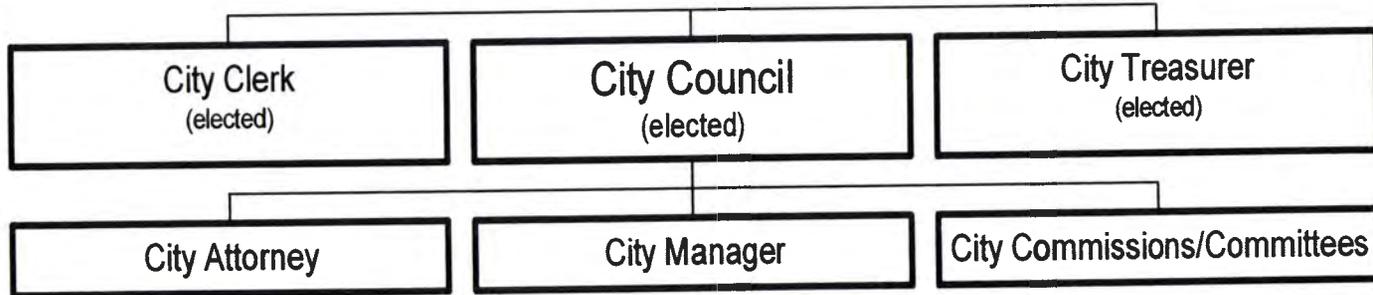
Budget for Fiscal Years 2011-12 and 2012-13

DEBT SERVICE - EXPENDITURES

		<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
<i>Debt Service</i>							
41	2003 COP - CITY HALL						
	Operating	1,659	3,500	3,500		3,500	
	Debt Service	<u>256,531</u>	<u>259,638</u>	<u>256,931</u>	<u>(2,707)</u>	<u>258,531</u>	<u>1,600</u>
	TOTAL 1992 COP - CITY HALL	<u>258,190</u>	<u>263,138</u>	<u>260,431</u>	<u>(2,707)</u>	<u>262,031</u>	<u>1,600</u>
44	2009 GOP- MEASURE H						
	Operating	400					
	Debt Service	<u>546,025</u>	<u>1,123,144</u>	<u>1,117,144</u>	<u>(6,000)</u>	<u>904,344</u>	<u>(212,800)</u>
	TOTAL 2009 GOP - MEASURE H	<u>546,425</u>	<u>1,123,144</u>	<u>1,117,144</u>	<u>(6,000)</u>	<u>904,344</u>	<u>(212,800)</u>
	TOTAL DEBT SERVICE FUNCTION	<u>\$ 804,615</u>	<u>\$ 1,386,282</u>	<u>\$ 1,377,575</u>	<u>\$ (8,707)</u>	<u>\$ 1,166,375</u>	<u>\$ (211,200)</u>



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

<u>Budgeted Positions</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
City Manager	1.0	1.0	1.0	1.0
Secretary to City Manager	1.0	1.0	0.0	0.0
Deputy City Clerk	1.0	1.0	1.0	1.0
	3.0	3.0	2.0	2.0

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, with related objectives listed underneath, were identified for the 2011-13 budget period at a goal setting session conducted with the City Council on March 9, 2011:

- 1) Provide Efficient and Effective Public Safety Services
 - a. Public outreach to promote new Neighborhood Policing Initiative
 - b. Maintain current workforce but control costs
- 2) Publicize our Major Successes
 - a. Measure H projects (new pool and library)
 - b. Other Major CIP projects (Marina Vista Avenue)
- 3) Focus our Economic Development Efforts
 - a. Chamber and Main Street collaboration and support
 - b. Zocchi property development
 - c. 610/630 Court Street development
 - d. Downtown improvements (500 block realignment)
 - e. Expanded use of digital media for marketing
- 4) Develop, Maintain and Improve Infrastructure
 - a. Marina area improvements
 - b. Paving projects (beyond arterials)
 - c. Downtown parking study
 - d. Pursue options for Corporation Yard relocation
 - e. Old Train Depot façade improvements

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 2009-11 include providing leadership and/or direct management for the following key projects and programs in support of the 2011-13 goals of the City Council:

2009-2011 ACCOMPLISHMENTS

- Provided direction and leadership by reorganizing City departments during a fiscal crisis in an effort to streamline internal efficiencies and absorb numerous key vacancies for extended durations while still maintaining service levels to the community.
- Completed design and construction of key Measure H projects, including construction of the Rankin Aquatic Center, redesign of Rankin Park, and renovation of the Martinez Library.
- Submitted completed applications to LAFCO for annexation of unincorporated areas in Alhambra Valley and North Pacheco.
- Began process of updating the City's General Plan, including adoption of a new map incorporating all zoning changes since 1973; formation of a Joint Task Force; and extensive public outreach via a community-wide survey and five neighborhood meetings.
- Obtained \$1,762,100 of Federal Stimulus funding for the community, including an additional \$629,300 originally designated for the City of Concord, used to pave major City thoroughfares and replace over 200 streetlights with energy efficient LED's.
- Completed the design and construction of the Marina Vista Streetscape and Utility Undergrounding Project resulting in major enhancements to a primary downtown corridor.
- Secured new 46-year lease with State Lands Commission for marina lands, and initiated legislative process to try to grant marina lands to City of Martinez.
- Completed "Economic Stimulus Program" fee reductions to encourage developers to initiate projects in Martinez within an 18-month period (September 2010 to March 2012).
- Implemented Phase I of the free downtown wi-fi network, becoming only the second agency in the County to offer free wi-fi.
- Completed a 10-year franchise extension with Allied Waste Services resulting in significant benefits to ratepayers and the City.
- Negotiated a Library Lease and Service Agreement with the County, and provided interim library services at the Old Train Depot for 8 months during the renovation of the Martinez Library using savings generated through the service agreement.
- Updated City's Emergency Operations Plan, completed required training for all police managers and essential City staff, and utilized a federal Justice Assistance Grant to purchase a state of the art Mobile Command Center for use during disaster situations.
- Conducted negotiations with three bargaining units with focus on achieving long-term fiscal stability.
- Selected tenants for both 330 and 360 Ferry Street (Zocchi) properties to provide expanded indoor use for basketball, volleyball, softball, and rugby/soccer.

- Completed Housing Element and achieved State Department of Housing and Community Development (HCD) certification.
- Supported the City's sustainability programs through installation of three downtown electric vehicle charging stations.

The City Manager's specific objectives directly support the 2011-13 goals of the City Council:

2011-2013 KEY OBJECTIVES

- Provide public outreach to promote Neighborhood Policing Initiative.
- Try to maintain current workforce but actively seek ways to control costs.
- Promote City's major successes, including Measure H projects and other significant Capital Improvement Projects.
- Collaborate with Chamber of Commerce and Main Street to promote economic development.
- Continue developing 330 and 360 Ferry Street ("Zocchi") properties to expand recreation choices for the Martinez region, and secure long-term lease arrangements.
- Identify and secure developers for 610 and 630 Court Street, two cornerstone downtown properties which will attract future restaurant, retail, and office space.
- Complete design and scoping of 500 Main Street block realignment with participation from affected merchants to improve circulation, parking and aesthetics.
- Expand use of available digital media to promote the City, including Internet via City's website, Facebook, and Twitter accounts; the free downtown wi-fi network; and the new government access "City Channel."
- Secure entire \$4.391M grant loan from Department of Boating and Waterways (DBAW) for reconstruction of the marina, and negotiate the final 45-year lease with Martinez Marina, LP.
- Continue push for additional development of the marina, such as proposed ferry system, renovated amphitheater, and restaurant.
- Complete additional paving projects throughout the City beyond the major arterials.
- Complete a downtown parking study; including building a parking garage for long-term parking; plan and design the Intermodal Phase III parking lot on the Zocchi property north of the railroad tracks; and complete a scoping document for the Court Street Overcrossing project.
- Create an Economic Development Corporation (EDC) to facilitate a public/private venture to provide seed funding for revitalizing downtown buildings and transforming the North Pacheco annexation area.
- Continue pursuing potential opportunities to relocate the City's Corporation Yard.
- Complete façade improvements to the Old Train Depot.

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.

2009-2011 ACCOMPLISHMENTS

- Conducted a regular election in November 2010.
- 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.
- Implemented a program for uploading FPPC State forms on line for public access.

2011-2013 KEY OBJECTIVES

- Begin Phase III of the laserfiche project to archive all current permanent City Clerk files to laserfiche.
- Work with the Martinez Museum on a permanent display of historical documents for viewing at City Hall.
- Work with the Martinez Museum on options for permanent storage of historical documents.

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.

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, and accounts for expenditures that are not based in a specific program. No positions are allocated here. A description of each area is provided below.

GENERAL SERVICES

This budget includes general operating supplies and equipment such as postage, phone charges and contract 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.

Budget for Fiscal Years 2011-12 and 2012-13

GENERAL GOVERNMENT EXPENDITURES
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	2009-10 Actual	2010-11 Projected	2011-12 Budget	<i>Increase (Decrease)</i>	2012-13 Budget	<i>Increase (Decrease)</i>
<i>General Government</i>						
01 101 CITY COUNCIL						
Labor	97,197	110,760	114,461	3,701	118,316	3,855
Operating	145,331	159,659	170,103	10,444	172,159	2,056
Direct & Indirect Costs	38,336	31,336	27,940	(3,396)	27,214	(726)
TOTAL CITY COUNCIL	280,864	301,755	312,504	10,749	317,689	5,185
01 103 CITY TREASURER						
Labor	14,225	16,624	16,904	280	17,534	631
Operating	467	565	810	245	896	87
Direct & Indirect Costs	(2,161)	(2,628)	(2,657)	(29)	(2,765)	(108)
TOTAL CITY TREASURER	12,531	14,561	15,056	495	15,666	610
01 104 CITY MANAGER						
Labor	476,104	500,459	449,934	(50,525)	423,371	(26,563)
Operating	76,183	82,554	79,207	(3,347)	80,165	958
Direct & Indirect Costs	(67,037)	(67,167)	(72,324)	(5,157)	(67,906)	4,418
TOTAL CITY MANAGER	485,250	515,846	456,817	(59,029)	435,630	(21,187)
01 102 CITY CLERK						
Labor	150,641	160,107	152,023	(8,084)	151,919	(104)
Operating	25,116	71,834	29,715	(42,119)	60,177	30,462
Direct & Indirect Costs	(22,798)	(30,172)	(25,301)	4,871	(30,441)	(5,140)
TOTAL CITY CLERK	152,959	201,769	156,437	(45,332)	181,655	25,219

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Projected</u>	<u>2011-12</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>	<u>2012-13</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>
01 105 CITY ATTORNEY						
Labor						
Operating	195,261	253,135	250,000	(3,135)	250,000	
Direct & Indirect Costs	<u>(89,816)</u>	<u>(126,807)</u>	<u>(27,943)</u>	<u>98,864</u>	<u>(27,935)</u>	<u>8</u>
TOTAL CITY ATTORNEY	<u>105,445</u>	<u>126,328</u>	<u>222,057</u>	<u>95,729</u>	<u>222,065</u>	<u>8</u>
TOTAL GENERAL GOVERNMENT	<u><u>\$ 1,037,049</u></u>	<u><u>\$ 1,160,259</u></u>	<u><u>\$ 1,162,873</u></u>	<u><u>\$ 2,614</u></u>	<u><u>\$ 1,172,706</u></u>	<u><u>\$ 9,834</u></u>

Budget for Fiscal Years 2011-12 and 2012-13

NONDEPARTMENTAL EXPENDITURES

	2009-10 Actual	2010-11 Projected	2011-12 Budget	<i>Increase (Decrease)</i>	2012-13 Budget	<i>Increase (Decrease)</i>
<i>Nondepartmental</i>						
01 201 GENERAL SERVICES						
Operating	154,791	147,255	153,176	5,921	153,176	
Capital		500	5,000	4,500	5,000	
Direct & Indirect Costs						
TOTAL GENERAL SERVICES	154,791	147,755	158,176	10,421	158,176	
01 202 FRANCHISE ADMINISTRATION						
Labor						
Operating	15,971	40,700	12,700	(28,000)	19,200	6,500
Capital						
Direct & Indirect Costs	22,083	30,938	29,987	(951)	29,346	(641)
TOTAL FRANCHISE ADMINISTRATION	38,054	71,638	42,687	(28,951)	48,546	5,859
01 204 RETIRED EMPLOYEES						
Labor						
Operating	623,665	784,998	786,000	1,002	889,000	103,000
TOTAL RETIRED EMPLOYEES	623,665	784,998	786,000	1,002	889,000	103,000
01 203 CONTINGENCY						
Labor			10,000	10,000	10,000	
Operating			70,000	70,000	70,000	
TOTAL CONTINGENCY			80,000	80,000	80,000	
TOTAL NONDEPARTMENTAL	\$ 816,510	\$ 1,004,391	\$ 1,066,863	\$ 62,472	\$ 1,175,722	\$ 108,859



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 Receivable
 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

<u>Budgeted Positions</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
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	0.0	0.0	0.0	0.0
Account Technician II	3.0	3.0	3.0	3.0
Information Systems Specialist	1.0	1.0		
Information Technology Administrator			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.

2009-2011 ACCOMPLISHMENTS

- Worked with Planning to adopt a new land use regulatory framework for a portion of North Pacheco located in unincorporated Contra Costa County and submitted an annexation application to LAFCO.
- Managed the successful implementation of the downtown Martinez wi-fi network, a two-year project culminating in Martinez becoming only the second city in Contra Costa County to implement free wi-fi in its downtown.
- Coordinated franchise extension negotiations with Allied Waste Services under a cost recovery model that enabled savings of over \$42,000 in combined staff and consultant expense during the process. The franchise extension resulted in numerous program enhancements for residents, and funding support for City infrastructure maintenance needs related to service impacts of the hauler's vehicles, and the City's AB939 and Climate Action Plan implementation efforts.
- Coordinated numerous revisions to the City's fee schedule, including the "Economic Stimulus Program" fee reductions; increases to Police Vehicle Storage fees; and addition of Technology and Administrative Review fees.
- Negotiated a Library Lease and Service Agreement with Contra Costa County.
- Led negotiations sessions with Local 324 and Martinez Police Officers' Association and achieved contract extensions.
- Coordinated with 511 Contra Costa, Coulomb Technologies, and City Public Works staff in April 2010 to install three public-use 110V Electric Vehicle Charging Stations in downtown Martinez.
- Applied for and achieved recognition for City Hall and the Police Department as a "Green Business" under the guidelines of the County's Green Business Program.
- Hosted the City's Earth Day booth for the second consecutive year to promote the City's various sustainability efforts, and sponsored three compost workshops with attendance roughly four times the prior average after marketing through the water bills.
- Negotiated and completed Grazing Lands Lease for use of open space; Martinez Historical Society Sublease for use of the Martinez Museum site; and Kiwanis Lease for use of 750 Allen Street.
- Represented the City on the MPA Executive Committee and Board of Directors.
- Initiated a major review of the department and division-level safety plans.
- Assisted with research, review, analysis and preparation of a new Medical Cannabis Dispensary Ordinance.
- Initiated discussions with major billboard vendor and conducted research into possibility of converting existing billboard from static to electronic (LED).

- Served as City liaison to local business organizations, including the Chamber of Commerce and Main Street Martinez, and the local Martinez Unified School District.
- Provided narrative and layout for government sections of the Chamber of Commerce Business Directory and Community Guide.
- Secured \$15,000 and \$17,000, respectively, in sponsorships for the City's 2010 and 2011 4th of July Fireworks Celebration events.
- Implemented terms of the Willows Theatre Company's sublease of the Campbell Theater.
- Initiated and completed major revisions to the City's outdated Travel Policy and Purchasing Policy.
- Coordinated transition to City's new Government Access "City Channel" and developed framework for effective use of the channel.

2011-13 KEY OBJECTIVES

- Complete conversion of existing static billboard to LED billboard in conjunction with City Planning Manager and representatives from CBS Outdoor by FY 2012-13.
- Complete negotiations with all bargaining units to achieve concessions necessary to ensure long-term fiscal stability.
- Continue evaluating ways to update and improve the City's Safety and Liability programs, including updating department safety plans and safety inspection plans; promoting additional employee safety training opportunities; and actively seeking creative solutions to reduce worker's compensation and liability claims exposure risks.
- Assist Chief of Police with development and implementation of new Tow Franchise by September 2011.
- Complete implementation of LED lighting projects downtown and at Marina using the \$150,800 Department of Energy grant by December 2011.
- Chair City's Green Team meetings, host City's Earth Day booth, and provide 3 compost workshops to residents each fiscal year.
- Pursue grant opportunities to support City's sustainability efforts and Climate Action Plan.
- Continue updating the City's website with information of interest to residents for dedicated sections such as those for solid waste, recycling, and sustainability; the City's Secondhand Smoking Ordinance; the "Joltin' Joe" project; special notices from the City Manager; and items suitable for "Latest News" features.
- Coordinate with Main Street Martinez and Chamber of Commerce to promote partnerships between the two organizations and increase promotional opportunities through the City Channel and downtown wi-fi network.
- Expand wi-fi network to include additional sections of downtown and the marina complex if demand warrants.
- Assist City Manager with oversight of high profile special projects, including economic development and community benefit projects.

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.

2009-11 ACCOMPLISHMENTS

- Assisted in the contract negotiations of three bargaining units.
- Completed recruitments for 18 positions including Assistant City Manager, Police Officer, Police Assistant, Police Sergeant, Police Lieutenant, Dispatcher, Meter Service Worker, Sr. Instrument/Maintenance Technician, Water Treatment Plant Operator, Water Treatment Plant Operations Supervisor, Assistant Water Superintendent, and General Laborer.
- Enhanced department webpage to include easy links to Civil Service Rules, Memoranda of Understanding, salary range information, and job interest forms. Processed over 500 online requests.
- Reduced cost of recruitment supplies by shifting to an online/email delivery system for announcements when possible.
- Coordinated a series of presentations for employees by ICMA on retirement and investing topics.
- Increased participation in Wellness events by 44%.
- Assisted with 11 retirements and completed 7 research requests in preparation of PERS Service Credit applications.
- Coordinated and provided staff support for 3 meetings of the Civil Service Commission.
- Scheduled and coordinated required and professional training for supervisors and managers available at no cost to the City.

2011-2013 KEY OBJECTIVES

- Revise the application form and evaluate available systems for an online application process to improve convenience for applicants and achieve greater efficiency for staff by significantly reducing data entry requirements.
- Analyze survey data on advertising and cost history related to recruitments and implement ways to improve efficiency and reduce costs based on the findings. ●
- Complete a review of job descriptions, standardize the format, and create an access link on the departmental webpage.
- Assist in negotiations with the bargaining units for expiring labor contracts. ●
- Revise the employee performance evaluation form.

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.

