CITY OF PITTSBURG
AGENDA

JUNE 29, 2020

CITY HALL COUNCIL CHAMBER
65 CIVIC AVENUE, PITTSBURG, CA

SPECIAL MEETING
5:00 P.M.

CITY COUNCIL
HOUSING AUTHORITY
PITTSBURG ARTS AND COMMUNITY FOUNDATION
PITTSBURG POWER COMPANY
SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT DISTRICT II
SUCCESSOR AGENCY

PRESIDING

Jelani Killings, Mayor/Chair
Marilyn "Merl" Craft, Vice-Mayor/Chair
Holland Barrett White, Council Member/Board Member
Shanelle Scales-Preston, Council Member/Board Member
Juan Antonio Banales, Council Member/Board Member

FOR HOUSING AUTHORITY:
S.L. Floyd, Housing Authority Member
Annie Hill Herring, Housing Authority Member

Pittsburg City Council meetings are held the first and third Mondays of each month at 7:00 p.m. The Housing Authority meets in conjunction with the City Council on the third Monday of each month. The Pittsburg City Council meets regularly in the Council Chamber at 65 Civic Avenue, unless otherwise noted above. The City Council also sits as the Board of Directors of several other City agencies. The stipends for all agency members conform to state statutes governing compensation amounts. All other Agencies meet on an as needed basis and will be listed above if applicable. Copies of the open session agenda packets, which are distributed to the City Council, are on file in the office of the City Clerk, 65 Civic Avenue, Pittsburg, California, and are available for public inspection, beginning 72 hours in advance, during normal business hours (8:00 a.m. – 5:00 p.m., Monday through Friday, except from noon to 1:00 p.m. and City holidays). The agenda and reports are also located on the City's website at www.ci.pittsburg.ca.us. Additionally, if any reports or documents, which are public records, are distributed to the City Council less than 72 hours before the meeting, those reports and documents will also be available for public inspection in the City Clerk's Office and on the day of the meeting in the Council Chamber at the public counter area below the dais.

PUBLIC ADVISORY:
THE CITY COUNCIL CHAMBER WILL NOT BE OPEN TO THE PUBLIC

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the meeting of the City Council for June 29, 2020 will be conducted electronically through Zoom and broadcast live through Granicus on the City's website. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Council Chamber will not be open for the meeting. Council Members will be participating electronically and will not be physically present in the Council Chamber.

Comments can be submitted via email to meetingcomments@ci.pittsburg.ca.us. If you wish to have your comments read to the Council Members during the appropriate Public Comment period, please indicate in the Subject Line "FOR PUBLIC COMMENT" and list the item number you wish to comment on. If your comment is for a non-agenda item, indicate "FOR PUBLIC COMMENT – NON AGENDA." Comments that you want read to the Council will be subject to the three minute time limitation (approximately 350 words). Written comments that are only to be provided to Council and not read at the meeting will be distributed to the Council prior to the meeting if received by 5:00 p.m. the date of the meeting. Comments via text and social media (Facebook, Twitter, etc.) will not be accepted. Just as in a live meeting inside the Council Chamber, only one comment per agenda item per person is allowed. If you comment more than once on a particular topic, only the first email will be read aloud.

The City of Pittsburg thanks you in advance for taking all precautions to prevent the spread of the COVID 19 virus.

5:00 P.M. - CONVENE IN OPEN SESSION FOR SPECIAL MEETING

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

CITY MANAGER REPORTS/REMARKS

The City Manager may make brief announcements or informal comments at this time and brief the Council on items of interest. (No Action Required)

PUBLIC COMMENTS

See Public Advisory.

CONSIDERATION

1. Adoption of a City Council Resolution for Approval of the City of Pittsburg's Operating Budget for Fiscal Year 2020-21 and Appropriation of Funds for Fiscal Year 2020-21

   Budget workshop meetings were held on April 20, May 4 and June 8, 2020 to review and receive public input and discussion regarding the Draft Operating Budget for Fiscal Year 2020-21. The Fiscal Year 2020-21 budget must be appropriated by July 1, 2020 to provide on-going funding for the City of Pittsburg activities during the next fiscal year.

2. Adoption of a Housing Authority City of Pittsburg Resolution for Approval of the Operating Budget Plan for Fiscal Year 2020-21 for the Housing Authority City of Pittsburg and Appropriation of Funds for Fiscal Year 2020-21

   On June 8, 2020, a budget workshop meeting was held to review and receive public input regarding the City's Preliminary Operating Budget for Fiscal Year 2020-21, which included the Housing Authority of the City of Pittsburg's Fiscal Year 2021-21 budget. The budget must be appropriated for Fiscal Year 2020-21 by July 1, 2020 to provide on-going financing for the Housing Authority of the City of Pittsburg's activities during the next fiscal year.

3. Adoption of a GHAD II Resolution for Approval of the Budget for Fiscal Year 2020-21 for the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD II) and Appropriation of Funds for Fiscal Year 2020-21

   Budget workshop meetings were held on April 20, May 4 and June 8, 2020 to review the Preliminary Operating Budget for Fiscal Year 2020-21, including the GHAD II budget. The Fiscal Year 2020-21 budget must be appropriated before July 1, 2020 to provide on-going funding for the Southwest GHAD II activities during the next fiscal year.

4. Adoption of a Pittsburg Power Company Resolution for Approval of the Budget for Fiscal Year 2020-21 for the Pittsburg Power Company (PPC) and

Appropriation of Funds for Fiscal Year 2020-21

Budget workshop meetings were held on April 20, May 4 and June 8, 2020 to review the Preliminary Operating Budget for Fiscal Year 2020-21, including the Pittsburg Power Company Budget. The budget must be appropriated for Fiscal Year 2020-21 before July 1, 2020 to provide on-going funding for the Pittsburg Power Company activities during the next fiscal year.