2009-2011 ACCOMPLISHMENTS

- Prepared GASB 44 compliant CAFR.
- Participated in the sale of \$15M in bonds to finance first half of Measure H, the Parks, Library, and Pool Improvement Bond.
- Received excellence awards from GFOA and CSMFO for the City's 2009-11 Budget, and from GFOA for the CAFR.
- Implemented utility billing payments by credit card on-line for customer convenience and faster receipt of funds.
- Audited City's business licenses to make sure businesses are placed in the correct category and taxed appropriately per the Ordinance.
- Implemented GASB 54 which alters the categories and terminology used to describe the components of Fund Balance.
- Initiated scanning of all checks and automatic payment tickets for paperless backup of financial records.
- Completed institution of drought provisions for the water billing system and maintained the provisions for several months.
- Processed over 60,000 water billings and 3,500 building permit receipts.
- Issued over 2,800 business license annual renewals each year, including the processing of approximately 300 new licenses.
- Implemented new federal "red flag rules" to help prevent identity theft cases.
- Organized 15 years of payroll records for document storage.
- Implemented an automatic EFT payment system for customer water bills.
- Consolidated "on-line" payments from various banks to arrive in batch form.

2011-2013 KEY OBJECTIVES

- Implement new PERS payroll reporting requirements in FY 2012-13.
- Sell \$15M in bonds to finance second half of Measure H Parks, Library, and Pool Improvement Bond in FY 2012-13.
- Complete implementation of the City's fixed assets into the financial software system in FY 2011-12.
- Continue cross training of Finance staff to ensure adequate coverage for essential functions.
- Implement new fleet software program to assist with the budget process of rental fees on vehicles.
- Microfilm remaining permanent records to reduce necessity of paper retention and develop centralized Finance file system.

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.

2009-2011 KEY ACCOMPLISHMENTS

- Selected a vendor for City copiers and managed installation at City Hall, Police Department, Corpyard and Senior Center.
- Provided technical assistance and testing for downtown Wi-Fi project.
- Upgraded City's Financial/HR system (MUNIS) software to latest version.
- Coordinated with Finance and MUNIS on programming and testing changes for drought modifications in software.
- Upgraded MUNIS On-Line to enable access to Utility Billing on-line payments and account usage information from the City's website.
- Managed equipment removal and reinstallation of Police Dispatch Center systems during a major remodeling project while keeping essential dispatch systems fully functional throughout the process.
- Upgraded software for Police Department Emergency systems, including patrol cars.
- Added a Crime Reports search site to the City's website.
- Upgraded Internet speed throughout City Hall, Police Department, Corpyard and Water Treatment Plant.
- Upgraded City's document storage systems software.
- Upgraded City's permit software which involved integration of Planning and Engineering divisions into the system.
- Worked with Administration to develop and implement a new Technology User Fee to recover costs associated with the permit software upgrade.
- Replaced server at Senior Center.
- Installed Backup Disaster Recovery system for all Police systems.
- Created Facebook page for City of Martinez and Martinez – Dunbar Sister City.
- Coordinated activation of phone lines at the interim County Library in time for the move to this temporary location.

2011-2013 KEY OBJECTIVES

- Update all community videos on City website.
- Work with CCTV and other member cities on the use and scheduling of the Government access "City Channel."
- 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.
- Maintain audio/video equipment in the Council Chambers.
- 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. ●
- Assist with vendor selection and implementation of new fleet management software system.

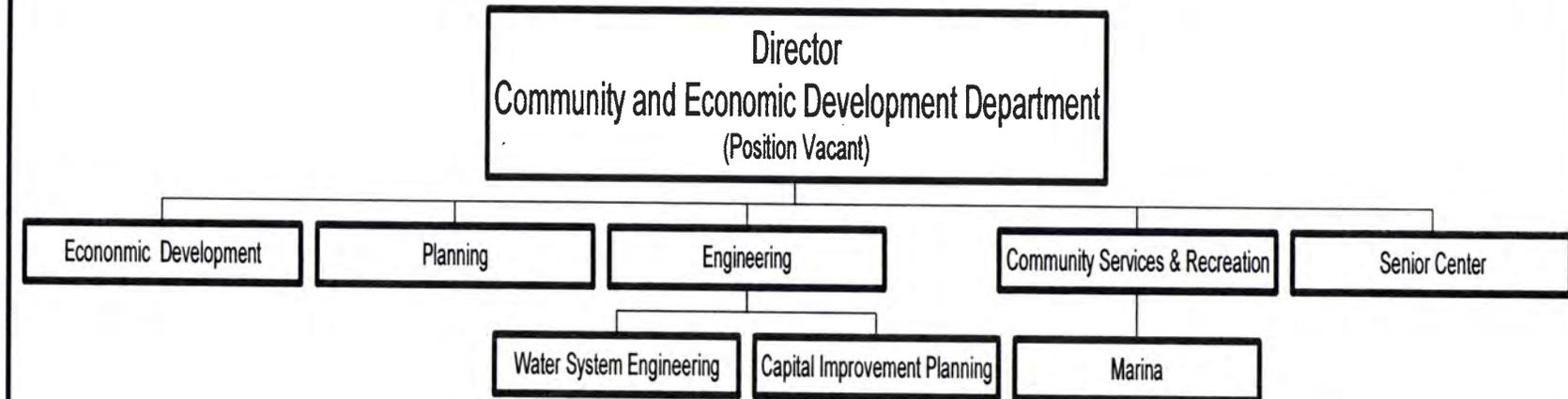
Budget for Fiscal Years 2011-12 and 2012-13

ADMINISTRATIVE SERVICES EXPENDITURES

	2009-10 Actual	2010-11 Projected	2011-12 Budget	<i>Increase (Decrease)</i>	2012-13 Budget	<i>Increase (Decrease)</i>
<i>Administrative Services</i>						
01 401 ADMINISTRATION						
Labor	223,361	280,817	314,801	33,984	306,791	(8,010)
Operating	95,102	43,859	22,200	(21,659)	22,844	644
Direct & Indirect Costs	(122,085)	(176,285)	(170,407)	5,878	(166,603)	3,804
TOTAL ADMINISTRATION	196,378	148,391	166,594	18,203	163,032	(3,562)
 01 404 FINANCE						
Labor	774,588	809,425	802,575	(6,850)	787,027	(15,548)
Operating	73,655	85,432	76,220	(9,212)	82,825	6,605
Direct & Indirect Costs	(456,295)	(426,253)	(446,828)	(20,575)	(442,252)	4,576
TOTAL FINANCE	391,948	468,604	431,967	(36,637)	427,600	(4,367)
 01 402 PERSONNEL						
Labor	116,551	124,006	127,592	3,586	124,839	(2,753)
Operating	51,229	73,744	71,894	(1,850)	72,074	180
Direct & Indirect Costs	(30,521)	(38,019)	(39,347)	(1,328)	(38,740)	607
TOTAL PERSONNEL	137,259	159,731	160,140	409	158,174	(1,966)
 TOTAL ADMINISTRATIVE SERVICES	\$ 725,585	\$ 776,726	\$ 758,701	\$ (18,025)	\$ 748,806	\$ (9,895)



Community and Economic Development Department





Community and Economic Development Department

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

Senior Center

Educational and Recreational Activities

Social Services and Activities

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. With the vacancy in the Department Director position, the functions of Economic Development, Planning Community Services and Recreation, and the Senior Center temporarily report to the City Manager and Assistant City Manager; Engineering temporarily reports to Public Works.

DEPARTMENT STAFFING

<u>Budgeted Positions</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Community Development Director	1.0	0.0	0.0	0.0
Planning Manager	1.0	1.0	0.0	0.0
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	0.0	0.0
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
	<u>13.8</u>	<u>12.8</u>	<u>10.8</u>	<u>10.8</u>

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. All primary Economic Development responsibilities are directly managed by the City Manager and Assistant City Manager due to the vacancy in the position of Assistant City Manager of Community and Economic Development.

2009-2011 ACCOMPLISHMENTS

- Completed the design and construction of the Marina Vista Streetscape and Utility Undergrounding Project, resulting in major enhancements to a primary downtown corridor.
- Completed “Economic Stimulus Program” fee reductions to encourage developers to initiate projects in Martinez within an 18-month period (September 2010 to March 2012).
- Selected tenants for both 330 and 360 Ferry Street (“Zocchi”) properties to provide expanded indoor use for basketball, volleyball, softball, and rugby/soccer.

2011-2013 KEY OBJECTIVES

- Collaborate with Chamber of Commerce and Main Street Martinez to promote economic development.
- Continue developing 330 and 360 Ferry Street (“Zocchi”) properties to expand recreation choices for the Martinez region, and secure long-term lease arrangements.
- Identify and secure developers for 610 and 630 Court Street, two cornerstone downtown properties which will attract future restaurant, retail, and office space.
- Complete design and scoping of 500 Main Street block realignment with participation from affected merchants to improve circulation, parking and aesthetics.
- Expand use of available digital media to promote the City, including Internet via City’s website, Facebook, and Twitter accounts; the free downtown wi-fi network; and the new government access “City Channel.”
- Create an Economic Development Corporation (EDC) to facilitate a public/private venture to provide seed funding for revitalizing downtown buildings and transforming the North Pacheco annexation area.

PLANNING

Planning serves as the point of entry for all private development in the City of Martinez and provides assistance to developers, business and property owners, and residents navigating the local land use and development regulatory process. This includes single-family property owners and residential production scale builders, as well as commercial and industrial property owners and developers. On a daily basis Planning Division staff assists the public with permit processing and interpretation of City regulations and policies related to the Zoning and Subdivision Ordinances. In long-range planning, staff provides assistance to the Planning Commission, the City Council, advisory committees, and other community groups involved directly or indirectly with land use and development policy, including updates to the City's General Plan and Housing Element. Staff also works with residents, business and property owners, community groups, developers, other City departments/divisions, and outside agencies with community problems, concerns, and opportunities. All primary Planning responsibilities report directly to the City Manager and Assistant City Manager due to the vacancy in the position of Assistant City Manager of Community and Economic Development.

2009-2011 ACCOMPLISHMENTS

- Adopted an updated Housing Element that was certified by the State Department of Housing and Community Development (HCD).
- Began the process of updating the City's 37-year old General Plan.
- Provided extensive staff support to the Planning Commission, Design Review Committee, and Zoning Administrator.
- Approved entitlements for a 49-unit affordable senior housing project for Resources Community Development (RCD) and a 42-unit multi-family project (Cascara Canyon).
- Continued processing an application for a 112-unit subdivision (Alhambra Highlands).
- Adopted a General Plan Land Use Map that memorialized all of the changes approved since the original Map was adopted in 1973.
- Adopted a new land use regulatory framework for a portion of Alhambra Valley located in unincorporated Contra Costa County and submitted an annexation application to Contra Costa Local Agency Formation Commission (LAFCO).
- Worked with Administrative Services to adopt a new land use regulatory framework for a portion of North Pacheco located in unincorporated Contra Costa County and submitted an annexation application to LAFCO.
- Completed the Downtown Infrastructure Planning and Design Study (ABAG FOCUS grant).
- Added "Community View" Geographic Information System (GIS) to the City's website to provide better service to the community.
- Activated the planning module of the City's electronic permit processing and tracking system (Accela).

2011-2013 KEY OBJECTIVES

- Complete the process of updating the City's existing General Plan in 2012.
- Continue with the long term comprehensive update of the City's Zoning Ordinance.
- Continue implementing the updated Housing Element programs.

- Continue modernizing and instituting best practices in the Planning Division to enable processing of land use and development permit applications in a timely and effective manner.
- Assist ABAG and MTC with the development of the newly required Sustainable Communities Strategy (SCS) of the Regional Transportation Plan (RTP).
- Continue processing the application of an 82-unit townhome development (Townhomes at Laurel Knoll).

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 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. With the vacancy in the Community and Economic Development Director position, the reporting responsibilities for Engineering have temporarily shifted to Public Works; however, the budget information for this division is still contained within the Community and Economic Development Department.

2009-2011 ACCOMPLISHMENTS:

- Implemented the City's two-year, \$15,608,000 Capital Improvement Program.
- Developed Hazard Mitigation Plan. ●
- Initiated Water Treatment Plant Master Plan.
- Obtained \$1,762,100 of Federal Stimulus money for our community, including an additional \$629,300 originally designated for the City of Concord. ●
- Utilized the City's web site to improve the flow of information to the public for Capital Improvement Program projects.
- Secured \$300,000 of Measure J funding for the Court Street Overcrossing project study. ●

2011-13 KEY OBJECTIVES

- Incorporate Clean Water and Transportation Elements as part of the City's General Plan update in FY 2011-12.
- Continue to utilize the City's web site to improve the flow of information to the public. ●
- Plan and design the Intermodal Phase III parking lot north of the Railroad tracks in FY 2011-12. ●
- Complete a scoping document for the Court Street Overcrossing identifying alternative access options, traffic circulation impacts to the downtown, and impacts to stakeholders including PG&E, Central Sanitary District, Marina operators and EBRPD in FY 2011-12. ●
- Participate in Contra Costa Transportation Authority (CCTA) activities to maintain compliance with Measure J and to ensure the City receives funding for our priority projects.
- Provide timely review of development plans.

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. 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. Please refer to Section 10: Enterprise Funds for a detailed overview of the marina. All primary Community Services and Recreation responsibilities report directly to the City Manager and Assistant City Manager due to the vacancy in the position of Assistant City Manager of Community and Economic Development.

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

2009-2011 ACCOMPLISHMENTS

- Implemented Phase I Measure H Projects, including construction of the new Rankin Park Swimming Pool and renovation of the Martinez Library and Nancy Boyd Park Building.
- Provided interim library services at the Old Train Depot during the eight months the library was closed.
- Relocated the City aquatics programs and Martinez Community Swim Team to the Alhambra High School Pool.
- Expanded the summer Playgrounds/Day Camp program by adding the Get Up and Go Camp featuring local field trips.
- Re-organized the Library, Marina, Arts/ Culture and Recreation and Park Commissions into one Commission in Fall 2009.
- Created a Park User Fee Subsidy policy in summer of 2010.
- Acquired and installed two Automated External Defibrillators and provided essential training for City staff.

2011-2013 KEY OBJECTIVES

- Program and open the new Rankin Pool Facility in Summer 2011. ●
- Create and implement use policy for the new downstairs space in the Martinez Library by Spring 2012.

- Amend Parks Master plan to include non-park facilities by Fall 2012.
- Explore the need for a dog park amenity in Martinez in Summer 2011.
- Continue with implementation and planning of Phase II Measure H projects. ●

SENIOR CENTER

The objective of the Martinez Senior Community Center is to promote educational, recreational and social opportunities and services that meet the needs of the senior citizens of Martinez and surrounding cities. To meet this objective, the Center offers a variety of innovative, entertaining and engaging programs, activities, and services for members ages 50 and older. All primary Senior Center responsibilities report directly to the City Manager and Assistant City Manager due to the vacancy in the position of Assistant City Manager of Community and Economic Development.

2009-2011 ACCOMPLISHMENTS

- Replaced interior “floating walls” that divide the rooms and recess into the walls as both an aesthetic and safety issue.
- Completed a new shelving and storage project, including constructing a rail system for safety and more efficient storage of round tables.
- Replaced all exterior lights for safety and security reasons.
- Repaired the automatic sprinkler system, added a special “K” rating fire extinguisher in the kitchen, and replaced all extinguishers in accordance with the fire inspector’s request.
- Added new classes geared towards attracting younger seniors, such as Jazzercise, expanded Tai Chi classes and Zumba Gold.
- Coordinated numerous “active” trips involving walking, hiking, and biking activities, to locations such as England and Hawaii.

2011-2013 KEY OBJECTIVES

- Create an action plan to meet the transportation needs of seniors in Martinez with a plan of action by August 2011 and implementation of a Senior Center van by September 2012.
- Further develop and expand the “Let’s Be Informed” program series which offers interesting and informative workshops and seminars of interest to seniors in 2011.
- Continue to recruit younger seniors by increasing offerings geared toward this group, including active trips and physical fitness classes in anticipation of baby boomers reaching age 65 at a rate of 8,000 per day.
- Continue to improve the Senior Center building by upgrading office furniture to a more modern style by the end of 2011.

LARGEST CITY PARKS OVERVIEW

Rankin Park – The City's best known and largest park (42 acres). At the entranceway is brand new ADA accessible swimming complex with two pools. One pool includes a diving tank and eight lanes for lap swimming. The Recreational Pool has a teaching area with a play and spray structure. In the summer of 2011, the park and Tavan Ball Field will undergo a complete renovation thanks to Measure H Funding. New picnic facilities, bathrooms, playgrounds, and pathways will be built. 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.

Budget for Fiscal Years 2011-12 and 2012-13

COMMUNITY & ECONOMIC DEVELOPMENT EXPENDITURES

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
<i>Community Development</i>						
01 701 COMMUNITY DEVELOPMENT ADMIN						
Labor	314,029					
Operating	20,496	18,046	2,000	(16,046)	2,000	
Direct & Indirect Costs	39,193	38,123	36,985	(1,138)	37,123	137
TOTAL COMMUNITY DEVELOPMENT ADM	<u>373,718</u>	<u>56,169</u>	<u>38,985</u>	<u>(17,184)</u>	<u>39,123</u>	<u>137</u>
01 702 ECONOMIC DEVELOPMENT						
Labor						
Operating	33,987	28,516	110,029	81,513	110,054	25
Direct & Indirect Costs						
TOTAL ECONOMIC DEVELOPMENT	<u>33,987</u>	<u>28,516</u>	<u>110,029</u>	<u>81,513</u>	<u>110,054</u>	<u>25</u>
01 703 PLANNING						
Labor	498,216	531,737	449,399	(82,338)	353,881	(95,518)
Operating	(5,260)	(24,817)	21,809	46,626	81,974	60,165
Direct & Indirect Costs	27,895	34,740	8,904	(25,836)	8,937	33
TOTAL PLANNING	<u>520,851</u>	<u>541,660</u>	<u>480,111</u>	<u>(61,549)</u>	<u>444,792</u>	<u>(35,320)</u>
01 704 ENGINEERING						
Labor	790,675	809,909	653,353	(156,556)	642,024	(11,330)
Operating	(188,768)	(260,223)	(305,066)	(44,843)	(328,613)	(23,547)
Direct & Indirect Costs	(179,316)	(165,496)	(68,846)	96,650	(38,791)	30,054
TOTAL ENGINEERING	<u>422,591</u>	<u>384,190</u>	<u>279,442</u>	<u>(104,748)</u>	<u>274,620</u>	<u>(4,822)</u>
01 801 COMMUNITY SERVICES ADMIN						
Labor	232,962	309,826	317,157	7,331	287,052	(30,105)
Operating	102,255	48,774	49,868	1,094	50,246	378
Direct & Indirect Costs	43,753	39,579	41,288	1,709	41,442	153
TOTAL COMMUNITY SERVICES ADMIN	<u>378,970</u>	<u>398,179</u>	<u>408,313</u>	<u>10,134</u>	<u>378,740</u>	<u>(29,573)</u>

Budget for Fiscal Years 2011-12 and 2012-13

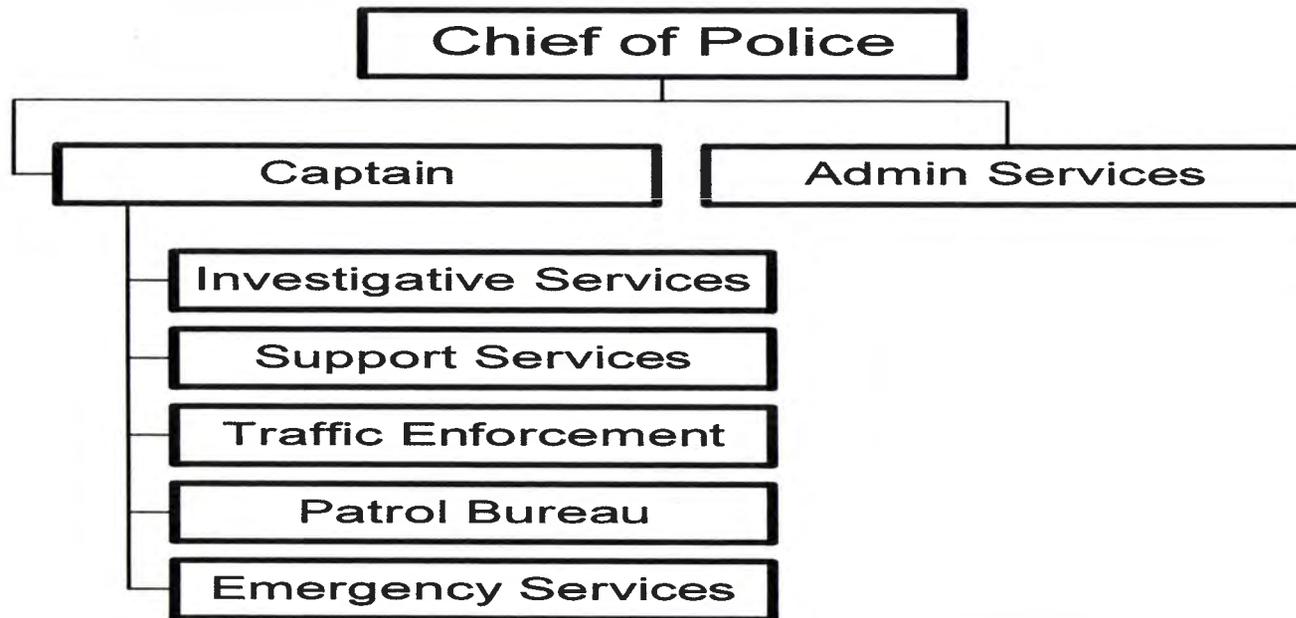
	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
01 802 CULTURAL AND ARTS						
Operating	103,035	24,570	7,325	(17,245)	7,325	
Direct & Indirect Costs						
TOTAL CULTURAL AND ARTS	<u>103,035</u>	<u>24,570</u>	<u>7,325</u>	<u>(17,245)</u>	<u>7,325</u>	
01 803 GENERAL RECREATION						
Labor	43,239	39,393	47,485	8,092	47,118	(367)
Operating	20,149	26,262	25,575	(687)	25,748	173
Direct & Indirect Costs						
TOTAL GENERAL RECREATION	<u>63,388</u>	<u>65,655</u>	<u>73,060</u>	<u>7,405</u>	<u>72,866</u>	<u>(194)</u>
01 804 MUNICIPAL SWIMMING POOL						
Labor	41,109	10,540	65,686	55,146	64,935	(751)
Operating	34,805	5,419	111,380	105,961	111,708	328
Direct & Indirect Costs						
TOTAL MUNICIPAL SWIMMING POOL	<u>75,914</u>	<u>15,959</u>	<u>177,066</u>	<u>161,107</u>	<u>176,643</u>	<u>(423)</u>
01 805 AMPHITHEATER						
Labor						
Operating	13,758	11,564	11,722	158	11,728	6
Direct & Indirect Costs						
TOTAL AMPHITHEATER	<u>13,758</u>	<u>11,564</u>	<u>11,722</u>	<u>158</u>	<u>11,728</u>	<u>6</u>
01 806 DAY CARE						
Labor						
Operating	48,315	64,149	54,053	(10,096)	54,055	2
Direct & Indirect Costs						
TOTAL DAY CARE	<u>48,315</u>	<u>64,149</u>	<u>54,053</u>	<u>(10,096)</u>	<u>54,055</u>	<u>2</u>
01 808 SPORTS PROGRAMS						
Labor	36,018	39,729	39,638	(91)	39,185	(453)
Operating	32,943	41,281	41,466	185	41,617	151
Direct & Indirect Costs						
TOTAL SPORTS PROGRAMS	<u>68,961</u>	<u>81,010</u>	<u>81,104</u>	<u>94</u>	<u>80,802</u>	<u>(302)</u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Projected</u>	<u>2011-12</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>	<u>2012-13</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>
01 809 SENIOR CITIZEN PROGRAMS						
Labor	235,149	245,339	240,051	(5,288)	235,070	(4,980)
Operating	64,619	72,922	66,165	(6,757)	67,133	968
Direct & Indirect Costs	5,188	7,524		(7,524)		
TOTAL SENIOR CITIZEN PROGRAMS	<u>304,956</u>	<u>325,785</u>	<u>306,216</u>	<u>(19,569)</u>	<u>302,203</u>	<u>(4,012)</u>
01 809.1 ALZHEIMER RESPITE						
Labor	9,408	8,523	9,287	764	9,180	(106)
Operating	391	2,538	2,488	(50)	2,523	35
TOTAL ALZEIMER RESPITE	<u>9,799</u>	<u>11,061</u>	<u>11,774</u>	<u>713</u>	<u>11,704</u>	<u>(71)</u>
TOTAL COMMUNITY DEVELOPMENT	<u>\$ 2,418,243</u>	<u>\$ 2,008,467</u>	<u>\$ 2,039,202</u>	<u>\$ 30,735</u>	<u>\$ 1,964,655</u>	<u>\$ (74,547)</u>



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

Patrol Bureau

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

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

<u>Budgeted Positions</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Police Chief	1.0	1.0	1.0	1.0
Police Captain			1.0	1.0
Police Commander	2.0	1.0		
Police Lieutenant		2.0	2.0	2.0
Police Sergeant	6.0	5.0	5.0	5.0
Police Officer	30.0	30.0	28.0	28.0
Records Supervisor	1.0	1.0	1.0	1.0
Dispatch Supervisor	1.0	1.0	1.0	1.0
Police Dispatcher	8.0	8.0	7.0	7.0
Administrative Secretary	1.0	1.0	1.0	1.0
Police Assistant	4.0	4.0	4.0	4.0
Records Clerk	2.0	2.0	1.0	1.0
	<u>56.0</u>	<u>56.0</u>	<u>52.0</u>	<u>52.0</u>

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.

2009-2011 ACCOMPLISHMENTS

- Developed Volunteer in Police Services (VIPS) Program.
- Developed Internet Safety Class and partnered with Martinez Unified School District (MUSD) to present class to 5th, 6th and 7th graders and their parents.
- Established off-site records back-up system for all Police Department records and systems.
- Updated City Emergency Operations Plan to comply with National Incident Management System (NIMS) and Standardized Emergency Management System (SEMS) requirements.
- Completed FEMA and NIMS required training for all police managers and sergeants relating to Disaster Preparedness.
- Increased the size of Community Emergency Response Team (CERT) to more than 120 members, including high school students.
- Completed Pre-Incident Aerial Photography Survey Plans of key sites (schools, hospitals and government facilities) and integrated into daily police operations and information management systems.
- Equipped all police officers with Electronic Control Devices (Tasers) to reduce injuries with combative or resistive subjects.
- Equipped all police officers with digital cameras to be used in criminal investigations and to be downloaded into the Record Management System (RMS).
- Utilized Federal Justice Assistance Grant (JAG) to purchase a state of the art Mobile Command Center to be used in the event of an emergency of disaster.
- Purchased and deployed a new radar trailer that has the ability to count vehicles and conduct speed surveys.
- Utilized technology to increase communication with the community by implementing an online crime mapping system.
- Increased community interaction by implementing Nixle to e-mail information to citizens.
- Implemented POST-approved DVD facilitation training for supervisors to reduce the need and cost of outside training.
- Began implementing Neighborhood Policing Initiative to increase police-citizen interaction.
- Restructured administration to support the Neighborhood Policing Initiative.

2011-2013 KEY OBJECTIVES

- Develop a narrow banding plan for utilization of police communications in advance of the FCC mandatory requirements in 2012.
- Establish narrow banding for existing radios if East Bay Regional Communications System Authority (EBRCSA) is not functional by July 2012.
- Develop efficient processing of taxi permits, including publication of procedures and information on City website by August 2011.
- Evaluate opportunities for consolidation of supervisory responsibilities for efficiency in all areas by January 2012.
- Purchase eighty-three (83) 700 MHZ car radios and handheld portable radios by July 2012.
- Conduct community survey by July 2013 to measure impact of Neighborhood Policing Initiative.
- Implement Community Court Initiative by August 2011.
- Send new managers to management training in FY 2011-12.

INVESTIGATIVE SERVICES

Investigative Services is responsible for major criminal investigations. The Bureau 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.

2009-2011 ACCOMPLISHMENTS

- Increased self-initiated activity on investigations of drug cases, alcohol violations and property crimes.
- Increased computer forensic investigations through development of C4 – a multi-jurisdictional computer crimes investigations group – to conduct forensics analysis, and other high technology investigations, especially in cases involving domestic violence and child pornography.
- Worked with patrol division to improve communication and productivity in the area of identity theft and sexual crimes.
- Completed one of the most intricate identity theft investigations involving credit card scamming devices resulting in several arrests and convictions.

2011-2013 KEY OBJECTIVES

- Develop an electronic bulletin to retrieve and maintain gang and other intelligence information which can be easily accessed by patrol and investigations by July 2012.
- Perform quarterly Penal Code Section 290 residency checks to ensure sex offenders are in compliance with registration requirements.
- Conduct a bureau enforcement day each month to reinforce top priorities that will address high visibility issues and serve the immediate needs of the City.
- In conjunction with the Department of Justice, host a POST-certified Advanced Crime Scene Class in FY 2012-13.
- Continue DVD presentations for POST training credit for all members of the police department.

SUPPORT SERVICES

Support Services consists of the Records Bureau and Dispatch Bureau. Dispatchers are responsible for police dispatching and records personnel are responsible for report transcription, records control and confidentiality issues involving police reports. The Records Bureau also staffs the front counter and has direct contact with the general public.

2009-2011 ACCOMPLISHMENTS

- Reduced Dispatch overtime by 60% in FY 2009-10.
- Dispatched 5228 priority 1 calls in FY 2009-10, with an average wait time of less than 2 minutes.
- Dispatched 7566 priority 2 calls in FY 2009-10, with an average wait time of less than 2 minutes.
- Dispatched 3695 priority 1 calls in FY 2010-11, with an average wait time of less than 3 minutes.
- Dispatched 4764 priority 2 calls in FY 2010-11, with an average wait time of less than 3 minutes.

2011-2013 KEY OBJECTIVES

- Increase the number of citations processed by 15%.
- Continue to assume additional tasks in Dispatch in an attempt to help other divisions within the department.
- Evaluate additional ways to further reduce Dispatch overtime.
- Develop a strategy to reduce overtime related to unnecessary court appearances by officers by meeting with the District Attorney's office by December 2011.
- Work with RMS vender to improve accuracy of response time data collection by January 2012.
- Develop a plan to consolidate supervision of the bureaus by January 2012.

TRAFFIC ENFORCEMENT

Traffic enforcement activities are patrol bureau functions. Police personnel are 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.

2009-2011 ACCOMPLISHMENTS

- Increased safe driving and sobriety awareness by conducting five DUI checkpoints and contacting 2,500 drivers.
- Reduced DUI-related accidents by 9%.

2011-2013 KEY OBJECTIVES

- Develop strategies to address traffic-related complaints raised in the public forum. ●
- Increase traffic enforcement contacts by 20% to reduce injury accidents by 10% by July 2012 ●
- Reduce the number of DUI-involved accidents by an additional 15%. ●
- Submit grant proposal to California Office of Traffic Safety and other agencies to secure funds to afford officers the ability to provide directed enforcement by January 2012. ●

PATROL BUREAU (FORMERLY FIELD SERVICES)

The Patrol Bureau is part of the Operations and Services Division and is responsible for all uniformed patrol within the City of Martinez. Police officers respond to calls for service 24 hours a day. Police officers are also responsible, in part, for working on issues that impact their Neighborhood Policing Area (NPA). This might include neighborhood watch, meetings, group discussions, foot patrol, park, and bicycle patrols. The NPA approach seeks to expand partnerships with individuals, businesses and the community as a whole.

2009-2011 ACCOMPLISHMENTS

- Worked with neighborhood groups, businesses, and other City departments to identify and address problems/issues identified by residents and businesses.
- Graduated six new police officers in FY 2009-10 through the FTO program.
- Addressed numerous traffic concerns raised at town hall neighborhood council meetings in FY 2010-11.

2011-2013 KEY OBJECTIVES

- Ensure each officer assigned to patrol has selected a Neighborhood Policing Area by July 2011.
- Develop mechanism/system to track the number of neighborhood meetings by July 2011.
- Develop and implement a new employee mentorship program by January 2012.
- Reduce accidents by 10% through increased traffic enforcement in high collision areas by July 2012.
- Increase DUI enforcement by 15% by dedicating extra patrol officers to DUI enforcement July 2012.
- Sponsor "National Night Out" program in FY 2012-13.

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 and coordinating with other agencies such as County Fire and the County Sheriff's Office.

2009-2011 ACCOMPLISHMENTS

- Completed update of the City Emergency Operations Plan.
- Conducted emergency operations training with all City employees.
- Created a new emergency notification system for City employees in the event of a disaster response.

2011-2013 KEY OBJECTIVES

- Continue emergency operations training for all City employees. ●
- Update the Emergency Operations Center (EOC) located within the Police Department through grant funding opportunities. ●
- Improve communication capabilities in the mobile command vehicle. ●
- Conduct a large scale "table top" exercise involving all City departments by September 2011. ●

Budget for Fiscal Years 2011-12 and 2012-13

POLICE DEPARTMENT EXPENDITURES

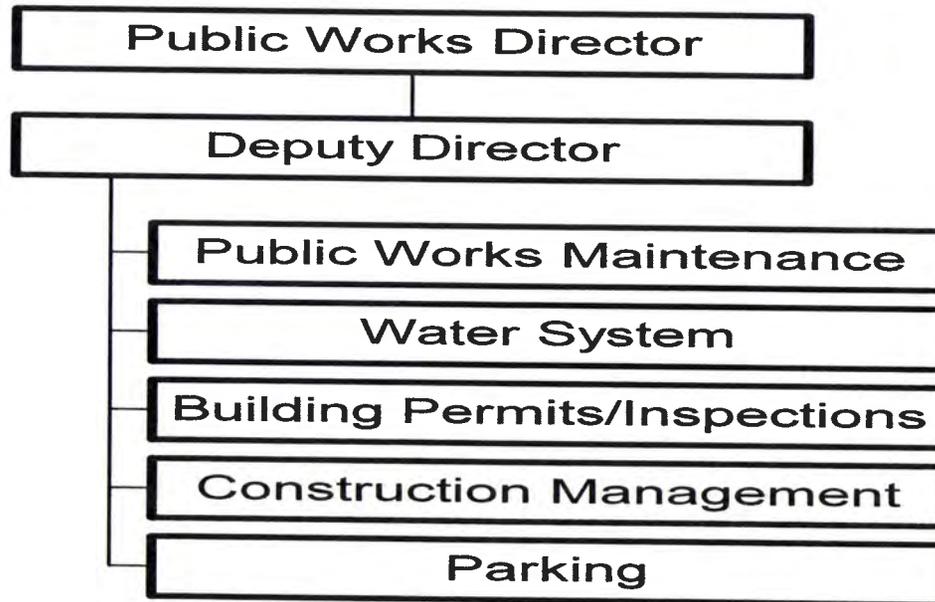
	2009-10 Actual	2010-11 Projected	2011-12 Budget	Increase (Decrease)	2012-13 Budget	Increase (Decrease)
<i>Police Services</i>						
01 601 POLICE ADMINISTRATION						
Labor	463,011	411,884	481,684	69,800	491,232	9,548
Operating	698,047	676,745	842,674	165,929	850,218	7,543
Capital						
Direct & Indirect Costs	232,394	234,606	198,639	(35,967)	199,061	422
TOTAL POLICE ADMINISTRATION	1,393,452	1,323,235	1,522,997	199,762	1,540,510	17,513
01 602 INVESTIGATIVE SERVICES						
Labor	1,008,763	913,500	933,127	19,627	928,212	(4,915)
Operating	103,600	52,273	62,109	9,836	60,436	(1,673)
Direct & Indirect Costs						
TOTAL INVESTIGATIVE SERVICES	1,112,363	965,773	995,235	29,462	988,648	(6,588)
01 603 SUPPORT SERVICES						
Labor	1,409,501	1,287,713	1,313,264	25,551	1,291,880	(21,384)
Operating	137,381	149,604	186,680	37,076	215,965	29,285
Capital						
Direct & Indirect Costs	(18,487)	(19,338)	(17,746)	1,592	(17,607)	139
TOTAL SUPPORT SERVICES	1,528,395	1,417,979	1,482,198	64,219	1,490,238	8,040
01 604 TRAFFIC ENFORCEMENT						
Labor	547,480	379,639	717,333	337,694	711,061	(6,271)
Operating	55,878	43,923	44,584	661	45,964	1,380
Direct & Indirect Costs	(100,008)	(141,390)	(89,342)	52,048	(91,668)	(2,326)
TOTAL TRAFFIC ENFORCEMENT	503,350	282,172	672,575	390,403	665,358	(7,217)

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Projected</u>	<u>2011-12</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>	<u>2012-13</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>
01 605 PATROL BUREAU						
Labor	4,877,804	5,367,390	4,932,788	(434,602)	4,901,205	(31,583)
Operating	520,497	480,790	420,906	(59,884)	444,777	23,871
Capital						
Direct & Indirect Costs	(61,167)	(63,651)	(55,061)	8,590	(54,470)	590
TOTAL PATROL BUREAU	<u>5,337,134</u>	<u>5,784,529</u>	<u>5,298,633</u>	<u>(485,896)</u>	<u>5,291,511</u>	<u>(7,122)</u>
01 607 EMERGENCY SERVICES						
Labor						
Operating	36,750	15,848	13,998	(1,850)	13,998	
TOTAL EMERGENCY SERVICES	<u>36,750</u>	<u>15,848</u>	<u>13,998</u>	<u>(1,850)</u>	<u>13,998</u>	
TOTAL POLICE SERVICES FUNCTION	<u>\$ 9,911,444</u>	<u>\$ 9,789,536</u>	<u>\$ 9,985,637</u>	<u>\$ 196,101</u>	<u>\$ 9,990,263</u>	<u>\$ 4,626</u>



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 programs.