CONFLICT OF INTEREST STATEMENT

City Council/Agency Members may make any conflict of interest declarations pertaining to Consent Calendar items at this time.

COMBINED CITY COUNCIL, HOUSING AUTHORITY, PITTSBURG ARTS AND COMMUNITY FOUNDATION, SUCCESSOR AGENCY, AND SOUTHWEST PITTSBURG GHAD II CONSENT CALENDAR

5. Adoption of a City Council Resolution Establishing the Appropriations Limit for the 2020-21 Fiscal Year in Accordance with Proposition III and Article XIII (B)

   In November 1979, the voters of California approved Proposition 4, commonly known as the Gann Initiative. This proposition created Article XIII (B) of the State Constitution placing limits on the amount of revenue which can be appropriated by all government entities in any fiscal year. The legislation mandates all governing bodies including the City of Pittsburg to annually establish the Appropriations Limit.

6. Measure M Citizens Oversight Committee Report – Proposed Use of Measures M Funds for FY 2020-21

   On June 5, 2012 the voters of Pittsburg passed, the Pittsburg Preservation of Citywide Services Temporary Funding Transactions and Use Tax Ordinance. The ordinance established a one-half of one percent (0.5%) use and transaction tax. On June 7, 2016, the voters of Pittsburg passed Measure M, extending the use and transaction tax to June 30, 2035. The measures require the establishment of a Citizens Oversight Committee ("Committee") charged with making recommendations to the City Council ("Council") for the use of the Measures revenue. This item is the Committee's report on the use of the Measures revenues and proposed use for FY 2020-21.

COUNCIL MEMBER REMARKS

Council Members may make brief announcements or informal comments at this time. (No Action Required)

COUNCIL REQUEST FOR FUTURE AGENDA ITEMS

ADJOURNMENT to July 6, 2020

NOTICE TO PUBLIC

GENERAL INFORMATION

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SPEAKER'S CARD

Members of the audience who wish to address the City Council on issues that are not scheduled for the agenda and on any items listed as part of the agenda should complete a Speaker's Card available at the dais. Please read the card carefully in order to fill out the card properly. Submit the completed card to the City Clerk before the item is called, preferably before the meeting begins. Individuals will be given three minutes to address the Council unless additional time is allowed as provided for spokespersons. Speakers are not permitted to yield their time to another speaker. Prior to speaking, each member of the public shall state their name and business and City of residence in a clear and audible tone of voice. Pursuant to the Brown Act, no action may be taken by the City Council on items not already scheduled on the agenda; however, the City Council may refer your comments/concerns to staff or request that the item be placed on a future agenda.

PUBLIC HEARINGS

Persons who wish to speak on Public Hearings listed on the agenda will be heard when the Public Hearing is opened, except on Public Hearing items previously heard and closed to public comment. After the public has commented, the item is closed to public comment and brought to the Council/Agency level for discussion and action. Further comment from the audience will not be received unless requested by the Council/Agency.

There is a 90-day limit for the filing of a challenge in the Superior Court to certain City administrative decisions and orders which require a hearing by law, the receipt of evidence, and the exercise of discretion. The 90-day limit begins on the date the decision is final (Code of Civil Procedure Section 1094.6). Further, if you challenge an action take by the City Council in court, you may be limited, by California law, including but not limited to Government Code Section 65009, to raising only those issues you or someone else raised in the public hearing, or in written correspondence delivered to the City Council prior to or at the public hearing. The City Council may be requested to reconsider a decision if the request is made prior to the next City Council meeting, regardless of whether it is a regular or special meeting.

NOTICE TO THE DISABLED AND VISUALLY OR HEARING IMPAIRED

In compliance with the Americans with Disabilities Act, the City of Pittsburg will provide special assistance for disabled citizens. Upon request, an agenda for any meeting shall be made available in appropriate alternative formats. The Council Chamber is equipped with sound amplifier units for use by the hearing impaired. The units operate in conjunction with the Chamber's sound system. You may request the sound amplifier from the City Clerk for personal use during Council meetings. If you need special assistance to participate in this meeting, or are requesting a specially formatted agenda, please contact the City Clerk at 925-252-4850. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting or provide the requested agenda format. (28 CFR 35.102-35.104 ADA Title II)

DISRUPTIVE CONDUCT

The Council requests that you observe the order and decorum of our Council Chamber by turning off or setting to vibrate all cellular telephones, and that you refrain from making personal, impertinent, or slanderous remarks. Boisterous and disruptive behavior while the Council is in session, and the display of signs in a manner which violates the rights of others or prevents others from watching or fully participating in the Council meeting, is a violation of our Municipal Code and any person who engages in such conduct can be ordered to leave the Council Chamber by the Mayor.

LIVE MEDIA BROADCASTING ADVISEMENT

City Council meetings are webcast live on the City's website at www.ci.pittsburg.ca.us on the Streaming Media page. Past meetings are also archived on that webpage. City Council meetings are also broadcast live on CCTV, Channel 24 also re-run at a later date. For more information, please contact the City Clerk's office at 252-4850.