DEPARTMENT STAFFING

<u>Budgeted Positions</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
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	0.0	0.0	0.0	0.0
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 II	1.0	1.0	1.0	1.0
	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>6.0</u>

(Staffing summary continued on next page)



Public Works Department

Public Works

(Continued from previous page)

Maintenance

Fleet Management

Water Quality and Availability*

Water System Treatment*

Water Inspection and Security*

Water System Maintenance*

Water System Distribution*

Parking Meter Collections*

DEPARTMENT STAFFING

Budgeted Positions

Public Works Superintendent

Maintenance Supervisor

Maintenance Lead Worker

Maintenance Worker

General Laborer

Equipment Mechanic**

Account Technician II

Senior Custodian

Park Supervisor

Park Lead Caretaker

Park Caretaker***

2009-10

2010-11

2011-12

2012-13

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21.0

Totals from previous page

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7.0

7.0

6.0

Department totals

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29.0

27.0

27.0

*see Enterprise Funds for details

**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.

2009-2011 ACCOMPLISHMENTS

- Conducted public hearings for the adoption and implementation of the 2010 California Building Codes including the new Green Building Code.
- Conducted in-house staff training for new 2010 California Building Codes.
- Adopted an ordinance to require unreinforced masonry buildings to be retrofitted.
- Implemented a new version of the Accela permit issuing program.
- Performed plan checking and inspection for all projects within the city limits.
- Issued over 1,900 permits for the construction, alteration, repair and demolition of buildings within the city.
- Conducted over 1,100 public works inspections for work in the public right of way.

2011-2013 KEY OBJECTIVES

- Continue to provide in-house plan checking for conformance with State and local codes.
- Work with property owners to comply with provisions of the Unreinforced Masonry (URM) building ordinance.
- Continue to implement new clean water laws and regulations as applicable to new construction.
- Train staff members so that Certified Access Specialist Program (CASP) certification is obtained within the next two years
- Continue to provide excellent customer service for inspection and plan checking activities.
- Continue to maintain an outstanding employee safety record.

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.

2009-2011 ACCOMPLISHMENTS

- Received over 500 complaint cases in 2010, and closed all but 36 cases through compliance.
- Resolved approximately 20 Code Enforcement cases involving hazardous materials, encroachment issues, health and safety violations, building code violations, and permitted land use that required State, County, and Local Agencies participation to gain compliance by property owners.
- “Red Tagged” six structures as uninhabitable, with all properties properly secured and maintained free of debris.
- Participated in Contra Costa Clean Water Program, processed ten violations of contaminants into the Storm Drain and Creek systems this year.
- Removed in excess of 200 illegally placed advertisement signs (poster board type) from right of ways and telephone poles.

2011 – 2013 KEY OBJECTIVES

- Join and utilize “ForeclosureRadar” Service to gain access to title research for vacant residences as a result of “walk-away” and foreclosures.
- Investigate utilizing Health and Safety “receiverships” as a remedy to address recurring blighted properties caused by incompetent, irresponsible, or cash-strapped owners and banks.
- Work with Community and Economic Development Department to review current ordinances pertaining to guidelines for political signs.

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.

2009-2011 ACCOMPLISHMENTS

- Managed and inspected the City's Capital Improvement projects, including the Martinez Library Renovation and new Rankin Aquatic Complex; 2009 Water Main Replacement Project; Federal Aid Arterial Pavement Management project; annual street rehabilitation project; Marina Vista Streetscape Project; and Highland Park and Nancy Boyd Park tree removal projects.
- Inspected all encroachment right-of-way and utility work in the city.
- Inspected improvements for private developments which include all infrastructure and site work associated with the projects.
- Temporarily relocated the Martinez Library to the Old Train Depot during the renovation project.
- Maintained a perfect safety record with no employee injuries.

2011-2013 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.
- Continue to maintain an outstanding employee safety record.
- Provide staff training in new storm water management inspection regulations affecting private and public works projects.

PUBLIC WORKS MAINTENANCE

Public Works Maintenance 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 Maintenance 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.

2009-2011 ACCOMPLISHMENTS:

- Divided parks crews into smaller groups for better coverage and efficiency city wide.
- Purchased second lawn mower for South side of city to increase efficiency and time.
- Provided input for the scoping and development of Measure H projects.
- Finished installation of five new water sampling stations throughout the city.
- Completed several key improvements to the Boys and Girls' Club including new sidewalks and handicap accessible entrance ramps, new double pane windows, and repairs to stucco with added foam design treatments.
- Installed new meter and backflow device for the Martinez Adult School.
- Worked with Contractors in assisting with shut downs and upgrades to the Water System CIP project in 2009-10.
- Completed three major storm drain repairs in 2010.
- Restored the irrigation well at Hidden Valley Park to full capacity and utilized well water to irrigate at the park throughout the summer of 2010 during a period of severe drought conditions.
- Encouraged employees to offer new ideas for the employee safety program. Worker injury claims continue to decline with only minor injuries experienced.
- Revised the Hazardous Waste Response Plan mandated by Contra Costa County and provided updated employee training.

2011-2013 KEY OBJECTIVES:

- Replace several downtown sidewalks in the summer of 2011. ●
- Create a priority list to upgrade and maintain storm drains throughout the City in anticipation of the new Flusher Vector truck. ●
- Begin major striping and stencil campaign in the summer of 2011. ●
- Pursue the approval and installation of street improvements to Main Street, including decorative enclosures for newspaper boxes and possible enhancement to the Main Street plaza wall. ●
- Work with engineering to consider irrigation wells in several park locations such as Nancy Boyd, Hidden Lakes and Golden Hills.

- Continue to upgrade park maintenance services by utilizing proposed equipment upgrades throughout the next several years.
- Install and train personnel on new Fleet management software to better control life cycle equipment and vehicle maintenance costs, which will also help Finance with management of information needed to control budgeting and insurance costs.
- Work with engineering to create a CIP wish list for water line replacements and valve enhancements for the fall of 2011.
- Training additional personnel to enhance the emergency call out pool.
- Continue to assist with park bond improvements.
- Take over facility maintenance responsibilities at the remodeled Library and the new City swimming pool at Rankin Park.
- Take over the Marina Vista Landscape agreement in the summer of 2011.
- Run power and add a circulation pump to the upper lake at Hidden Valley Park in FY 2012-13.

Budgets for Fiscal Years 2011-2012 and 2012-2013

PUBLIC WORKS DEPARTMENT EXPENDITURES

	2009-10 Actual	2010-11 Projected	2011-12 Budget	<i>Increase (Decrease)</i>	2012-13 Budget	<i>Increase (Decrease)</i>
<i>Public Works Department</i>						
01 502 INSPECTION						
Labor	889,119	931,105	900,814	<i>(30,291)</i>	882,552	<i>(18,262)</i>
Operating	(866)	(107,645)	(119,718)	<i>(12,073)</i>	(114,335)	5,384
Direct & Indirect Costs	(139,121)	(148,511)	(121,954)	26,557	(127,956)	<i>(6,003)</i>
TOTAL INSPECTION	749,133	674,949	659,142	<i>(15,807)</i>	640,261	<i>(18,882)</i>
01 503 CODE ENFORCEMENT						
Labor	106,255	109,706	107,325	<i>(2,381)</i>	40,186	<i>(67,139)</i>
Operating	13,989	18,190	13,132	<i>(5,058)</i>	1,546	<i>(11,587)</i>
Direct & Indirect Costs	8,410	9,676	4,452	<i>(5,224)</i>	4,469	17
TOTAL CODE ENFORCEMENT	128,654	137,572	124,910	<i>(12,662)</i>	46,200	<i>(78,709)</i>
01 710 TRAFFIC CONTROL MAINTENANCE						
Operating	161,847	129,685	141,285	11,600	141,285	
Direct & Indirect Costs	105,626	99,481		<i>(99,481)</i>		
TOTAL TRAFFIC CONTROL MAINT.	267,473	229,166	141,285	<i>(87,881)</i>	141,285	
01 712 STREET LIGHTING						
Operating	308,965	320,300	317,000	<i>(3,300)</i>	317,000	
Direct & Indirect Costs	38,409	36,175	10,337	<i>(25,838)</i>	10,335	<i>(3)</i>
TOTAL STREET LIGHTING	347,374	356,475	327,337	<i>(29,138)</i>	327,335	<i>(3)</i>
01 720 PARKS GROUNDS MAINTENANCE						
Labor	990,487	1,027,438	922,396	<i>(105,042)</i>	927,864	5,468
Operating	374,953	370,619	397,077	26,458	442,349	45,273
Capital						
Direct & Indirect Costs	(103,540)	(96,456)	(76,252)	20,204	(77,913)	<i>(1,662)</i>
TOTAL PARK GROUNDS MAINT.	1,261,900	1,301,601	1,243,221	<i>(58,380)</i>	1,292,301	49,079

Budgets for Fiscal Years 2011-2012 and 2012-2013

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Projected</u>	<u>2011-12</u> <u>Budget</u>	<i>Increase</i> <i>(Decrease)</i>	<u>2012-13</u> <u>Budget</u>	<i>Increase</i> <i>(Decrease)</i>
01 723 CEMETERY MAINTENANCE						
Operating	5,774	5,938	2,655	(3,283)	2,691	36
Direct & Indirect Costs						
TOTAL CEMETERY MAINTENANCE	<u>5,774</u>	<u>5,938</u>	<u>2,655</u>	<u>(3,283)</u>	<u>2,691</u>	<u>36</u>
01 724 OPEN SPACE MAINTENANCE						
Operating	51,246	50,584	55,137	4,553	55,137	
Direct & Indirect Costs	106,214	96,456	76,252	(20,204)	77,913	1,662
TOTAL OPEN SPACE MAINTENANCE	<u>157,460</u>	<u>147,040</u>	<u>131,389</u>	<u>(15,651)</u>	<u>133,050</u>	<u>1,662</u>
01 730 PUBLIC FACILITIES MAINTENANCE						
Operating	115,246	162,770	143,175	(19,595)	143,166	(9)
Direct & Indirect Costs	60,901	58,851	65,301	6,450	65,342	41
TOTAL PUBLIC FACILITIES MAINT.	<u>176,147</u>	<u>221,621</u>	<u>208,476</u>	<u>(13,145)</u>	<u>208,508</u>	<u>32</u>
01 790 CITY HALL BUILDING MAINTENANCE						
Labor	139,327	140,124	122,224	(17,900)	121,799	(425)
Operating	463,808	447,595	436,494	(11,101)	439,036	2,541
Direct & Indirect Costs	(603,135)	(587,719)	(558,719)	29,000	(560,834)	(2,116)
TOTAL BUILDING MAINTENANCE	<u>(603,135)</u>	<u>(587,719)</u>	<u>(558,719)</u>	<u>29,000</u>	<u>(560,834)</u>	<u>(2,116)</u>
01 791 MAINTENANCE SERVICES						
Labor	1,122,533	1,176,387	937,600	(238,787)	1,010,308	72,708
Operating	(188,916)	(175,578)	(111,684)	63,894	(133,961)	(22,277)
Direct & Indirect Costs	(333,968)	(299,640)	(158,416)	141,224	(160,084)	(1,667)
TOTAL MAINTENANCE SERVICES	<u>599,649</u>	<u>701,169</u>	<u>667,499</u>	<u>(33,670)</u>	<u>716,264</u>	<u>48,764</u>
TOTAL PUBLIC WORKS DEPARTMENT	<u>\$ 3,693,564</u>	<u>\$ 3,775,531</u>	<u>\$ 3,505,914</u>	<u>\$ (269,617)</u>	<u>\$ 3,507,893</u>	<u>\$ 1,979</u>



Enterprise Funds

Community and Economic Development Department

Community Services & Recreation

Marina

Public Works Department

Water System Treatment & Meters

Parking Services



Enterprise Funds

	Enterprise Funds																																																																						
<p>Water System Water Quality and Availability Water System Treatment Water Inspection and Security Water System Maintenance Water System Distribution</p> <p>Marina Site Improvements and Revitalization Lease Management Dredging and Breakwater</p> <p>Parking Services Parking Meters Citations and Enforcement Meter Maintenance and Collection</p>	<p>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.</p> <p style="text-align: center;">WATER SYSTEM STAFFING</p> <p><i>Water System Operations</i></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Budgeted Positions</u></th> <th style="text-align: center;"><u>2009-10</u></th> <th style="text-align: center;"><u>2010-11</u></th> <th style="text-align: center;"><u>2011-12</u></th> <th style="text-align: center;"><u>2012-13</u></th> </tr> </thead> <tbody> <tr> <td>Water Superintendent</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Assistant Water Superintendent</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Administrative Aide II</td> <td></td> <td></td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Senior Meter Service Worker</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Meter Service Worker</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">2.0</td> </tr> <tr> <td>Meter Repair Worker</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Senior Instrument Technician</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Instrument Technician</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Water Operations Supervisor</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">1.0</td> </tr> <tr> <td>Water Plant Operator II</td> <td style="text-align: center;">3.0</td> <td style="text-align: center;">3.0</td> <td style="text-align: center;">3.0</td> <td style="text-align: center;">3.0</td> </tr> <tr> <td>Water Plant Operator I</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">2.0</td> <td style="text-align: center;">2.0</td> </tr> <tr> <td>Water Plant Operator in Training</td> <td style="text-align: center;">0.0</td> <td style="text-align: center;">0.0</td> <td style="text-align: center;">0.0</td> <td style="text-align: center;">0.0</td> </tr> <tr> <td></td> <td style="text-align: center; border-top: 1px solid black;">14.0</td> <td style="text-align: center; border-top: 1px solid black;">14.0</td> <td style="text-align: center; border-top: 1px solid black;">15.0</td> <td style="text-align: center; border-top: 1px solid black;">15.0</td> </tr> </tbody> </table> <p style="text-align: right; margin-top: 5px;">(continued on next page)</p>	<u>Budgeted Positions</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	Water Superintendent	1.0	1.0	1.0	1.0	Assistant Water Superintendent	1.0	1.0	1.0	1.0	Administrative Aide II			1.0	1.0	Senior Meter Service Worker	1.0	1.0	1.0	1.0	Meter Service Worker	2.0	2.0	2.0	2.0	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		14.0	14.0	15.0	15.0
<u>Budgeted Positions</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>																																																																			
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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

Budgeted Positions

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
Maintenance Supervisor*	1.0	1.0	1.0	1.0
Maintenance Lead Worker*	1.0	1.0	1.0	1.0
Maintenance Worker*	2.0	2.0	2.0	2.0
	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
Totals from previous page	14.0	14.0	15.0	15.0
Water System Totals	<u>18.0</u>	<u>18.0</u>	<u>19.0</u>	<u>19.0</u>

PARKING SERVICES STAFFING

Budgeted Positions

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
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.

2009-2011 ACCOMPLISHMENTS

- Met all state and Federal regulations related to water treatment and quality.
- Treated almost 2 billion gallons each year.
- Successfully reduced water usage in the Martinez water system by 20% during a time of extended drought.
- Began the 2010 Urban Water Management Plan update to include the Governor's order to reduce water usage by 20% by the year 2020.
- Delivered the 2008 and the 2009 annual water quality report to every water system customer, totaling almost 10,000 each year.

2011-2013 OBJECTIVES

- Begin and complete the construction of Harbor View reservoir in FY 2011-12. 🌐
- Begin and complete the replacement of the 1948 source water pipeline in FY 2011-12. 🌐
- Begin and complete the Water Treatment Plant Master plan. This project will help identify the long term needs of the Martinez water plant in FY 2011-12. 🌐
- Develop and begin implementing a water main replacement list in FY 2012-13. 🌐
- Continue to deliver high quality safe drinking water to the Martinez water system customers. 🌐

MARINA

The Martinez Marina complex provides for recreational activities such as boating and walking along the trails throughout the Waterfront Park. The marina is also a regional asset that is home to Sea Scouts programs, eleven oil spill response boats, and launch point for tour and charter fishing boats. Many non-motorized boaters also launch from the marina regularly. Current berthing capacity is at 187 boat slips. The Marina is managed by Almar Marina Management. This marina is operated through an enterprise fund in which all revenue goes back into the operation and improvement of the marina.

2009-2011 ACCOMPLISHMENTS

- Secured new 46 year lease with the State Lands Commission for marina lands in February 2010.
- Completed pre-permitting studies and cost analysis in December 2009.
- Completed Joint Aquatics Resource Permits Application (JARPA) permit in June 2011 for sea wall construction as part of Phase I of the marina reconstruction.
- Provided update on marina to the Department of Boating and Waterways (DBAW) Commission in March 2011.
- Initiated land grant process in January 2011 through legislation sponsored by Senator DeSaulnier's office to grant marina lands to the City of Martinez.

2011-2013 OBJECTIVES

- Negotiate final 45-year long-term sublease with Martinez Marina, LP by Fall 2011. ●
- Secure entire \$3.111 million loan from State Department of Boating and Waterways by Fall 2011. ●
- Secure funding sources to construct Phase I of marina Summer/Fall 2011. ●
- Begin construction of Phase I of marina re-construction project Fall/Winter 2011. ●
- Begin planning for Phase II of the marina reconstruction. ●

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.

2009-2011 ACCOMPLISHMENTS

- Upgraded meters along Marina Vista Avenue to all decorative poles.
- Continued preventive maintenance program, including replacing clear lenses and installing desiccant packs to remove accumulation of moisture.

2011-2013 OBJECTIVES

- Complete downtown parking utilization study in FY 2011-12.
- Relocate coin pick up to West America Bank in summer of 2011, which will reduce collection expenses, save manpower, and increase efficiency.
- Work with staff on possible rate increases in the 3-tiered systems.
- Continue working with parking meter manufacturer to attempt to remedy fogging of meters under certain weather conditions.

ENTERPRISE FUNDS MAJOR CAPITAL IMPROVEMENT PROJECTS

The following is a list of major, non-routine capital projects scheduled for FY 2011-13.

MARINA

No capital improvement projects budgeted for 2011-13. Staff has been developing a fundable phased approach to improvements at the Marina. Improvements will include replacing breakwater walls and docks and major dredging. Potential funding sources include East Bay Regional Park District Measure WW, grants and loans along with Marina Operator funds.

WATER SYSTEM

The City Council approved the Water Master Plan Update in 2006. The Plan prioritized projects over three five-year increments. Priority 1 projects (FY 2005-2010) have been funded and are in various stages of completion. The following is a list of projects from the Priority 2 list (FY 2010-15).

MUIR OAKS PUMP STATION UPGRADE

This project includes the installation of an emergency power supply and building structural repairs.

HILLSIDE RESERVOIR ACCESS IMPROVEMENTS

This project consists of installing a grooved concrete driveway apron and approach at the entrance of Hillside Reservoir. The proposed all-weather concrete driveway will replace deteriorated asphalt and gravel in the very steep section of the access easement to the reservoir.

PALM AVENUE TRANSMISSION LINE INSTALLATION

This project consists of installing approximately 1,000 feet of new 8" water line on Palm Avenue easterly from Vista Way. This installation will improve transmission capacity through Zone 1 to Zone 2 pressure levels.

ALHAMBRA HILLS DRIVE PIPELINE IMPROVEMENTS

This project will consist of installing 500 feet of new 8" water line on Alhambra Hills Drive from Mt. Hood Court to Mt. Kennedy Drive. This installation will improve transmission capacity through Zone 1 to Zone 2 pressure levels.

WATER SYSTEM GIS

No comprehensive system is currently in place to track water facility system infrastructure. To efficiently manage pipelines and pump stations, tracking the age, size, type of material, condition and maintenance frequency is required. GIS (Geographic Information System) is the current Best Management Practice to complete these tasks.

PARKING

DOWNTOWN PARKING UTILIZATION STUDY

The dynamics of parking demands in the downtown have fluctuated over the past fifteen years. Major completed projects include the Downtown Specific Plan, the Family Law Center and the Intermodal Project. The City has also completed the Marina Vista Transportation for Livable Community corridor improvements. Current projects include the design of a minimum 175-stall parking lot north of the Intermodal in FY 2011-12, with construction planned to start in the summer of 2012 and completion anticipated by December 2012. Future projects include construction of a downtown parking garage. Contra Costa County has indicated that employees currently housed on Pine Street will be relocated to the Nob Hill area of town. Understanding the current and near future parking demand along with current parking availability will assist in determining the necessary timing for construction of a downtown parking structure.

Budget for Fiscal Years 2011-12 and 2012-13

ENTERPRISE FUNDS - SUMMARY

Fund #	Fund Balance 6-30-11	2011-12			Fund Balance 6-30-12	2012-13			Fund Balance 6-30-13
		Budget Revenues 11-12	Budget Appropriations 11-12	Transfers In(Out) 11-12		Budget Revenues 12-13	Budget Appropriations 12-13	Transfers In(Out) 12-13	
71 Water System	\$ 6,997,568	\$ 10,115,400	\$ 8,743,127	\$ (1,658,198)	\$ 6,711,644	\$ 10,236,700	\$ 8,951,555	\$ (1,506,269)	\$ 6,490,520
72 Water Capital Projects			760,000	760,000			615,000	615,000	
47 Water Debt Service Fund			898,198	898,198			891,269	891,269	
Total Water System	<u>6,997,568</u>	<u>10,115,400</u>	<u>10,401,324</u>	<u>0</u>	<u>6,711,644</u>	<u>10,236,700</u>	<u>10,457,824</u>	<u>0</u>	<u>6,490,520</u>
73 Marina	(715,605)	247,774	107,702	(118,000)	(693,532)	247,774	107,709	(118,000)	(671,467)
74 Marina CIP									
48 Marina Debt Service			118,000	118,000			118,000	118,000	
Total Marina	<u>(715,605)</u>	<u>247,774</u>	<u>225,702</u>	<u>0</u>	<u>(693,532)</u>	<u>247,774</u>	<u>225,709</u>	<u>0</u>	<u>(671,467)</u>
75 Parking Services	727,478	457,000	389,404		795,074	457,000	368,693		883,382
76 Parking Services CIP									
Total Parking Services	<u>727,478</u>	<u>457,000</u>	<u>389,404</u>	<u>0</u>	<u>795,074</u>	<u>457,000</u>	<u>368,693</u>	<u>0</u>	<u>883,382</u>
Total Enterprise Funds	<u>\$ 7,009,442</u>	<u>\$ 10,820,174</u>	<u>\$ 11,016,430</u>	<u>\$ 0</u>	<u>\$ 6,813,186</u>	<u>\$ 10,941,474</u>	<u>\$ 11,052,225</u>	<u>\$ 0</u>	<u>\$ 6,702,434</u>

Budget for Fiscal Years 2011-12 and 2012-13

ENTERPRISE FUNDS TRANSFER SUMMARY
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To Fund	From Fund	Purpose	Transfer In & Transfer Out 2009-10	Transfer In & Transfer Out 2010-11	Transfer In & Transfer Out 2011-12	Transfer In & Transfer Out 2012-13
Transfers In						
Water System	General Fund	Funding of Lifeline for water	16,605	23,195		
	Sub-Total Transfer In		16,605	23,195	-	-
Transfers Out						
Debt Service	Marina	Fund Debt Service	(113,866)	(80,000)	(118,000)	(118,000)
Debt Service	Water System	Fund Debt Service	(897,142)	(898,592)	(898,198)	(891,269)
Capital Projects	Water System	Water Main Replacement Project	(350,000)	(350,000)	(350,000)	(350,000)
Capital Projects	Water System	Replacement of Raw Water Line	(425,000)			
Capital Projects	Water System	Saint Mary's Pump Station Upgrades	(250,000)			
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)			
Capital Projects	Water System	Alhambra Way Transmission Line	(25,000)	(175,000)		
Capital Projects	Water System	Muir Oaks Reservoir & Pump Station		(150,000)		
Capital Projects	Water System	Water System GIS			(100,000)	
Capital Projects	Water System	Arch Street Crossing			(150,000)	
Capital Projects	Water System	Hillside Reservoir Access			(75,000)	
Capital Projects	Water System	Alhambra Hills Drive main			(35,000)	(115,000)
Capital Projects	Water System	Palm Avenue main			(50,000)	(150,000)
	Sub-Total Transfer Out		(2,286,008)	(1,653,592)	(1,776,198)	(1,624,269)
TOTAL NET INTERFUND TRANSFERS			\$ (2,269,403)	\$ (1,630,397)	\$ (1,776,198)	\$ (1,624,269)

Budget for Fiscal Years 2011-12 and 2012-13

ENTERPRISE FUNDS - REVENUE

	2009-10 Actual	2010-11 Projected	2011-12 Budget	2011-13 Budget
Water System (71)				
4600 Charges for Services	\$ 3,336,273	\$ 3,100,000	\$ 3,400,000	\$ 3,400,000
4701 Interest Income	75,738	260,000	60,000	60,000
4750 Rents, Leases & Royalties	26,467	26,000	26,000	26,000
4772 Return Check Charges	790	900	900	900
4775 Refunds, Rebates & Reimbursements		100	0	0
4921 Zone 1 Water Sales	2,194,530	2,740,212	2,650,000	2,703,000
4921 Zone 2 Water Sales	2,726,282	3,218,544	3,100,000	3,162,000
4921 Zone 3 Water Sales	211,739	192,816	220,000	224,400
4921 Zone 4 Water Sales	85,738	95,481	95,000	96,900
4922 Water Drought Excess	658,871			
4923 Penalty Charges	72,955	55,000	60,000	60,000
4924 Backflow Charges	96,525	90,000	95,000	95,000
4925 Account Establishment Fee	13,356	13,850	13,000	13,000
4931 Development Connection Charge	66,744	90,000	60,000	60,000
4932 Service Line Fee	7,679	20,000	10,000	10,000
4933 Meter Installation Fee	1,464	10,000	5,000	5,000
4934 Other Charges	14	500	500	500
4936 Hydrant Meter Charge	30,981	10,000	30,000	30,000
4938 Water Fire Service Charge	271,280	220,000	270,000	270,000
4939 Water Trip Charge	8,849	5,000	5,000	5,000
4870 Miscellaneous Revenue	19,814	1,000	15,000	15,000
4001 Transfer In From General Fund	16,605	16,605	0	0
Total Water System	9,922,692	10,166,008	10,115,400	10,236,700

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10	2010-11	2011-12	2011-13
	Actual	Projected	Budget	Budget
Marina Operations (73)				
4112 Personal Property Tax	4,610	4,610	4,610	4,610
4115 Sales & Use Tax	3,096	6,780	4,000	4,000
4701 Interest Income	1,162	2,500	800	800
4750 Rents, Leases & Royalties	51,730	50,000	50,000	50,000
4870 Miscellaneous				
4796 Marina Management	185,063	250,000	180,000	180,000
4795 Railroad Lease	8,364	8,364	8,364	8,364
4001 Transfers In				
Total Marina Operations	254,025	322,254	247,774	247,774
Marina Capital Projects (74)				
4001 Transfers In				
4520 State Grant-BCDC				
4521 State Grant-Coastal Conservancy				
Total Marina Capital Projects	-	-	-	-
Parking Services (75)				
4111 Real Property Tax	\$ 53,873	\$ 53,001	\$ 53,000	\$ 53,000
4701 Interest Income	5,193	15,000	4,000	4,000
4421 Parking District Fee	1,300			
4520 State Grant-TFCA	6,302			
4875 Refunds, Rebates & Reimbursements		700		
4971 Parking Meters	350,372	330,000	360,000	360,000
4972 Parking Permits	40,617	40,000	40,000	40,000
Total Parking Services	457,657	438,701	457,000	457,000
TOTAL REVENUE ENTERPRISE FUNDS	\$ 10,634,374	\$ 10,926,963	\$ 10,820,174	\$ 10,941,474

Budget for Fiscal Years 2011-12 and 2012-13

ENTERPRISE FUNDS - EXPENDITURES

			<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2011-13</u>	<u>Increase</u>
			<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
<i>Water System</i>								
71	910	WATER ADMINISTRATION						
		Labor	170,384	168,373	194,834	26,461	192,457	(2,377)
		Operating	2,754,355	658,907	630,288	(28,619)	755,429	125,141
		Direct & Indirect Costs	1,008,457	1,043,217	980,836	(62,381)	982,262	1,426
		TOTAL WATER ADMINISTRATION	<u>3,933,195</u>	<u>1,870,497</u>	<u>1,805,958</u>	<u>(64,539)</u>	<u>1,930,148</u>	<u>124,190</u>
71	911	WATER TREATMENT						
		Labor	1,013,881	1,049,982	1,080,469	30,487	1,069,651	(10,817)
		Operating	3,257,300	3,972,414	3,839,882	(132,532)	3,942,690	102,809
		Capital		37,000	37,000		37,000	
		Direct & Indirect Costs						
		TOTAL WATER TREATMENT	<u>4,271,182</u>	<u>5,059,396</u>	<u>4,957,350</u>	<u>(102,046)</u>	<u>5,049,342</u>	<u>91,991</u>
71	912	WATER DISTRIBUTION						
		Labor	755,861	728,719	960,060	231,341	967,237	7,176
		Operating	630,464	954,373	927,708	(26,665)	910,912	(16,796)
		Capital						
		Direct & Indirect Costs	97,870	80,830	92,050	11,220	93,917	1,867
		TOTAL WATER DISTRIBUTION	<u>1,484,195</u>	<u>1,763,922</u>	<u>1,979,818</u>	<u>215,896</u>	<u>1,972,065</u>	<u>(7,753)</u>
		TOTAL WATER SYSTEM OPERATIONS	<u>9,688,572</u>	<u>8,693,815</u>	<u>8,743,127</u>	<u>49,312</u>	<u>8,951,555</u>	<u>208,428</u>
71	900	TRANSFERS OUT						
		Transfer to General CIP						
		Transfer to General Fund Reserve	79,870					
		TOTAL TRANSFERS OUT	<u>79,870</u>					
		TOTAL WATER SYSTEM FUND	<u>9,768,442</u>	<u>8,693,815</u>	<u>8,743,127</u>	<u>49,312</u>	<u>8,951,555</u>	<u>208,428</u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2011-13 Budget</u>	<u>Increase (Decrease)</u>
Capital Projects-Water System						
72 C7024 WATER MAIN REPLACEMENT						
Design	31,806	6,525		(6,525)		
Construction	523,655	736,657	350,000	(386,657)	350,000	
Construction Management	26,642	10,000		(10,000)		
TOTAL WATER MAIN REPLACEMENT	<u>582,103</u>	<u>753,182</u>	<u>350,000</u>	<u>(403,182)</u>	<u>350,000</u>	
72 C7022 REPLACEMENT OF RAW WATER LINE						
Design	32,173	5,000		(5,000)		
Construction	6,866	869,263		(869,263)		
Construction Management		10,000		(10,000)		
TOTAL RAW WATER LINE	<u>39,038</u>	<u>884,263</u>		<u>(884,263)</u>		
72 C7020 SAINT MARY'S PUMP STATION UPGRADE						
Design	5,021	44,979		(44,979)		
Construction		250,000		(250,000)		
Construction Management						
TOTAL SAINT MARY'S PUMP STATION	<u>5,021</u>	<u>294,979</u>		<u>(294,979)</u>		
72 C7026 WATER PLANT ALUMINUM TANK REPAIR						
Design	3,103	46,897		(46,897)		
Construction						
Construction Management						
TOTAL WATER PLANT TANK REPAIR	<u>3,103</u>	<u>46,897</u>		<u>(46,897)</u>		
72 C7027 WATER PLANT-PAINTING BUILDING						
Design						
Construction		50,000		(50,000)		
Construction Management						
TOTAL WATER PLANT-PAINTING BLDG.		<u>50,000</u>		<u>(50,000)</u>		

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2011-13 Budget</u>	<u>Increase (Decrease)</u>
72 C7025 ALHAMBRA WAY TRANSMISSION LINE						
Design		200,000		(200,000)		
Construction						
Construction Management						
TOTAL TRANSMISSION LINE		<u>200,000</u>		<u>(200,000)</u>		
72 C7023 MUIR OAKS RESERVOIR & PUMP STATION						
Design		40,000		(40,000)		
Construction		260,000		(260,000)		
Construction Management		25,000		(25,000)		
TOTAL MUIR OAKS RESERVIOR		<u>325,000</u>		<u>(325,000)</u>		
72 C7030 WATER SYSTEM GIS						
Design			100,000	100,000		(100,000)
Construction						
Construction Management			100,000			(100,000)
TOTAL WATER SYSTEM GIS			<u>100,000</u>			<u>(100,000)</u>
72 C7031 ARCH STREET CROSSING						
Design			150,000	150,000		(150,000)
Construction						
Construction Management			150,000	150,000		(150,000)
TOTAL ARCH STREET CROSSING			<u>150,000</u>			<u>(150,000)</u>
72 C7032 HILLSIDE RESERVIOR ACCESS						
Design			75,000	75,000		(75,000)
Construction						
Construction Management			75,000	75,000		(75,000)
TOTAL HILLSIDE RESERVIOR ACCESS			<u>75,000</u>			<u>(75,000)</u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2011-13 Budget</u>	<u>Increase (Decrease)</u>
72 C7033 ALHAMBRA HILLS DRIVE MAIN						
Design			35,000	35,000	115,000	80,000
Construction						
Construction Management						
TOTAL ALHAMBRA HILLS DRIVE MAIN			<u>35,000</u>	<u>35,000</u>	<u>115,000</u>	<u>80,000</u>
72 C7034 PALM AVENUE MAIN						
Design			50,000	50,000	150,000	100,000
Construction						
Construction Management						
TOTAL PALM AVENUE MAIN			<u>50,000</u>	<u>50,000</u>	<u>150,000</u>	<u>100,000</u>
72 C7008 HARBORVIEW RESERVOIR REPLACEMENT						
Design	23,825	110,435		(110,435)		
Construction	27,565	3,636,265		(3,636,265)		
Construction Management	280	100,000		(100,000)		
TOTAL HARBORVIEW RESERVOIR	<u>51,670</u>	<u>3,846,700</u>		<u>(3,846,700)</u>		
72 C7014 CATHODIC PROTECTION SYSTEM REVIEW						
Design						
Construction		54,027		(54,027)		
Construction Management						
TOTAL CATHODIC PROTECTION SYS		<u>54,027</u>		<u>(54,027)</u>		
72 C7019 HARBORVIEW RES/VISTA WAY WATER LINE						
Design	38,176	5,000		(5,000)		
Construction	19,966	247,938		(247,938)		
Construction Management		10,000		(10,000)		
TOTAL HARBORVIEW RES/VISTA WAY	<u>58,142</u>	<u>262,938</u>		<u>(262,938)</u>		

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2011-13 Budget</u>	<u>Increase (Decrease)</u>
72 C7021 WATER SYSTEM MASTER PLAN		225,000		(225,000)		
Design						
Construction						
Construction Management						
TOTAL WATER SYSTEM MASTER PLAN		<u>225,000</u>		<u>(225,000)</u>		
TOTAL CAPITAL PROJECTS	<u>739,077</u>	<u>6,942,986</u>	<u>760,000</u>	<u>(6,282,986)</u>	<u>615,000</u>	<u>(145,000)</u>
 <i>Debt Service-Water System</i>						
71 441 DEBT S 1999 COP FUND						
Operating	<u>442,581</u>	<u>437,231</u>	<u>438,109</u>	<u>878</u>	<u>433,430</u>	<u>(4,679)</u>
TOTAL DEBT SERVICE	<u>442,581</u>	<u>437,231</u>	<u>438,109</u>	<u>878</u>	<u>433,430</u>	<u>(4,679)</u>
71 441 DEBT S 2003 COP FUND						
Operating	<u>532,846</u>	<u>461,361</u>	<u>460,089</u>	<u>(1,272)</u>	<u>457,839</u>	<u>(2,250)</u>
TOTAL DEBT SERVICE	<u>532,846</u>	<u>461,361</u>	<u>460,089</u>	<u>(1,272)</u>	<u>457,839</u>	<u>(2,250)</u>
TOTAL DEBT SERVICE	<u>975,427</u>	<u>898,592</u>	<u>898,198</u>	<u>(394)</u>	<u>891,269</u>	<u>(6,929)</u>
 TOTAL WATER SYSTEM	<u>\$ 11,482,946</u>	<u>\$ 16,535,393</u>	<u>\$ 10,401,324</u>	<u>\$ (6,234,069)</u>	<u>\$ 10,457,824</u>	<u>\$ 56,499</u>

Budget for Fiscal Years 2011-12 and 2012-13

			<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2011-13</u>	<u>Increase</u>
			<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
Marina								
73	920	MARINA ADMINISTRATION						
		Labor						
		Operating	161,816	56,526	62,315	5,789	62,317	2
		Capital						
		Direct & Indirect Costs	3,193	3,437		(3,437)		
		TOTAL MARINA ADMINISTRATION	<u>165,009</u>	<u>59,963</u>	<u>62,315</u>	<u>2,352</u>	<u>62,317</u>	<u>2</u>
73	921	MARINA OPERATIONS						
		Labor						
		Operating	127,459	80,588	45,387	(35,201)	45,392	5
		Capital						
		Direct & Indirect Costs						
		TOTAL MARINA OPERATIONS	<u>127,459</u>	<u>80,588</u>	<u>45,387</u>	<u>(35,201)</u>	<u>45,392</u>	<u>5</u>
		TOTAL MARINA SERVICES	<u>292,468</u>	<u>140,551</u>	<u>107,702</u>	<u>(32,849)</u>	<u>107,709</u>	<u>7</u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2011-13 Budget</u>	<u>Increase (Decrease)</u>
<i>Capital Projects-Marina</i>						
74 C8007 CIP-PERMIT PROCESSING						
Professional Services		82,677		(82,677)		
Construction						
Construction Management						
TOTAL PERMIT PROCESSING		<u>82,677</u>		<u>(82,677)</u>		
TOTAL CAPITAL PROJECTS		<u>82,677</u>		<u>(82,677)</u>		
<i>Debt Service-Marina</i>						
73 863 MARINA DEBT SERVICE						
Operating	113,866	80,000	118,000	38,000	118,000	
TOTAL MARINA DEBT SERVICE	<u>113,866</u>	<u>80,000</u>	<u>118,000</u>	<u>38,000</u>	<u>118,000</u>	
TOTAL MARINA SERVICES FUND	<u>\$ 406,334</u>	<u>\$ 303,228</u>	<u>\$ 225,702</u>	<u>\$ (77,526)</u>	<u>\$ 225,709</u>	<u>\$ 7</u>

Budget for Fiscal Years 2011-12 and 2012-13

			<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2011-13</u>	<u>Increase</u>
			<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
<i>Parking Services</i>								
75	930	PARKING SERVICES						
		Labor	77,904	78,420	77,935	(485)	76,284	(1,651)
		Operating	160,350	101,545	114,291	12,746	93,431	(20,860)
		Capital		5,000	5,000		5,000	
		Direct & Indirect Costs	210,892	254,138	192,178	(61,960)	193,977	1,799
		TOTAL PARKING SERVICES	<u>449,147</u>	<u>439,103</u>	<u>389,404</u>	<u>(49,699)</u>	<u>368,693</u>	<u>(20,711)</u>
 <i>Capital Projects-Parking Services</i>								
76		CIP-PARKING LOT #4 (FERRY/MARINA VISTA)						
		Design						
		Capital		125,000		(125,000)		
		Construction Management						
		TOTAL PARKING LOT #4		<u>125,000</u>		<u>(125,000)</u>		
		 TOTAL PARKING SERVICES	 <u>\$ 449,147</u>	 <u>\$ 564,103</u>	 <u>\$ 389,404</u>	 <u>\$ (174,699)</u>	 <u>\$ 368,693</u>	 <u>\$ (20,711)</u>

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 J 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.