City Council Outside Agency / Liaison / Sub-Committees Assignments - 2020

Updated February 3, 2020

OUTSIDE AGENCY BOARDS	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
ABAG	Jelani Killings / Merl Craft Alternate	Standing	Annual	G. Evans
Delta Diablo**	Juan Banales / Shanelle Scales-Preston Alt.	Standing	2nd Wednesday	F. McKinley
East Co. Co. County Habitat Conservancy	Juan Banales / Holland White Alternate	Standing	Monthly	K. Pollot
East County Water Management	Merl Craft / Holland White Alternate	Standing	Annual	F. McKinley
MCE Clean Energy Board	Shanelle Scales-Preston / Juan Banales Alt.	Standing	4 Per Year	D. Buchanan
TRANSPLAN / ECCRFFA	Juan Banales / Holland White Alternate	Standing	2nd Thursday	J. Hecht
Tri-Delta Transit (2 reps)***	S. Scales-Preston & Merl Craft / Jelani Killings Alt.	Standing	Last Wednesday	J. Hecht

LIAISON TO	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
East Bay League of Calif. Cities	Jelani Killings / Juan Banales Alt.	Standing	3rd Thursday	*Rotational
Mayor's Conference	Juan Banales / Jelani Killings Alt.	Standing	1st Thursday	G. Evans
School Districts Committee (2x2)	Holland White & Jelani Killings / Merl Craft Alt.	Standing	4th Thursday even months	G. Evans

SUBCOMMITTEES	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
CAC CDBG Subcommittee	S. Scales-Preston & Jelani Killings / Holland White Alt.	Standing	As needed	M. Aliotti
Camp Stoneman Anniversary Celebration	Merl Craft & Shanelle Scales-Preston	Ad Hoc	As needed	Evans/Simonton
City Infrastructure and Transportation	Juan Banales & S. Scales-Preston / Holland White Alt.	Standing	TBD	G. Evans
Community Services Subcommittee	Juan Banales & Holland White	Ad Hoc	As needed	G. Evans/M. Aliotti
Flag Protocols	Holland White & Shanelle Scales-Preston	Ad Hoc	As needed	J. Davis
Hills Committee	Juan Banales & Holland White / Merl Craft Alt.	Ad Hoc	As needed	G. Evans
Pittsburg Recognition Committee	Merl Craft / Juan Banales Alt.	Ad Hoc	As needed	J. Hecht
Economic Develop/Waterfront Subcommittee	Jelani Killings & Holland White / Juan Banales Alt.	Standing	Quarterly	K. Simonton
Finance Subcommittee	Jelani Killings & Juan Banales / Merl Craft Alt.	Standing	As needed	B. Farmer
Land Use Subcommittee	Juan Banales & Holland White / Merl Craft Alt.	Ad Hoc	As needed	K. Pollot
Pittsburg Arts & Community Foundation	Merl Craft & S. Scales-Preston / Jelani Killings Alt.	Standing	As needed	G. Evans
Pittsburg Police Activities League (PAL)	S. Scales-Preston & Holland White / Juan Banales Alt.	Standing	Monthly	B. Addington
Power Company Advisory	S. Scales-Preston & Holland White / Merl Craft Alt.	Standing	As needed	D. Buchanan
Sister City Committee	Jelani Killings & Merl Craft / Holland White Alt.	Ad Hoc	As needed	K. Simonton
Successor Agency Subcommittee	Merl Craft & Jelani Killings / S. Scales-Preston Alt.	Standing	As needed	M. Aliotti

*Rotational Staff as assigned by City Manager
**Stipend of $209 per month
***Stipend of $100 per month

COMMISSION/SUBCOMMITTEE MEETING SCHEDULE

Following is a tentative list of currently scheduled Commission meetings for the upcoming month. For further information, please visit our website at www.ci.pittsburg.ca.us and click on the CALENDAR link for meetings, dates, times and locations.

Commission	Tentative Meeting Dates
Planning Commission	2nd and 4th Tuesdays
Community Advisory Commission	1st Wednesday

Planning Commission meetings are regularly held the second and fourth Tuesdays of the month in the Pittsburg City Hall Council Chambers.

Community Advisory Commission meetings are regularly held the first Wednesday of the month in the Pittsburg City Hall Council Chambers.

In addition to the Commission Meetings listed above, there are several Council Member Subcommittees that meet on an “as needed basis”. For a list of subcommittees that Council Members and staff are assigned to, please see the “Council Committee List” attached to the agenda.

Subcommittee Meetings that are anticipated to occur in the coming month vary. The meeting dates, times and locations for these meetings are yet to be determined. This information will be posted on the City’s website, www.ci.pittsburg.ca.us , as soon as it is determined. Please check the Calendar on the City’s website for information.

For further information, contact the City staff member assigned to that Commission or Subcommittee.

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adoption of a City Council Resolution for Approval of the City of Pittsburg's Operating Budget for Fiscal Year 2020-21 and Appropriation of Funds for Fiscal Year 2020-21

MEETING DATE: June 29, 2020

EXECUTIVE SUMMARY

Budget workshop meetings were held on April 20, May 4 and June 8, 2020 to review and receive public input and discussion regarding the Draft Operating Budget for Fiscal Year 2020-21. The Fiscal Year 2020-21 budget must be appropriated by July 1, 2020 to provide on-going funding for the City of Pittsburg activities during the next fiscal year.

FISCAL IMPACT

The proposed City of Pittsburg Operating Budget for Fiscal Year 2020-21 contains an overall estimated revenue stream of $208,922,670 and overall appropriations of $201,242,575. Included in the total appropriations budget are $43.12 million for the General Fund, $12.39 million for the Internal Service Funds, $38.42 million for the Enterprise Funds, $32.93 million for the Special Revenue Funds, $40.60 million for the Debt and Project Funds and $33.78 million for the Successor Agency to the Redevelopment Agency of the City of Pittsburg Funds.

RECOMMENDATION

The City Council approve the budget for the Operating Budget for Fiscal Year 2020-21 and adopt the budget for the City of Pittsburg for the Fiscal Year 2020-21.

BACKGROUND

The Preliminary Operating Budget for Fiscal Year 2020-21 for the City of Pittsburg was presented to the City Council at a Budget Workshops held on April 20, May 4 and June 8, 2020. Copies of the proposed budget and supporting documentation were submitted to interested parties prior to the meeting. A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2020-21 will be on the City's website before the

June 29, 2020 City Council meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents/2020-21 Proposed Budget.

The Fiscal Year 2020-21 City Manager Budget Message is set forth as Attachment I. The City of Pittsburg Fiscal Year 2020-21 operating budgets for all City funds are set forth in the Summary of Fund Conditions, Attachment II, and Summary of Revenues and Expenditures All Funds, Attachment III. Projected Citywide revenues are set forth in the Revenue Source by Category and Object, Attachment IV. A Summary of Expenditures by Program can be found in Attachment V. The FY 2020-21 General Fund Revenues and Expenditures are included in Attachments VI and VII.

This is the ninth year that the City's budget has been developed under the guidelines of the City's Fiscal Sustainability Ordinance. The Budget Stabilization Fund projected balance at the end of FY 2020-21 is just over five percent of the General Fund operating expenditures as required by the Ordinance. While the City Council adopted a change to the Fiscal Sustainability Ordinance allowing up to 10 percent of the required minimum 30 percent General Fund reserve level to be held in real estate, no expected utilization of real estate is projected for the current year to maintain the minimum requirements as outlined in the Fiscal Sustainability Ordinance.

SUBCOMMITTEE FINDINGS

On April 17, May 1, May 15 and May 29, 2020, the Finance Subcommittee met to review the Draft Operating Budget. Public Budget Workshops were held on April 20, May 4, and June 8 and June 24, 2020. A Final Finance Subcommittee Meeting was held on June 12, 2020 to review the proposed budget. The Finance Subcommittee did not have any changes to the City's Fiscal Year 2020-21 Proposed Budget.

STAFF ANALYSIS

Revenues for the City (excluding transfers) are projected to be $201.7 million, of which 17.6 percent comprises the General Fund. The City's total expenditures (excluding transfers) are projected to be $197.1 million, of which 21.4 percent is the General Fund, the City's main source of unrestricted funds. This proposed budget funds 291 full-time equivalent employees. This Budget follows the requirements of the Fiscal Sustainability Ordinance, which set a minimum reserve by the end of Fiscal Year 2017-18.

Projected Fiscal Year 2020-21 ending Budget Stabilization Fund Balance $ 2,445,285

Projected Fiscal Year 2020-21 ending General Fund Balance $16,157,674

Overview of the General Fund Proposed Operating Budget for FY 2020-21

	FY 2019-20 YE Estimate	FY 2020-21 Budget	Increase/ (Decrease)	Percentage Inc/(Dec)
Revenues	$ 47,784,654	$ 40,624,579	$ (7,160,075)	(14.98%)
Expenditures	48,571,571	43,124,579	(5,446,992)	(11.21%)
Surplus (Deficit)	*$ (786,917)*	*$ (2,500,000)*	*$ (1,713,083)*	*217.70%*
Use of General Fund Balance	***$ 786,917***	***$ 2,500,000***	***$ 1,713,083***	***217.70%***

Revenues

The City's revenue streams are influenced by overall economic conditions. Total General Fund revenue projections for Fiscal Year 2020-21 are approximately $7.2 million less than Fiscal Year 2019-20 year-end estimates. These reductions are due to the anticipated economic impacts resulting from the Covid-19 pandemic. The General Fund major revenue sources include property and sales taxes, transfers, other taxes, and franchise taxes.

Together the major sources comprise 72.13 percent of total General Fund revenues for Fiscal Year 2020-21. The remaining 27.87 percent includes revenues such as intergovernmental revenue, departmental fee revenues and interest earnings.

Based on the Property Assessment Value (AV) report from Contra Costa County, the City anticipates property tax revenues to remain consistent at $4.2 million in Fiscal Year 2020-21. Fiscal Year 2020-21 Sales Tax revenue projections decreased by $2.8 million compared to the Fiscal Year 2019-20 year-end estimates, a 30 percent decrease. Sales Tax revenue was showing continued growth until the Covid-19 pandemic when most tax revenue generators were closed.

The auto dealerships and gasoline stations will continue to see reduced sales as the shelter in place order and Covid-19 continues into Fiscal Year 2020-21. Looking forward, the City is projecting Sales Tax revenue to decrease in Fiscal Year 2020-21 and possibly into Fiscal Year 2021-22 depending on how quickly the economy turns around once all businesses are re-opened for business.

Expenditures

General Fund projected expenditures have decrease by $5.4 million in Fiscal Year 2020-21 over Fiscal Year 2019-20 year-end estimates. For the Fiscal Year 2020-21 budget, departments were asked to reduce controllable costs to offset projected revenue reductions. This budget continues to see additional resources dedicated to fund the City's pension obligation, with higher contribution rates and additional funding requirements to cover the unfunded actuarial liabilities (UAL) and changes initiated by the California Public Employees' Retirement System (CalPERS) Board. The CalPERS rate increases resulted from changes to proactively fund the current UAL over the next 15 years. In response to these changes, the City redirected program costs to other funds and away from the General Fund, where possible, and made necessary adjustments to the current and future projected budgets to minimize the impact.

The restructuring and reductions made to the current budget, including the use of $2.5 million of General Fund reserves, were necessary to enable the City to continue providing core services to both residents and businesses during the upcoming fiscal year.