Recycling Fund

Revenue comes from grants received from the State of California for the disposal of used oil and recycling. The City also receives funds from our solid waste and recycling hauler to cover costs to implement Assembly Bill 939 and Climate Action Plan initiatives, as well as to help offset differential impacts from the hauler's operations.

Budget for Fiscal Years 2011-12 and 2012-13

SPECIAL REVENUE FUNDS - SUMMARY

Fund #	Fund Balance 6-30-11	2011-12			Fund Balance 6-30-12	2012-13			Fund Balance 6-30-13
		Budget Revenues 11-12	Budget Appropriations 11-12	Budget Transfers In(Out) 11-12		Budget Revenues 12-13	Budget Appropriations 12-13	Budget Transfers In(Out) 12-13	
20 Public Safety Grants Fund	\$ 579,214	\$ 100,000	\$ 117,059		\$ 562,155	\$ 0	\$ 560,000	\$ 2,155	
21 NPDES	132,363	492,800	482,211	(25,000)	117,952	492,800	480,173	105,579	
22 Measure J-Local	563,514	417,000	178,732	(525,000)	276,782	417,000	162,357	131,425	
23 Gas Tax	106,317	998,100	413,725	(480,000)	210,692	998,100	448,125	620,667	
24 Traffic Congestion Relief	0				0			0	
27 Housing In-Lieu Fund	0				0			0	
28 Proposition 1B	0				0			0	
29 Recycle Fund	250,000	285,000	130,000		405,000	35,000	130,000	310,000	
36 PEG Access Fund	407,479	55,000	39,200		423,279	55,000	39,200	439,079	
Sub-totals	2,038,887	2,347,900	1,360,927	(1,030,000)	1,995,860	1,997,900	1,819,855	(565,000)	1,608,905
Assessment Districts									
33 Lighting & Landscape	237,625	126,552	195,888		168,289	126,552	195,888	98,953	
Sub-totals	237,625	126,552	195,888		168,289	126,552	195,888	98,953	
Mitigation/Impact Fees									
34 Traffic	341,140	11,000			352,140	11,000		363,140	
34 Park In Lieu	234,906	6,000		(50,000)	190,906	6,000		196,906	
34 Child Care	9,492	2,000		0	11,492	2,000		13,492	
34 Zone 5 Drainage	65,584	2,000		0	67,584	2,000		69,584	
34 Cultural & Arts	140,460	10,800		0	151,260	10,800		162,060	
34 Police Facilities	1,398	500		0	1,898	500		2,398	
34 Park & Recreation	80,653	8,300		0	88,953	8,300		97,253	
Sub-totals	873,632	40,600		(50,000)	864,232	40,600		904,832	
Total Special Revenue Funds	\$ 3,150,144	\$ 2,515,052	\$ 1,556,815	\$ (1,080,000)	\$ 3,028,381	\$ 2,165,052	\$ 2,015,743	\$ (565,000)	\$ 2,612,690

Budget for Fiscal Years 2011-12 and 2012-13

SPECIAL REVENUE FUNDS TRANSFER SUMMARY

To Fund	From Fund	Purpose	Transfer In & Transfer Out 2009-10	Transfer In & Transfer Out 2010-11	Transfer In & Transfer Out 2011-12	Transfer In & Transfer Out 2012-13
Lighting & Landscape	NPDES	Share of LLD	700	700		
Lighting & Landscape	General Fund	Share of LLD	6,000	7,000		
NPDES	Capital Improvement Program	Storm Drain-projects closed	63,927			
Measure J	Capital Improvement Program	Ferry Shelter-project closed	41,186			
Gas Tax	Capital Improvement Program	Alh Ave Pedestrian Safety-prj closed	1,337			
Public Safety	General Fund	EBRCSA-Radios		450,000		
		Sub-Total Transfer In	113,150	457,700	-	-
Capital Improvement Program	NPDES	Annual Storm Drain Maintenance	88,927			
Capital Improvement Program	NPDES	Alhambra Creek Channel Maint.	25,000		25,000	25,000
Lighting & Landscape	NPDES	Share of LLD		700		
Recycle Fund	General Fund	Prior Year Recycle Funds		9,491		
Capital Improvement Program	Measure J - Local	Annual Pavement Management	283,140	300,000	500,000	400,000
Capital Improvement Program	Measure J - Local	Alhambra Pavement Overlay	64,561			
Capital Improvement Program	Measure J - Local	Nay Trail Phase 2			25,000	
Capital Improvement Program	Gas Tax	Annual Pavement Management		353,500	200,000	50,000
Capital Improvement Program	Gas Tax	ADA Ramps		40,000	20,000	25,000
Capital Improvement Program	Gas Tax	Railroad Quiet Zone	7,500			
Capital Improvement Program	Gas Tax	Main Street Improvements			200,000	
Capital Improvement Program	Gas Tax	Annual Storm Drain Maintenance		50,000	50,000	50,000
Capital Improvement Program	Gas Tax	Annual Sidewalk Repair	27,332	10,000	10,000	15,000
Capital Improvement Program	Mitigation Fees-Traffic	Marina Vista Streetscape	225,000			
Capital Improvement Program	Mitigation Fees-Traffic	Alhambra Ave Project		143,396		
Capital Improvement Program	Mitigation Fees-Traffic	Railroad Quiet Zone	15,000			
Capital Improvement Program	Mitigation Fees-Park In Lieu	Waterfront Road Open Space			50,000	
		Sub-Total Transfer Out	736,460	907,087	1,080,000	565,000
	TOTAL TRANSFERS		\$ (623,311)	\$ (449,387)	\$ (1,080,000)	\$ (565,000)

Budget for Fiscal Years 2011-12 and 2012-13

SPECIAL REVENUE FUNDS - REVENUE
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	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
Public Safety Grants Fund (20)				
4269 Asset Seizure	\$ 16,297	\$ 20,000		\$ -
4521.2 State Grant-911 Emergency				
4521.3 SLESF	100,000	100,000	100,000	
4521.4 Federal Grant-OTS	9,091	10,628		
4535 Federal Grant-Jag Awards	19,996			
4701 Interest Income	563			
4802 Canine Donations	2,000	1,000		
4802 Swat Donations				
4802 Other Donations	399			
4001 Transfers In		450,000		
Total Police Grants	148,347	581,628	100,000	0
NPDES (21)				
4031 Transfers In	63,927			
4180 NPDES Assessment	492,109	472,658	492,000	492,000
4701 Interest Income	364	1,000	800	800
4830 Restitution/Damage & Recovery	922			
Total NPDES	557,322	473,658	492,800	492,800
Measure J - Local (22)				
4031 Transfers In	41,186			
4360 Local Measure C and J	446,851	405,000	415,000	415,000
4511 Grant				
4701 Interest	3,678	8,000	2,000	2,000
Total Measure C - Local	491,714	413,000	417,000	417,000

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10	2010-11	2011-12	2012-13
	Actual	Projected	Budget	Budget
Gas Tax (23)				
4000	1,337			
4350.3			408,000	408,000
4350.5	201,159	220,000	195,000	195,000
4350.6	135,489	145,000	130,000	130,000
4350.7	268,101	300,000	258,000	258,000
4350.8	6,000	6,000	6,000	6,000
4701	1,473	4,000	1,100	1,100
	613,559	675,000	998,100	998,100
Traffic Congestion Relief (24)				
4351	329,487			
4701	532	1,470		
	330,019	1,470	0	0
Housing In-Lieu Fund (27)				
4421				
4701				
	0	0	0	0
Proposition 1B (28)				
4352		537,849		
4701	914			
	914	537,849	0	0
Recycle Fund (29)				
4523.1		5,000	5,000	5,000
4523.2		5,000	5,000	5,000
4877		253,900	275,000	25,000
4015		9,491		
	0	273,391	285,000	35,000

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
Lighting & Landscape (33)				
4001	6,700	7,700		
4185	118,676	114,106	121,552	121,552
4701	1,490	6,000	5,000	5,000
	126,866	127,806	126,552	126,552
Traffic Mitigation Fees (34)				
4701	2,075	5,000	1,000	1,000
4031		143,396		
4420.1	917	15,000	10,000	10,000
	2,992	163,396	11,000	11,000
Park In-Lieu Fees (34)				
4701	1,551	5,000	1,000	1,000
4420.2		10,000	5,000	5,000
	1,551	15,000	6,000	6,000
Child Care Fees (34)				
4701	801	2,000	500	500
4420.3	1,463	5,000	1,500	1,500
	2,264	7,000	2,000	2,000
Drainage Fees (34)				
4701	367	2,000	500	500
4420.4	1,316	5,000	1,500	1,500
	1,683	7,000	2,000	2,000
Cultural Facilities (34)				
4701	733	3,000	800	800
4420.5	10,712	20,000	10,000	10,000
	11,445	23,000	10,800	10,800

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10	2010-11	2011-12	2012-13
	Actual	Projected	Budget	Budget
Police Facilities (34)				
4701	210	400	0	0
4420.6	1,279	1,000	500	500
	1,490	1,400	500	500
Park & Recreation Fees (34)				
4701	422	1,000	300	300
4420.7	8,093	12,000	8,000	8,000
	8,515	13,000	8,300	8,300
PEG Access Fund (36)				
4010				
4803	52,505	55,000	55,000	55,000
	52,505	55,000	55,000	55,000
TOTAL SPECIAL REVENUE	\$ 2,351,187	\$ 3,368,598	\$ 2,515,052	\$ 2,165,052

Budget for Fiscal Years 2011-12 and 2012-13

SPECIAL REVENUE FUNDS - EXPENDITURES

	2009-10 Actual	2010-11 Projected	2011-12 Budget	<i>Increase (Decrease)</i>	2012-13 Budget	<i>Increase (Decrease)</i>
<i>Public Safety Grants Fund</i>						
20 650 FEDERAL-JAG AWARD						
654 Labor						
655 Operating	19,996	53,921		<i>(53,921)</i>		
Direct & Indirect Costs						
TOTAL FEDERAL-JAG AWARD	19,996	53,921		<i>(53,921)</i>		
20 209 EAST BAY REGIONAL RADIO COMMUNICATIONS						
Labor						
Operating					450,000	<i>450,000</i>
Direct & Indirect Costs						
TOTAL EAST BAY REGIONAL RADIO					450,000	<i>450,000</i>
20 651 OFFICE OF TRAFFIC SAFETY						
652 Labor	9,091	24,052		<i>(24,052)</i>		
653 Operating						
649 Direct & Indirect Costs						
TOTAL OFFICE OF TRAFFIC SAFETY	9,091	24,052		<i>(24,052)</i>		
20 610 OCJP						
Labor						
Operating	34,314	300				
Direct & Indirect Costs						
TOTAL OCJP	34,314	300				

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Projected</u>	<u>2011-12</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>	<u>2012-13</u> <u>Budget</u>	<u>Increase</u> <u>(Decrease)</u>
20 636 SUPPLEMENTAL LAW ENFORCEMENT (SLESF)						
Labor						
Operating	135,136	100,000	100,000		100,000	
Direct & Indirect Costs						
TOTAL SUPPLEMENTAL LAW ENF.	<u>135,136</u>	<u>100,000</u>	<u>100,000</u>		<u>100,000</u>	
20 368 C.E.R.T.						
Labor						
Operating		1,000	1,980	980		(1,980)
Direct & Indirect Costs						
TOTAL C.E.R.T.		<u>1,000</u>	<u>1,980</u>	<u>980</u>		<u>(1,980)</u>
20 367 SWAT FUND						
Labor						
Operating			2,079	2,079		(2,079)
Direct & Indirect Costs						
TOTAL SWAT FUND			<u>2,079</u>	<u>2,079</u>		<u>(2,079)</u>
20 298 ASSET SEIZURE						
Labor						
Operating	26,821		10,000	10,000	10,000	
Direct & Indirect Costs						
TOTAL ASSET SEIZURE	<u>26,821</u>		<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	
20 365 CANINE FUND						
Labor						
Operating	24		2,500	2,500		(2,500)
Direct & Indirect Costs						
TOTAL CANINE FUND	<u>24</u>		<u>2,500</u>	<u>2,500</u>		<u>(2,500)</u>

Budget for Fiscal Years 2011-12 and 2012-13

		<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2012-13</u>	<u>Increase</u>
		<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
20	330 DONATIONS						
	366 Labor						
	Operating	1,172	500	500			(500)
	Direct & Indirect Costs						
	TOTAL DONATIONS	<u>1,172</u>	<u>500</u>	<u>500</u>			<u>(500)</u>
	TOTAL PUBLIC SAFETY GRANTS	<u>\$ 226,554</u>	<u>\$ 179,773</u>	<u>\$ 117,059</u>	<u>\$ (62,414)</u>	<u>\$ 560,000</u>	<u>\$ 442,941</u>

Budget for Fiscal Years 2011-12 and 2012-13

		<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2012-13</u>	<u>Increase</u>
		<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
NPDES							
21	754 MUNICIPAL MAINTENANCE						
	Labor	87,810	89,899	89,496	(403)	87,455	(2,042)
	Operating	170,197	104,027	192,327	88,300	193,274	947
	Direct & Indirect Costs	21,177	19,535	7,574	(11,961)	7,477	(97)
	TOTAL MUNICIPAL MAINTENANCE	<u>279,184</u>	<u>213,461</u>	<u>289,397</u>	<u>75,936</u>	<u>288,205</u>	<u>(1,192)</u>
21	757 AGENCY ADMINISTRATION						
	Operating	52,156	99,503	149,880	50,377	178,505	28,625
	Direct & Indirect Costs	138,038	137,721	42,934	(94,787)	13,462	(29,472)
	TOTAL AGENCY ADMINISTRATION	<u>190,194</u>	<u>237,224</u>	<u>192,814</u>	<u>(44,410)</u>	<u>191,967</u>	<u>(847)</u>
	TOTAL NPDES	469,378	450,685	482,211	31,526	480,173	(2,038)
21	900 TRANSFERS OUT						
	Transfer to Capital Projects	75,000	700	25,000	24,300	25,000	
	TOTAL TRANSFERS OUT	<u>75,000</u>	<u>700</u>	<u>25,000</u>	<u>24,300</u>	<u>25,000</u>	
	TOTAL NPDES FUND	<u>\$ 544,378</u>	<u>\$ 451,385</u>	<u>\$ 507,211</u>	<u>\$ 55,826</u>	<u>\$ 505,173</u>	<u>\$ (2,038)</u>

Budget for Fiscal Years 2011-12 and 2012-13

		<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2012-13</u>	<u>Increase</u>
		Actual	Projected	Budget	(Decrease)	Budget	(Decrease)
<i>Measure J - Local</i>							
22	760 MEASURE J - LOCAL						
	Labor						
	Operating	82,149	135,976	178,732	42,756	162,357	(16,374)
	Capital						
	Direct & Indirect Costs						
	TOTAL TRANSPORATION	<u>82,149</u>	<u>135,976</u>	<u>178,732</u>	<u>42,756</u>	<u>162,357</u>	<u>(16,374)</u>
22	900 TRANSFERS OUT						
	Transfer for General Plan	100,000					
	Transfer to Capital Projects	<u>350,000</u>	<u>300,000</u>	<u>525,000</u>	<u>225,000</u>	<u>400,000</u>	<u>(125,000)</u>
	TOTAL TRANSFERS OUT	<u>450,000</u>	<u>300,000</u>	<u>525,000</u>	<u>225,000</u>	<u>400,000</u>	<u>(125,000)</u>
	 TOTAL LOCAL J	 <u><u>\$ 532,149</u></u>	 <u><u>\$ 435,976</u></u>	 <u><u>\$ 703,732</u></u>	 <u><u>\$ 267,756</u></u>	 <u><u>\$ 562,357</u></u>	 <u><u>\$ (141,374)</u></u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
Gas Tax						
23 771 STREET MAINTENANCE						
Operating	289,406	355,461	266,574	(88,887)	278,491	11,918
Capital						
Direct & Indirect Costs						
TOTAL STREET MAINTENANCE	<u>289,406</u>	<u>355,461</u>	<u>266,574</u>	<u>(88,887)</u>	<u>278,491</u>	<u>11,918</u>
23 772 ARTERIAL MAINTENANCE						
Operating	151,673	190,176	147,152	(43,024)	169,633	22,482
Capital						
Direct & Indirect Costs						
TOTAL ARTERIAL MAINTENANCE	<u>151,673</u>	<u>190,176</u>	<u>147,152</u>	<u>(43,024)</u>	<u>169,633</u>	<u>22,482</u>
TOTAL GAS TAX OPERATIONS	<u>441,080</u>	<u>545,637</u>	<u>413,725</u>	<u>(131,912)</u>	<u>448,125</u>	<u>34,399</u>
23 900 TRANSFERS OUT						
Transfer to Capital Projects	<u>200,000</u>	<u>453,500</u>	<u>480,000</u>	<u>26,500</u>	<u>140,000</u>	<u>(340,000)</u>
TOTAL TRANSFERS OUT	<u>200,000</u>	<u>453,500</u>	<u>480,000</u>	<u>26,500</u>	<u>140,000</u>	<u>(340,000)</u>
TOTAL GAS TAX FUND	<u>\$ 641,080</u>	<u>\$ 999,137</u>	<u>\$ 893,725</u>	<u>\$ (105,412)</u>	<u>\$ 588,125</u>	<u>\$ (305,601)</u>