ATTACHMENTS: Resolution
Attachment I: Fiscal Year 2020-21 City Manager Budget Message
Attachment II: Summary of Fund Conditions for FY 2020-21
Attachment III: Summary of Revenues and Expenditures All Funds
Attachment IV: Revenue Source by Category and Object All Funds
Attachment V: Summary of Expenditures by Program All Funds
Attachment VI: General Fund Revenues
Attachment VII: General Fund Expenditures

Report Prepared By: Janielyn Bayona, Finance Division Manager – Accounting & Budget
Reviewed by: Brad Farmer, Director of Finance

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Approval of the Operating Budget for Fiscal Year 2020-21 for the City of Pittsburg and Appropriation of Funds for Fiscal Year 2020-21	)	RESOLUTION NO. 20-

The Pittsburg City Council FINDS AND DETERMINES as follows:

WHEREAS, the City Manager has prepared, transmitted and presented the one-year Preliminary Operating Budget for Fiscal Year 2020-21 to the City Council for its consideration; and

WHEREAS, the City prepares and adopts the Preliminary Operating Budget for Fiscal Year 2020-21 with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS, the City Council held a budget workshop on April 20, May 4 and June 8, 2020 for the purpose of reviewing the Preliminary Operating Budget for Fiscal Year 2020-21 and for providing opportunities for public input and discussion on said Preliminary Operating Budget; and

WHEREAS, the City Council, having fully reviewed the Preliminary Operating Budget for Fiscal Year 2020-21 being fully advised, finds and determines that the said Preliminary Operating Budget should be adopted and prepared in the final form.

NOW, THEREFORE, the City Council DOES RESOLVE as follows:

Section 1. Findings and Authorization

A. The recitals set forth above are true and correct statements and are hereby incorporated in conjunction with the respective staff report.

B. The Budget for Fiscal Year 2020-21 is hereby approved as set forth in a copy of said budget summary on file with the City of Pittsburg and which by this reference is incorporated herein and authorizes the preparation of the final Adopted Operating Budget for Fiscal Year 2020-21.

C. The funds are hereby and shall be appropriated in the base amount for all City funds, in the manner and for the purposes set forth in the respective staff report, Adopted Citywide Expenditure Budgets for Fiscal Year 2020-21.

D. The revenues for all City funds are projected as set forth in the respective staff report, Adopted Estimated Citywide Revenues Fiscal Year 2020-21.

E. The Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the City of Pittsburg in accordance with the City's approved budget, programs, and policies.

F. The City Council of the City of Pittsburg authorizes changes to be made to the annual budget of the City of Pittsburg as follows:

Items Requiring Council/Agency Action:

- Appropriation of fund balance reserves.
- Transfers of appropriations between funds.
- New interfund loans or advances.
- Creation of new capital projects.
- Transactions which increase total fund budgets.

Items Delegated to the City Manager:

- Items in excess of $5,000.00
- Transfers between departments and divisions so that the total fund budget remains the same.
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same.

Items Delegated to Department Heads:

- Allocation of departmental appropriations to line item except for salary and benefit appropriations.
- Changes which exceed current funds disbursement authorizations must be approved by the City Manager. These changes cannot increase the department budget.

Section 2. Effective Date

This resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a special meeting held on 29th day of June 2020, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Jelani Killings, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565

June 29, 2020

Honorable Mayor and Members of the City Council:

On behalf of the Management Team and the entire City staff, I am pleased to submit the Fiscal Year (FY) 2020-21 Annual Budget. This document includes the City's Operating and Capital Improvement budget for all activities and provides a comprehensive financial framework for the coming year. The current year's budget was prepared under the shadow of the global pandemic coronavirus or Covid-19. Team Pittsburg's divisions and staff pulled together to provide a reduced budget that strives to maintain the core services Pittsburg's residents and businesses expect from their local government. The commitment to Team Pittsburg from the City Council, community, and entire organization is the basis for the budget presented, reflecting the City Council's community goals and priorities.

The annual budget is the single most important policy that the City Council reviews and approves, as it represents the City's priorities for making resource investments, both for the upcoming year and the long-term future. As such, the budget process must include effective participation from the Mayor and City Council, our community, key stakeholders, and City staff. Working together, we strive for progressive investment in our community's future, as well as in our organization and staff, so that we can operate efficiently and effectively.

Revenues for the City (excluding transfers) are projected to be $201.7 million, of which 17.6 percent comprises the General Fund. The City's total expenditures (excluding transfers) are projected to be $197.1 million, of which 21.4 percent is the General Fund, the City's main source of unrestricted funds. This proposed budget funds 291 full-time equivalent employees. This Budget follows the requirements of the Fiscal Sustainability Ordinance, which set a minimum reserve by the end of FY 2017-18.

Projected FY 2020-21 ending Budget Stabilization Fund Balance	$ 2,445,285
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City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565

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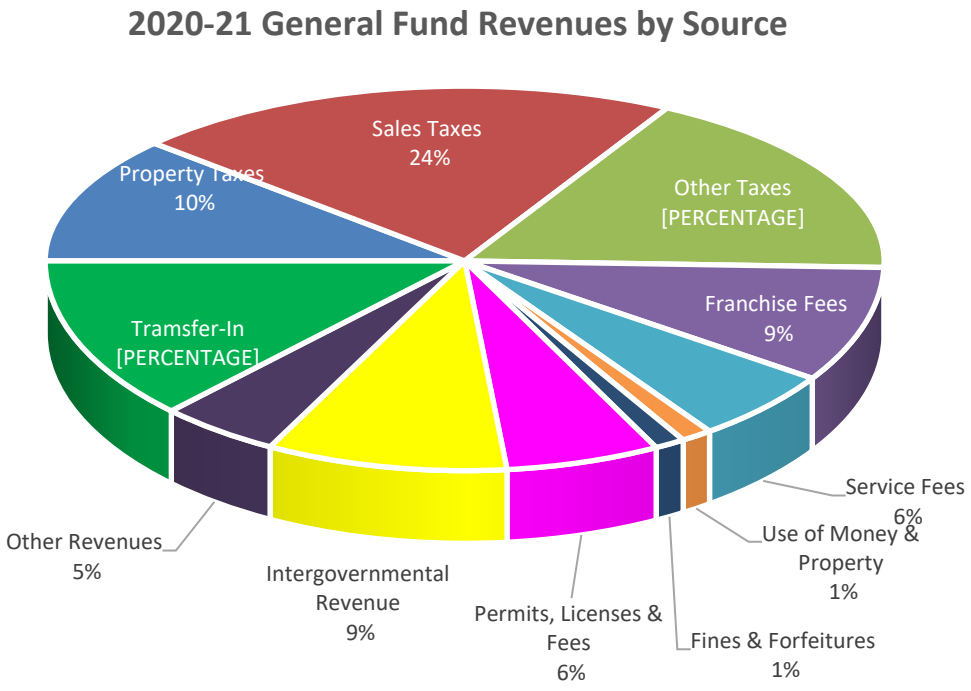
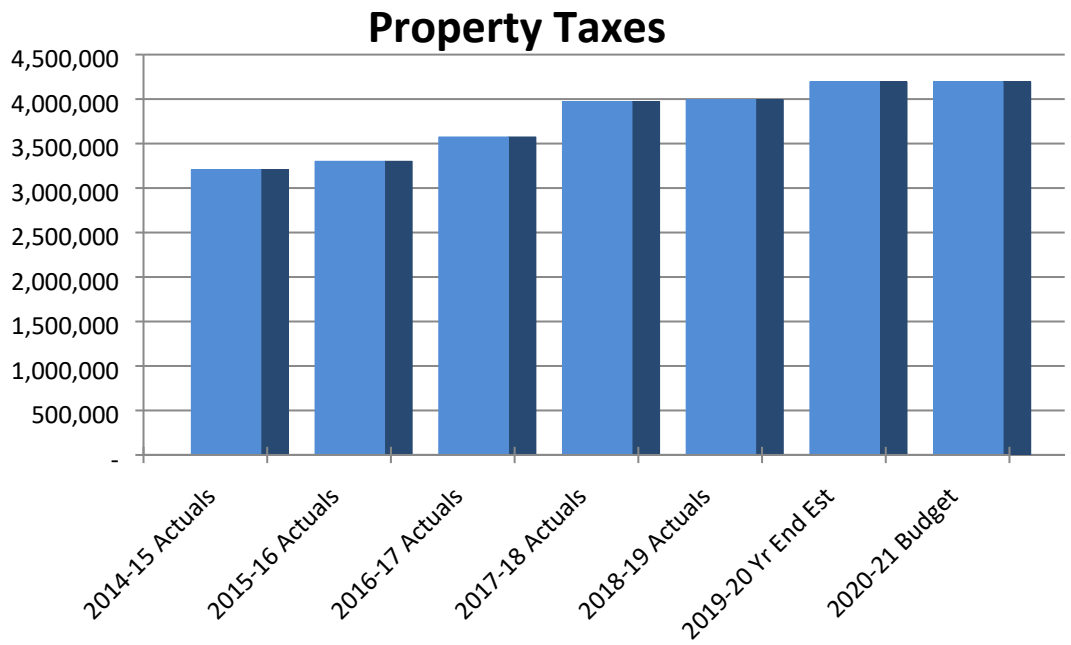
Surplus (Deficit)	*$ (786,917)*	*$ (2,500,000)*	*$ (1,713,083)*	*217.70%*
Use of General Fund Balance	***$ 786,917***	***$ 2,500,000***	***$ 1,713,083***	***217.70%***

Revenues

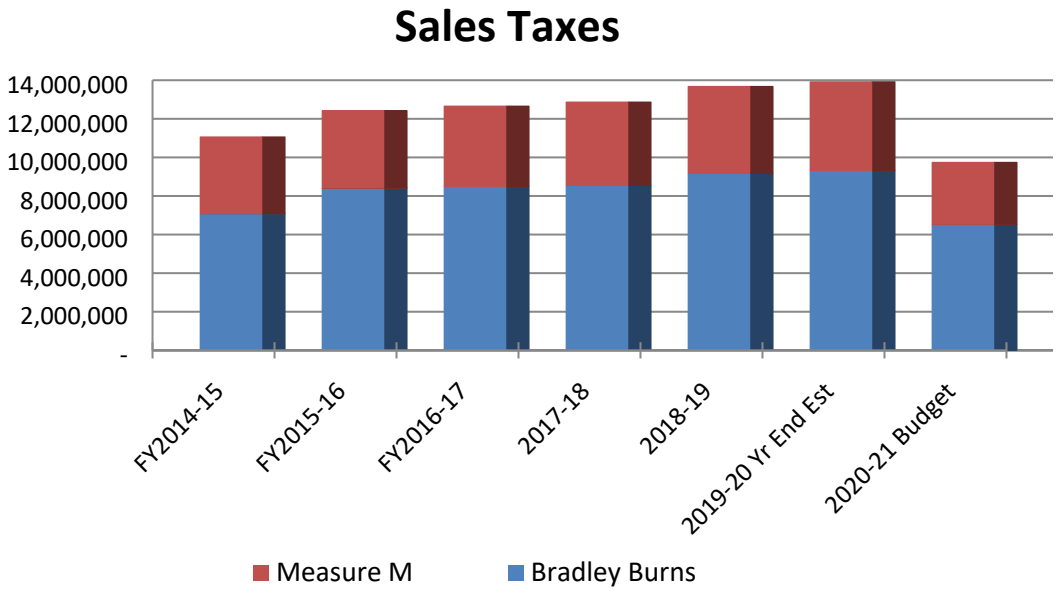
The City's revenue streams are influenced by overall economic conditions. Total General Fund revenue projections for FY 2020-21 are approximately $7.2 million less than FY 2019-20 year-end estimates. These reductions are due to the anticipated economic impacts resulting from the Covid-19 pandemic. The General Fund major revenue sources include property and sales taxes, transfers, other taxes, and franchise taxes. Together the major sources comprise 72.13 percent of total General Fund revenues for FY 2020-21, as shown on the graph below. The remaining 27.87 percent includes revenues such as intergovernmental revenue, departmental fee revenues and interest earnings.