Budget for Fiscal Years 2011-12 and 2012-13

		<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2012-13</u>	<u>Increase</u>
		<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
<i>Traffic Congestion Relief</i>							
24	CAPITAL PROJECTS						
	Street Projects	<u>152,854</u>	<u>331,108</u>	<u> </u>	<u>(331,108)</u>	<u> </u>	<u> </u>
	TOTAL	<u>152,854</u>	<u>331,108</u>	<u> </u>	<u>(331,108)</u>	<u> </u>	<u> </u>
	TOTAL TRAFFIC CONGESTION RELIEF	<u>\$ 152,854</u>	<u>\$ 331,108</u>	<u>\$ -</u>	<u>\$ (331,108)</u>	<u>\$ -</u>	<u>\$ -</u>

Budget for Fiscal Years 2011-12 and 2012-13

		<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2012-13</u>	<u>Increase</u>
		<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
<i>Proposition 1B Funds</i>							
24	CAPITAL PROJECTS						
	Street Projects	<u>296,043</u>	<u>537,849</u>	<u> </u>	<u>(537,849)</u>	<u> </u>	<u> </u>
	TOTAL	<u>296,043</u>	<u>537,849</u>	<u> </u>	<u>(537,849)</u>	<u> </u>	<u> </u>
	TOTAL PROPOSITION 1B FUNDS	<u><u>\$ 296,043</u></u>	<u><u>\$ 537,849</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (537,849)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Budget for Fiscal Years 2011-12 and 2012-13

Recycle Fund

29 202 Recycle

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
Operating		23,391	130,000	<i>106,609</i>	130,000	
TOTAL RECYCLE		<u>23,391</u>	<u>130,000</u>	<u><i>106,609</i></u>	<u>130,000</u>	
TOTAL RECYCLE	<u>\$ -</u>	<u>\$ 23,391</u>	<u>\$ 130,000</u>	<u>\$ <i>106,609</i></u>	<u>\$ 130,000</u>	<u>\$ -</u>

Budget for Fiscal Years 2011-12 and 2012-13

		<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2012-13</u>	<u>Increase</u>
		<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
<i>PEG Access Fund</i>							
24	900 PEG ACCESS						
	Operating	<u>48,835</u>	<u>28,575</u>	<u>39,200</u>	<u>10,625</u>	<u>39,200</u>	<u> </u>
	TOTAL PEG ACCESS	<u>48,835</u>	<u>28,575</u>	<u>39,200</u>	<u>10,625</u>	<u>39,200</u>	<u> </u>
	TOTAL PEG ACCESS	<u>\$ 48,835</u>	<u>\$ 28,575</u>	<u>\$ 39,200</u>	<u>\$ 10,625</u>	<u>\$ 39,200</u>	<u>\$ -</u>

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
<i>Lighting & Landscape</i>						
33 910 VILLAGE OAKS						
Operating	3,734	4,916	7,670	2,754	7,670	
Direct & Indirect Costs	300	300	300		300	
TOTAL VILLAGE OAKS	<u>4,034</u>	<u>5,216</u>	<u>7,970</u>	<u>2,754</u>	<u>7,970</u>	
33 911 MUIR STATION						
Operating	8,093	9,475	9,480	5	9,480	
Direct & Indirect Costs	300	300	300		300	
TOTAL MUIR STATION	<u>8,393</u>	<u>9,775</u>	<u>9,780</u>	<u>5</u>	<u>9,780</u>	
33 912 CREEKSIDE						
Operating	3,638	4,915	25,180	20,265	25,180	
Direct & Indirect Costs	1,000	1,000	500	(500)	500	
TOTAL CREEKSIDE	<u>4,638</u>	<u>5,915</u>	<u>25,680</u>	<u>19,765</u>	<u>25,680</u>	
33 913 BRITTANY HILLS						
Operating	46,359	58,587	91,633	33,046	91,633	
Direct & Indirect Costs	1,800	1,800	1,800		1,800	
TOTAL BRITTANY HILLS	<u>48,159</u>	<u>60,387</u>	<u>93,433</u>	<u>33,046</u>	<u>93,433</u>	

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
33 914 VISTA OAKS						
Operating	11,736	15,489	14,780	(709)	14,780	
Direct & Indirect Costs	300	300	300		300	
TOTAL VISTA OAKS	<u>12,036</u>	<u>15,789</u>	<u>15,080</u>	<u>(709)</u>	<u>15,080</u>	
33 915 COSTCO CENTER						
Operating	5,420	7,433	7,680	247	7,680	
Direct & Indirect Costs	300	300	300		300	
TOTAL COSTCO CENTER	<u>5,720</u>	<u>7,733</u>	<u>7,980</u>	<u>247</u>	<u>7,980</u>	
33 916 TERRA VISTA						
Operating	4,808	7,435	10,085	2,650	10,085	
Direct & Indirect Costs	1,000	1,000	1,000		1,000	
TOTAL TERRA VISTA	<u>5,808</u>	<u>8,435</u>	<u>11,085</u>	<u>2,650</u>	<u>11,085</u>	
33 917 LL AD 2003						
Operating	20,534	24,335	24,380	45	24,380	(0)
Direct & Indirect Costs	1,000	1,000	500	(500)	500	
TOTAL 2002-03 LL	<u>21,534</u>	<u>25,335</u>	<u>24,880</u>	<u>(455)</u>	<u>24,880</u>	<u>(0)</u>
TOTAL LIGHTING & LANDSCAPING	<u>\$ 110,321</u>	<u>\$ 138,585</u>	<u>\$ 195,888</u>	<u>\$ 57,303</u>	<u>\$ 195,888</u>	<u>\$ (0)</u>

Budget for Fiscal Years 2011-12 and 2012-13

			<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Increase</u>	<u>2012-13</u>	<u>Increase</u>
			<u>Actual</u>	<u>Projected</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>	<u>(Decrease)</u>
<i>Mitigation/Impact Fees</i>								
34	31	TRAFFIC						
		Operating						
		Transfers Out	<u>240,000</u>					
		TOTAL TRAFFIC	<u>240,000</u>					
34	32	PARK IN LIEU						
		Operating	32,245					
		Transfers Out			<u>50,000</u>	<u>50,000</u>		<u>(50,000)</u>
		TOTAL PARK IN LIEU	<u>32,245</u>		<u>50,000</u>	<u>50,000</u>		<u>(50,000)</u>
34	33	CHILD CARE						
		Operating	124,000					
		Transfers Out						
		TOTAL CHILD CARE	<u>124,000</u>					
34	34	ZONE 5 DRAINAGE						
		Operating						
		Transfers Out						
		TOTAL ZONE 5 DRAINAGE						

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
34 35 CULTURAL & ARTS						
Operating						
Transfers Out						
TOTAL CULTURAL & ARTS						
34 36 POLICE FACILITIES						
Operating	36,920	1,749		(1,749)		
Transfers Out						
TOTAL POLICE FACILITIES	<u>36,920</u>	<u>1,749</u>		<u>(1,749)</u>		
34 37 PARK & RECREATION						
Operating						
Transfers Out						
TOTAL PARK & RECREATION						
TOTAL MITIGATION/IMPACT FEES	<u>\$ 433,164</u>	<u>\$ 1,749</u>	<u>\$ 50,000</u>	<u>\$ 48,251</u>	<u>\$ -</u>	<u>\$ (50,000)</u>

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.

Budget for Fiscal Years 2011-12 and 2012-13

INTERNAL SERVICE FUNDS - SUMMARY

Fund #	Fund Balance 6-30-11	2011-12		Fund Balance 6-30-12	2012-13		Fund Balance 6-30-13
		Budget Revenues 11-12	Budget Appropriations 11-12		Budget Revenues 12-13	Budget Appropriations 12-13	
.81 Equipment Replacement Fund	\$ 1,880,584	\$ 882,627	\$ 1,188,395	\$ 1,574,816	\$ 908,060	\$ 1,057,422	\$ 1,425,454
82 Information Systems	568,346	465,001	522,501	510,846	478,569	538,769	450,646
Total Internal Service Funds	<u>\$ 2,448,930</u>	<u>\$ 1,347,629</u>	<u>\$ 1,710,896</u>	<u>\$ 2,085,662</u>	<u>\$ 1,386,629</u>	<u>\$ 1,596,191</u>	<u>\$ 1,876,100</u>

Budget for Fiscal Years 2011-12 and 2012-13

INTERNAL SERVICE FUNDS - REVENUE

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>2012-13 Budget</u>
Equipment Replacement (81)				
4701 Interest	\$ 12,876	\$ 50,000	\$ 10,000	\$ 10,000
4755 Rental Charges-City	881,034	862,672	857,627	883,060
4760 Sale of Personal Property	8,921	20,000	15,000	15,000
4803 Other Grants				
4830 Restitution/Damage & Recovery	1,200			
Total Equipment Replacement	<u>904,032</u>	<u>932,672</u>	<u>882,627</u>	<u>908,060</u>
Informations Systems (82)				
4001 Transfer from Geneal Fund	-	-		-
4430.5 Technology Fee			19,400	19,400
4701 Interest	4,241	10,000	4,000	4,000
4755 Rental Charges-City	306,671	373,953	441,601	455,169
4870 Miscellaneous	41			
Total Information Systems	<u>310,954</u>	<u>383,953</u>	<u>465,001</u>	<u>478,569</u>
TOTAL REVENUE INTERNAL SERVICE FUNDS	<u><u>\$ 1,214,985</u></u>	<u><u>\$ 1,316,625</u></u>	<u><u>\$ 1,347,629</u></u>	<u><u>\$ 1,386,629</u></u>

Budget for Fiscal Years 2011-12 and 2012-13

INTERNAL SERVICE FUNDS - EXPENDITURES

	<u>2009-10 Actual</u>	<u>2010-11 Projected</u>	<u>2011-12 Budget</u>	<u>Increase (Decrease)</u>	<u>2012-13 Budget</u>	<u>Increase (Decrease)</u>
<i>Internal Service Funds</i>						
81 920 EQUIPMENT REPLACEMENT FUND						
Labor	222,227	210,680	213,270	2,590	209,115	(4,155)
Operating	531,874	517,109	520,407	3,298	521,866	1,458
Capital	251,324	254,000	433,000	179,000	305,000	(128,000)
Direct & Indirect Costs	49,859	46,790	21,717	(25,073)	21,441	(276)
TOTAL EQUIPMENT REPLACEMENT	<u>1,055,284</u>	<u>1,028,579</u>	<u>1,188,395</u>	<u>159,816</u>	<u>1,057,422</u>	<u>(130,973)</u>
82 921 INFORMATION SYSTEMS						
Labor	155,382	166,195	171,514	5,319	175,251	3,737
Operating	161,419	188,127	272,991	84,864	286,928	13,936
Capital						
Direct & Indirect Costs	61,300	80,383	77,996	(2,387)	76,591	(1,405)
TOTAL INFORMATION SYSTEMS	<u>378,101</u>	<u>434,705</u>	<u>522,501</u>	<u>87,796</u>	<u>538,769</u>	<u>16,268</u>
TOTAL INTERNAL SERVICE FUNDS	<u><u>\$ 1,433,386</u></u>	<u><u>\$ 1,463,284</u></u>	<u><u>\$ 1,710,896</u></u>	<u><u>\$ 247,612</u></u>	<u><u>\$ 1,596,191</u></u>	<u><u>\$ (114,705)</u></u>

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 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. Through this bond, Rankin Pool has been rebuilt and the library has been expanded. Over the next 10-15 years, all 17 City parks will be renovated.

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. 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 "J" funds, gasoline tax, NPDES, and Measure H Park Bond proceeds. More detailed information regarding the CIP projects planned for 2011-13 is provided in the Major Capital Improvement Projects Overview.

2009-2011 ACCOMPLISHMENTS:

- Completed design and construction of the Municipal Swimming Pool Replacement Project.
- Completed the design and construction of the library improvements.
- Completed the design and construction of restroom and other park improvements at Nancy Boyd Park.
- Completed the design and construction of play equipment replacement at Hidden Lakes Park.
- Removed hazardous eucalyptus trees and planted replacement trees at Highland and Nancy Boyd parks.
- Completed Alhambra Avenue Paving Project. This project consisted of repairing and overlaying pavement on Alhambra Avenue between Highway 4 and John Muir Road.
- Completed the design and construction of the Marina Vista Streetscape and Utility Undergrounding Project. This project completed the under-grounding of overhead power lines and installation of decorative street lights and sidewalk pavers along the Marina Vista corridor between Pine and Berrellesa streets.
- Completed the annual pavement rehabilitation project to repair base failures and provide cape seal resurfacing over various streets.
- Completed the annual storm drain replacement project. This project replaces aging storm drains.
- Designed and constructed federal economic stimulus projects including purchase of LED street lights for the downtown, pavement rehabilitation of all city arterial roadways, and construction of Marina Vista improvements.

2011-13 OBJECTIVES

- Complete project scoping document and begin preliminary design for the Court Street overcrossing. This project will provide emergency access from the waterfront over the railroad to Escobar Street (FY 2011-12).
- Complete preliminary and final design of the Intermodal Phase III parking lot north of the railroad tracks (FY 2011-12).
- Complete construction of the Rankin Park improvements (FY 2011-12).
- Complete construction of the Holiday Highlands Park improvements (FY 2011-12).
- Design the Cappy Ricks Park improvements (FY 2011-12).
- Design the Nancy Boyd Park improvements. (FY 2011-12).
- Design the Hidden Valley Park improvements (FY 2011-12).
- Design the Hidden Lakes Park improvements (FY 2012-13).
- Design and construct the Bay Trail from Nejedly staging area to Grangers Wharf (FY 2012-13).
- Design and construct the Main Street (500 block) improvements (FY 2012-13).
- Design and construct the Historic Train Depot improvements (FY 2012-13).
- Implement annual curb ramp project (FY 2011-12).
- Implement annual storm drain replacement project (FY 2012-13).
- Implement annual pavement rehabilitation projects (FY 2011-12).
- Implement annual water main replacement projects (FY 2012-13).
- Assist in the construction management of the Harbor View Reservoir (FY 2011-12).
- Assist in the construction management of the Raw Water Line replacement Project (FY 2011-12).

MAJOR CAPITAL IMPROVEMENT PROJECTS OVERVIEW

The City Council adopted the Five-Year Capital Improvement Program (Program) for Fiscal Years 2011-12 to 2015-16 on April 20, 2011. The Council allocates funding for the first two fiscal years of the Program as part of the biennial budget process. Capital projects have the potential for impacting operating budgets. As an example, should the City build a new community building, janitorial, staffing, utility and maintenance costs would increase General Fund expenses. The FY 2011-12 and FY 2012-13 Program primarily consists of projects that rehabilitate existing facilities. There are no new projects requiring General Fund allocations; however, certain projects, such as the Intermodal Phase 3 Parking Lot, will require additional general fund outlay in future years to support maintenance of the completed facility. Additionally, the newly-constructed Rankin Park Pool will require additional operational expenditures in this budget cycle due to the increased size of the new facility. A description of the operating impact associated with these projects is included with the narrative below.

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 J 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 and deteriorated storm drains are replaced. This program is primarily funded through the Clean Water Program. Other funding includes drainage and mitigation fees, and Gas Tax monies. 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

Main Street Improvement Project

The project limit is the 500 block of Main Street. The Project will convert Main Street back to two-way traffic in accordance with the Downtown Specific Plan, remove “temporary” bulb-outs, and construct permanent outdoor seating areas, sidewalk, and parking. An important component to a successful project will be working with the existing property and business owners to balance parking needs, safe vehicle access and adequate outdoor seating. \$200,000 of Gas Tax funds are being allocated for this project.

Court Street Over-crossing – Phase 1

This project will provide 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. \$200,000 of Measure J funds have been secured from CCTA to prepare a Project Scoping Document for this 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 existing Intermodal parking lot does not provide the capacity required for existing use, as parking now spills over onto surrounding streets and residential neighborhoods. Demolition of the metal buildings north of the railroad tracks has been completed and the construction of a surface parking lot is planned to accommodate the overflow parking needs of the Intermodal site. The project includes a pedestrian overcrossing from the new parking

lot over the train tracks to the second floor of the existing train station. Once completed, ongoing maintenance of the overcrossing, elevator, parking lot street sweeping, litter control and landscaping is estimated to require an additional \$20,000 per year in future operating budgets, beginning in FY 2013-14. \$3.6 million of Measure J funds are available for this project.

Bay Trail Phase 2

This segment of the Bay Trail extends from Granger's Wharf Staging Area at Martinez Shoreline to the Nejedly Staging Area on Carquinez Scenic Drive. This is an on-going joint project with the East Bay Regional Park District. The District is in the final stages of securing the necessary right of way from both the State Lands Commission and the Union Pacific Railroad to enable the project to move forward. The District will own and maintain the completed trail. \$25,000 of Measure J funds are being allocated to the project.

Historic Train Depot Improvements

The City is in the process of identifying funding sources for the rehabilitation of Historic Train Depot located on Ferry Street. These improvements are estimated well in excess of \$1 million. The site is currently used as an interim library space and has previously been used as storage. The building needs basic maintenance improvements including siding repair, painting and re-roofing. These improvements will prolong the useful life of the building until additional funding can be secured. Cultural Impact Fees of \$186,000 out of an original allocation of \$200,000 from the prior budget remain to assist with this project.

MEASURE H PARKS, LIBRARY, AND POOL IMPROVEMENT BOND PROJECTS

Rankin Park Pool – Building Upgrades (Completed)

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, special features for children such as a sprayground, swim team classroom space and buffers for sound/wind. The Council designated \$6,000,000 of Measure H Funds in 2009-11 to complete this project. This project has been completed on time and under budget. Due to the increased size and scope of the new pool, the additional costs to operate the facility (net of fee revenue) are projected to be \$121,400 in FY 2011-12, and \$106,400 in FY 2012-13.