Based on the Property Assessment Value (AV) report from Contra Costa County, the City anticipates property tax revenues to remain consistent at $4.2 million in FY2020-21.



FY 2020-21 Sales Tax revenue projections decreased by $2.8 million compared to the FY 2019-20 year-end estimates, a 30 percent decrease. Sales Tax revenue was showing continued growth until the Covid-19 pandemic when most tax revenue generators were closed.



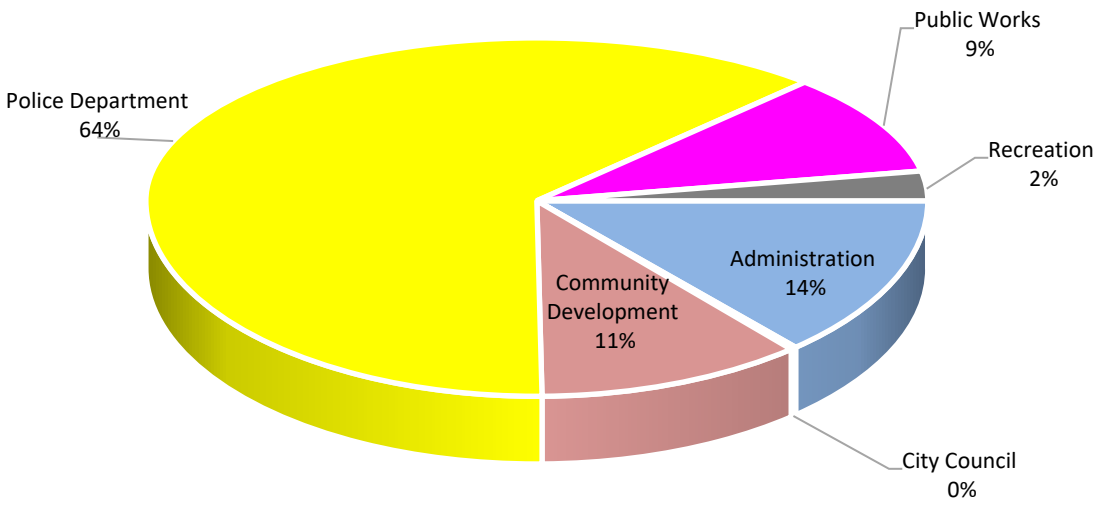
The auto dealerships and gasoline stations will continue to see reduced sales as the shelter in place order and Covid-19 continues into FY 2020-21. Looking forward, the City is projecting Sales Tax revenue to decrease in FY 2020-21 and possibly into FY 2021-22 depending on how quickly the economy turns around once all businesses are re-opened for business.

In June 2016, 81 percent of voters approved Measure M, extending the City's one-half percent sales tax through June 2035 to support public safety, senior activities, economic development, youth enrichment and the City's infrastructure.

Expenditures

General Fund projected expenditures have decrease by $5.4 million in FY 2020-21 over FY 2019-20 year-end estimates. For the FY 2020-21 budget, departments were asked to reduce controllable costs to offset projected revenue reductions. This budget continues to see additional resources dedicated to fund the City's pension obligation, with higher contribution rates and additional funding requirements to cover the unfunded actuarial liabilities (UAL) and changes initiated by the California Public Employees' Retirement System (CalPERS) Board. The CalPERS rate increases resulted from changes to proactively fund the current UAL over the next 15 years. In response to these changes, the City redirected program costs to other funds and away from the General Fund, where possible, and made necessary adjustments to the current and future projected budgets to minimize the impact.

2020-21 General Fund Expenditures by Department



The restructuring and reductions made to the current budget, including the use of $2.5 million of General Fund reserves, were necessary to enable the City to continue providing core services to both residents and businesses during the upcoming fiscal year.

Fiscal Sustainability Ordinance – The City continues to develop the annual budget under the guidelines of the City's Fiscal Sustainability Ordinance. The Budget Stabilization Fund projected balance at the end of FY 2020-21 is just over five percent of the General Fund operating expenditures as required by the Ordinance. While the City Council adopted a change to the Fiscal Sustainability Ordinance allowing up to ten percent of the required minimum 30 percent General Fund reserve level to be held in real estate, no expected utilization of real estate is projected for the current year to maintain the minimum requirements as outlined in the Ordinance. Depending on the collection of property, sales and other taxes received, the City may need to address the necessity to access the Budget Stabilization Fund during the year.

20-year General Fund Forecast – The City budgets annually for the upcoming year, however, a longer-range 20-year forecast is used to predict future fiscal measures to operate within. This forecast incorporates anticipated revenues from development, assessed market value and economic projections, as well as a systematically structured expenditure plan to cover current operational costs, post retirement liabilities Contra Costa County Employees' Retirement Association (CCCERA), pension, and Other Post-Employment Benefits (OPEB).

Pension - One of the benefits offered to City employees is participation in the CalPERS pension program. Following significant losses during the great recession and lower than projected returns on assets held for the past several years, CalPERS changed the assumptions it applied to the funding requirements of the program. These assumptions changed the term of recovery from 30 years to 15 years, lowering the discount rate (projected annual earnings rate) from 7.375 percent to 7.0 percent and a shortening of the amortization life from 30 years to 20 years for future years. The resulting financial impacts of these changes will significantly increase future pension obligations, possibly resulting in reduced service levels throughout the City.

Assembly Bill 340 (AB 340) created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and the final compensation period for employees hired on or after January 1, 2013. The impacts of AB 340 will be realized as the City experiences employee attrition. The City is working on reducing this liability through employee attrition, negotiated employee contributions, and additional City contributions toward the pension obligation.

In FY 2019-20, at the City Council's direction, a Section 115 Trust Fund was established to accumulate funds that can only be used towards future pension costs in addition to paying the required CalPERS annual pension payments. For FY 2020-21 the City has budgeted $392,935 citywide to be deposited into the Trust. The Section 115 Trust Fund had a balance of $967,771 as of May 31, 2020.