Library Expansion (Completed)

This project includes a complete renovation and expansion of the basement area of the library. The project includes the installation of an elevator to both make the area ADA-accessible and improve circulation and accessibility. A community meeting room has been added along with research and reading spaces. The Council designated \$2,000,000 of Measure H Funds in 2009-11 to complete this project. This project has been completed on time and under budget.

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 designated \$810,000 of Measure H Funds in 2009-11 to complete this project. This project has been designed and construction is scheduled for the summer of 2011.

Rankin Park

This project consists of ADA compliance, playground upgrades, and other turf and park improvements. The existing restroom and concession building will be replaced. The Council designated \$1,910,000 of Measure H Funds in 2009-11 to complete this project. This project has been designed and construction is scheduled for the summer of 2011.

Hidden Lakes Park

This project consists of ADA compliance, restroom replacement, playground replacement and other park improvements. The Council designated \$450,000 of Measure H Funds in 2009-11 to complete this project. Design will be completed in 2011 and construction will begin in the summer of 2012.

Hidden Valley Park

This project consists of ADA compliance, restroom replacement and other park improvements. The Council designated \$350,000 of Measure H Funds in 2009-11 to complete this project. Design will be completed in 2011 and construction will begin in the summer of 2012.

Waterfront Park

This project consists of ADA compliance and restroom replacement. The Council designated \$350,000 of Measure H Funds in 2009-11 to complete this project. Design and construction will be completed in 2011.

Budget for Fiscal Years 2011-12 and 2012-13

CAPITAL IMPROVEMENT PROGRAM - SUMMARY

	Fund Balance 06-30-11	2011-12			Fund Balance 06-30-12	2012-13			Fund Balance 06-30-13
		Budget Revenues 11-12	Budget Appropriations 11-12	Transfers In(Out) 11-12		Budget Revenues 12-13	Budget Appropriations 12-13	Transfers In(Out) 12-13	
Drainage	\$ -		\$ 75,000	\$ 75,000	\$ -		\$ 75,000	\$ 75,000	\$ -
Public Buildings									
Parks and Trails			75,000	75,000					
Streets			930,000	930,000			940,000	940,000	
Community Programs									
Measure H Projects	5,687,150	40,000	5,727,150			15,010,000	2,661,430		12,348,570
Total Capital Improvement Program	\$ 5,687,150	\$ 40,000	\$ 6,807,150	\$ 1,080,000	\$ 0	\$ 15,010,000	\$ 3,676,430	\$ 1,015,000	\$ 12,348,570

Budget for Fiscal Years 2011-12 and 2012-13

CAPITAL IMPROVEMENT PROGRAM - REVENUE SOURCES

FISCAL YEAR 2011-12

PROJECT DESCRIPTION	TOTAL PROJECT	NPDES	Gas Tax	Parkland Dedication	Measure J
Annual Storm Drain Maintenance	50,000		50,000		
Alhambra Creek Channel Maintenance	25,000	25,000			
Waterfront Road Openspace	50,000			50,000	
Bay Trail II	25,000				25,000
Annual Pavement Management	700,000		200,000		500,000
Handicap Curb Access	20,000		20,000		
Sidewalk Repair	10,000		10,000		
Main Street Improvements	200,000		200,000		
TOTAL CIPS	1,080,000				
TOTAL CIP REVENUE	\$ 1,080,000	\$ 25,000	\$ 480,000	\$ 50,000	\$ 525,000

Budget for Fiscal Years 2011-12 and 2012-13

CAPITAL IMPROVEMENT PROGRAM - REVENUE SOURCES

FISCAL YEAR 2012-13

PROJECT DESCRIPTION	TOTAL PROJECT	NPDES	Measure J	Gas Tax
Annual Storm Drain Maintenance	50,000			50,000
Alhambra Creek Channel Maintenance	25,000	25,000		
Annual Pavement Management	900,000		400,000	500,000
Handicap Curb Access	25,000			25,000
Sidewalk Repair	15,000			15,000
TOTAL	1,015,000			

TOTAL CIP REVENUE	\$ 1,015,000	\$ 25,000	\$ 400,000	\$ 590,000
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Budget for Fiscal Years 2011-12 and 2012-13

CAPITAL IMPROVEMENT PROGRAM - REVENUE
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	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
<u>Drainage</u>				
Annual Storm Drain				
Transfers In-Gas Tax		50,000	50,000	50,000
Transfers In-NPDES	85,862			
Total	85,862	50,000	50,000	50,000
Alhambra Creek Channel Maint.				
Transfers In-NPDES	25,000		25,000	25,000
Total	25,000	0	25,000	25,000
Sub-total Drainage	110,862	50,000	75,000	75,000
<u>Public Buildings</u>				
Amphitheater				
Transfer from General Restricted				
Total	0	0	0	0
Old Train Depot				
Culutral Facilities Fees				
Total	0	0	0	0
Sub-total Public Buildings	0	0	0	0
<u>Parks and Trails</u>				
Nancy Boyd Park				
State Grant	70,603			
Robert Z'Berg Grant	99,378			
Total	169,981	0	0	0

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10	2010-11	2011-12	2012-13
	Actual	Projected	Budget	Budget
Waterfront Road Openspace				
Transfer In-Park Dedication Fees			50,000	
Total	0	0	50,000	0
Downtown Bicycle Project				
State Grant-TDA		35,000		
Transfers In Gas Tax		3,500		
Total	0	38,500	0	0
Bay Trail Phase II				
TDA Grant				
Transfers In-Measure C			25,000	
Total	0	0	25,000	0
Sub-total Parks and Trails	169,981	38,500	75,000	0
<u>Streets</u>				
Annual Pavement Mgt Project				
Transfers In-Local C	836,050	300,000	500,000	400,000
Transfers In-Gas Tax		350,000	200,000	500,000
Federal Stimulus Funds	850,000			
Total	1,686,050	650,000	700,000	900,000
Alhambra Avenue Improvements				
Measure C	171,678	89,883		
Total	171,678	89,883	0	0
Alhambra Avenue Overlay Project				
Federal TEA Grant	3,243			
Transfer In-Local c	64,561			
Total	67,804	0	0	0

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10	2010-11	2011-12	2012-13
	Actual	Projected	Budget	Budget
Handicap Curb Access				
CDBG				
Transfer In-Gas Tax		40,000	20,000	25,000
Total	0	40,000	20,000	25,000
Sidewalk Repair Project				
CDBG	39,663			
Transfer In-Gas Tax	27,332	10,000	10,000	15,000
Total	66,995	10,000	10,000	15,000
Marina Vista Streetscape				
CMAQ	88,643	1,511,357		
Transfer In	650,000			
Transfer In-traffic Mitigation Fees	225,000			
State-STIP	16,976			
Federal-STIP	131,024			
ARRA	148,091	608,208		
Federal Rule 20	177,333	472,667		
Total	1,437,066	2,592,232	0	0
Railroad Quiet Zone				
Transfer In-GAS Tax	7,500			
Transfer In-traffic Mitigation Fees	15,000			
Total	22,500	0	0	0
Main Street Streetscape				
Transfers In-General Reserve				
Total	0	0	0	0
Main Street Improvements				
Transfers In-Gas Tax			200,000	
Total	0	0	200,000	0

Budget for Fiscal Years 2011-12 and 2012-13

	2009-10 Actual	2010-11 Projected	2011-12 Budget	2012-13 Budget
Parking Structure				
Rents	15,253			
Total	<u>15,253</u>	<u>0</u>	<u>0</u>	<u>0</u>
Energy Efficiency Lighting (LED)				
Federal Stimulus		150,800		
Total	<u>0</u>	<u>150,800</u>	<u>0</u>	<u>0</u>
Intermodal Phase III				
Measure C	10,453	7,894		
Transfer from General Fund				
PTA Grant				
Measure J	81,445	3,962,555		
Total	<u>91,898</u>	<u>3,970,449</u>	<u>0</u>	<u>0</u>
Sub-total Streets	3,559,244	7,503,364	930,000	940,000
<u>Community Programs</u>				
General Plan Update				
Transfers In-Local C				
Transfers In -General Fund				
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Sub-total Community Programs	0	0	0	0
Measure H				
Interest Income	98,127		40,000	10,000
Measure H funds-Bond Issue	0			15,000,000
Total	<u>98,127</u>	<u>0</u>	<u>40,000</u>	<u>15,010,000</u>
Sub-total Measure H Projects	98,127	0	40,000	15,010,000
TOTAL CAPITAL IMPROVEMENT	<u>\$ 3,938,215</u>	<u>\$ 7,591,864</u>	<u>\$ 1,120,000</u>	<u>\$ 16,025,000</u>

Budget for Fiscal Years 2011-12 and 2012-13

CAPITAL IMPROVEMENT PROGRAM - EXPENDITURES

	<u>2009-10</u> <u>Actual</u>	<u>2010-11</u> <u>Projected</u>	<u>2011-12</u> <u>Budget</u>	<u>2012-13</u> <u>Budget</u>
<u>Drainage</u>				
Annual Storm Drain Project	14,784	134,047	50,000	50,000
Alhambra Creek Channel Maintenance		90,482	25,000	25,000
Sub-total Drainage	14,784	224,529	75,000	75,000
<u>Public Buildings</u>				
Amphitheater		13,213		
Old Train Depot		185,736		
Senior Center Improvements	8,948			
Kiwanis Building				
Sub-total Public Buildings	8,948	198,949	0	0
<u>Parks and Trails</u>				
Nancy Boyd Park	4,232	93,000		
Bay Trail Phase 2			25,000	
Waterfront Road Open Space			50,000	
Downtown Bicycle Project		38,500		
Alhambra Ave Pedestrian Safety Project	4,701			
Alhambra Creek Plaza Improvements		48,910		
Sub-total Parks and Trails	8,933	180,410	75,000	0
<u>Streets</u>				
Annual Pavement Mgt.	1,493,241	1,115,413	700,000	900,000
Alhambra Avenue Improvements	171,678	167,452		
Alhambra Avenue Overlay Project	81,468			
Energy Efficiency Lighting (LED)		150,800		
Handicap Access Program		40,000	20,000	25,000
Sidewalk Repair Project	66,995	10,000	10,000	15,000
Marina Vista Streetscape	488,818	3,111,355		

Budget for Fiscal Years 2011-12 and 2012-13

	<u>2009-10</u> Actual	<u>2010-11</u> Projected	<u>2011-12</u> Budget	<u>2012-13</u> Budget
Marina Vista Phase II		137,006		
Main Street Improvements			200,000	
Railroad Quiet Zone	24,336	6,862		
Main Street Streetscape		60,000		
Downtown Tree Lighting		17,751		
Ferry Shelter	19,000			
Intermodal Phase III	109,765	3,977,435		
Sub-total Streets	2,455,301	8,794,074	930,000	940,000
<u>Community Programs</u>				
General Plan	89,711	482,296		
Sub-total Community Programs	89,711	482,296	0	0
<u>Measure H</u>				
Rankin Pool Reconstruction	325,707	5,674,292		
Library Renovations	68,696	1,931,304		
Hazardous Tree Removal	34,864	15,136		
Play Structure Hidden Lakes Park		145,800		
Holiday Highlands Park		80,606	809,394	
Rankin Park & Tavan Field		439,514	1,475,486	
Waterfront Park		28,000	322,000	
Highland Avenue Park Tree Replacement			75,000	
Hidden Valley Park		177,000	1,823,000	
Cappy Ricks Park		99,000	428,500	
Hidden Lakes Park		145,800	168,270	2,661,430
Nancy Boyd Park		104,000	546,000	
Tennis & Basketball Courts		30,000	79,500	
Sub-total Measure H	429,267	8,870,452	5,727,150	2,661,430
Total Capital Improvement Program	\$ 3,006,944	\$ 18,750,710	\$ 6,807,150	\$ 3,676,430

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.

Adopted September 3, 2003

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 is 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 the 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 apply 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.

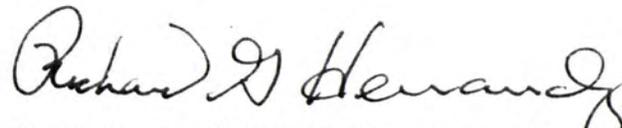
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I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at an Adjourned Regular Meeting of said Council held on the 4th day of March, 2009, by the following vote:

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.

**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.

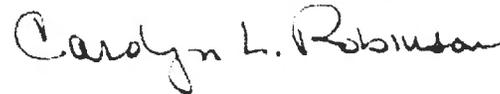
The purchase price of shares shall not exceed 20 percent of the investment portfolio of the City.

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:



City Treasurer

Amended: May 2005

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARTINEZ
APPROVING A BUDGET AND AUTHORIZING EXPENDITURES FOR
FISCAL YEARS 2011-12 AND 2012-2013**

WHEREAS, the City Council has conducted a public session concerning the Proposed Budget for July 1, 2011 through June 30, 2013, 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 2011-2012 and 2012-2013 fiscal years; and

WHEREAS, the City Council desires to adopt said budget for the 20011-2012 and 2012-2013 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 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 2011-2012 and 2012-2013 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 or 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 15th day of June, 2011, by the following vote:

AYES:

NOES:

ABSENT:

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

APPROPRIATION LIMIT

Proposition 4, commonly known as the Gann Limit, was approved by the California electorate in November, 1979, and modified by Proposition 111 which passed in 1990, to limit the amount of tax proceeds state and local governments can spend each year. The Gann Limit now appears in Article XIII B of the California 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. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in Fiscal Year 1978/79 in each city and is adjusted for changes in inflation and population in each subsequent year. By law, inflationary adjustments are based on the California Department of Finance's official report on changes in the state's per capita income or in non-residential assessed valuation due to new construction. Population adjustments are based on changes in either city or county population levels.

Article XIII B of the California Constitution provides that the City's annual appropriations be subject to certain State limitations. This appropriations limit is calculated each year and is established by a resolution of the City Council. The Appropriation Limit for 2011-12 was calculated at \$147,064,650 for the City of Martinez. This amount was calculated by taking last year's limitation and adjusting it by the total change in California per capita personal income change and the percent increase in the County population. The City of Martinez's budgeted tax revenues subject to the Limit are \$15,150,503 or 10.3% of the Appropriations Limit. Therefore the City's tax revenues fall substantially below the appropriation limit.

Article XIII (B) Appropriations Limit for Fiscal Year 2011/12

Appropriations Limit for Fiscal Year 2010/11	\$ <u>142,366,554</u>
Percentage Increase in Population - Contra Costa County	0.77
California Per Capita Personal Income	2.51
Calculation Factor for 2011/12 (1.0251 X 1.0077)	<u>1.033</u>
Appropriations Limit for Fiscal Year 2011/12	\$ <u>147,064,650</u>

RESOLUTION NO.

**RESOLUTION ADOPTING THE 2011-12 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 2011-12 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 \$147,064,650 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 2011-12; and

BE IT FURTHER RESOLVED, by the City Council to amend Resolution 043-10 to establish the City's Appropriation Limit for 2010-2011 Fiscal Year to \$142,366,554; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Martinez that 2011-12 Appropriations Limitation is set at the amount of \$147,064,650.

* * * * *

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 June 15, 2011 by the following vote:

AYES:

NOES:

ABSENT:

DRAFT

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
<i>General Fund</i>		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
<i>Special Revenue Funds</i>		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 J-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
29	Recycle Fund	To account for the grants the City receives for the sposal of used oil and recycling
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
<i>Capital Projects Funds</i>		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
37	Measure H Fund	To account for the funds received from the 2009 General Obligation Bonds to fund projects approved by the
<i>Debt Service Funds</i>		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 \$15,000,000 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)
<i>Enterprise Funds</i>		Account for activities for which a fee is charged to external users for goods and services.
71	Water System 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
72	Water System Capital Improvements Fund	To account for the operations of the municipal marina
73	Marina System Fund	To account for the operations of the municipal marina
74	Marina System Capital Improvement Fund	To account for the operations of the municipal marina
75	Parking Services 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
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
<i>Internal Services Funds</i>		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.

Ad Valorem – Latin for according to value. An ad valorem tax is assessed on the value of goods or property; not on the quantity, weight, extent, etc.

Adjusting Entry – A journal entry posted to the accounting records at the end of an accounting period to record a transaction or event which was not properly posted during the accounting period for various reasons.

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 XIII B 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.

Arbitrage – The simultaneous purchase and sale of the same or an equivalent security in order to profit from price discrepancies. In government finance, the most common occurrence of arbitrage involves the investment of the proceeds from the sale of tax-exempt securities in a taxable money market instrument that yields a higher rate, resulting in interest revenue in excess of interest costs.

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

Assessments – Charges made to parties for actual services or benefits received.

Assets – Government-owned property that has monetary value.

Assigned Fund Balance – Fund balance that has a limitation for a intended use.

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.

Audit Trail – Documentation which permits the sequence of financial transactions to be followed.

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.

Committed Fund Balance – Fund balance that has limitations imposed at the highest level of decision making that requires formal action at the same level to remove.

Compensation – Direct and indirect monetary and non-monetary rewards given to employees on the basis of the value of the job, their personal contributions and their performance. These rewards meet both the organization's ability to pay and any governing legal regulations.

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.

Educational Revenue Augmentation Fund – A state mandated property tax shift to schools.

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 Accounting – System used by nonprofit organizations, particularly governments. Since there is no profit motive, accountability is measured instead of profitability. The main purpose is stewardship of financial resources received and expended in compliance with legal requirements. Financial reporting is directed at the public rather than investors.

Fund Balance – The excess of assets over liabilities; this term applies to governmental funds only.

Gas Tax Fund - A fund to account for receipts and expenditures of money apportioned under Streets and Highway Code section 2103, 2105, 2106, 2107 and 2107.5 of the State of California.

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 Obligation Bond – Or GO Bonds are usually limited by state law as to the amount as well as the length of indebtedness that a government can have. These “Full Faith Credit” bonds are secured by all of the financial assets of the local government, including property tax.

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 Accounting – Principles and procedures in accounting for federal, state and local government units.

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 must 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.

Per Capita – By or for each individual. Anything figured per capita is calculated by the number of individuals involved and is divided equally among all.

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.

Restricted Fund Balance – Fund balance that has limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

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.

Unassigned Fund Balance – In the general fund, the balance of net financial resources that are available for appropriation.

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.
- GLTD** - General Long Term Debt
- GO BOND** - General Obligation Bond
- 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
- PEG** - Public Access, Educational, and Government Cable Channels

PERS – Public Employees Retirement System

POST - Peace Officer Standards and Training Act regulates law enforcement standards.

TEA – Transportation Equity Act

TFCA – Transportation Funds for Clean Air

WTP –Wastewater Treatment Plant

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