OPEB Liabilities – In December 2013, the City established an agreement with CalPERS to set aside funds and deposit into the California Employer's Retiree Benefit Trust (CERBT) fund to accumulate and distribute assets for the exclusive benefit of retirees and their beneficiaries. Plan assets are irrevocable and may not be used for any purpose other than funding post-retirement healthcare. The City continues to deposit funds with CERBT each year to reduce its unfunded OPEB liability. The City's CERBT account had a balance of $5.2 million as of June 12, 2020. The proposed FY 2020-21 Budget includes using $1.2 million to cover the current year's General Fund expenses. Once the current economic downturn turns around, the City will resume prefunding the CERBT fund.

Looking Forward

Staff will continue to streamline the City's organization and strive to optimize the existing workforce to meet the needs of residents throughout the City. By continuing to improve efficiency and focusing on the longer-term 20-year forecast for the City's General Fund, staff feels the City, residents, business leaders and community partners will continue to invest in and strengthen the community.

Crime Rates – Over the past year, the City saw an increase in Violent Crimes and a reduction in Part I Crimes. Overall crime rates continue to remain at some of the lowest levels in decades and continue to compare very well with nearby cities.

VIOLENT CRIME COMPARISON BY CITY PER 1,000 RESIDENTS

CITY/YEAR	2018	2019
Walnut Creek	1.5	1.7
Pleasant Hill	1.8	2.2
Brentwood	2.4	2.6
Concord	3.7	4.2
Antioch	5.3	5.7
Pittsburg	5.8	6.2

PART I CRIME COMPARISON BY CITY PER 1,000 RESIDENTS

CITY/YEAR	2018	2019
Brentwood	23.7	23.7
Pittsburg	29.2	29.3
Walnut Creek	33.2	37.3
Concord	35.5	39.5
Antioch	35.5	34.3
Pleasant Hill	44.4	43.4

Violent Crime includes: Murder, Rape, Robbery and Aggravated Assault

Part I Crime includes: Murder, Rape, Robbery, Aggravated Assault, Burglary, Larceny Theft, Vehicle Theft and Arson

Development – Pittsburg is a great place to live and work, filled with many talented people with a diversity of interests. The business community and the City are both committed to maintaining the tradition of working together to build a stronger City. The City Council and staff work with businesses and developers to ensure the community grows at a pace that is healthy for all parties involved. Staff's objective is to encourage expansion from existing businesses and attract new businesses that would improve the quality of life in Pittsburg.

The proposed FY 2020-21 Capital Projects budget is approximately $1.3 million, as summarized in the chart below. A majority of the capital projects involve improvements to the City's streets and traffic systems.

City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565

Project Number	Project Name	Funding Source	FY 20-21 Allocation
5822	Causeway Bridge Coupling Replacement Project	IE	$ 250,000
2229	SB1 2020/21 Pavement Management Project	RMRA	327,553
2230	2020/21 Traffic Signal Modification Project	RMRA	100,000
2231	STP/OBAG II Pavement Improvement Project	RMRA	300,000
3115	HSIP 8 2017-02 Stoneman Avenue Safety Improvement Project	RMRA	300,000
	Totals		**$ 1,277,553**

Conclusion

The FY 2020-21 Annual Budget reflects the short and long-term financial capacity of the City. It balances a variety of wants against needs, while reflecting the goals, strategic direction and plans prioritized by the City Council as the community moves forward.

I would like to thank the City Council for their guidance and support throughout the development of the budget. In addition, I would like to thank the Finance Department Budget staff and staff in all other City Departments that contributed to the Fiscal Year 2020-21 budget. I would like to give special thanks to Brad Farmer, Finance Director and to Janielyn Bayona, Finance Accounting and Budget Manager for their work and expertise throughout this year's budget process.

Garrett EvansCity Manager

Summary of Fund Condition
Table 1

	Estimated Reserves June 30, 2020[1]	Projected Revenues 2020-21	Transfers-In	Projected Expenditures 2020-21	Transfers-Out	Estimated Balance June 30, 2021
General Fund						
General Fund	18,657,674	35,474,959	5,149,620	41,551,643	1,572,936	16,157,674
Subtotal, General Fund	$ 18,657,674	$ 35,474,959	$ 5,149,620	$ 41,551,643	$ 1,572,936	$ 16,157,674
Internal Service Funds						
Building Maintenance	882,188	1,998,828	60,000	2,249,621	11,938	679,457
Fleet Maintenance	794,322	1,975,535	-	2,036,009	9,972	723,876
Fringe Benefits	989,017	1,963,930	-	1,960,073	-	992,874
Information Communication Services	1,137,332	1,158,459	-	1,439,549	-	856,242
Insurance	600,000	2,221,069	-	2,166,069	-	655,000
Other Post-Employment Benefits (OPEB)[2]	222,220	1,879,874	300,000	2,123,900	-	278,194
Pension Trust/Reserve Fund[3]	-	392,935	-	392,935	-	-
Subtotal, Internal Service Funds	$ 4,625,079	$ 11,590,630	$ 360,000	$ 12,368,156	$ 21,910	$ 4,185,643
Enterprise Funds						
Island Energy	2,836,878	5,682,000	-	5,652,033	28,792	2,838,053
Marina	953,169	2,336,516	-	2,386,570	56,994	846,121
Pittsburg Power	3,474,838	2,710,465	50,000	1,523,411	784,947	3,926,945
Sewer Utility	1,642,081	4,688,440	-	3,121,119	851,324	2,358,078
Water Front Operations	984,257	1,654,296	-	2,236,767	13,343	388,443
Water Utility	18,245,402	23,880,742	811,414	21,366,846	394,462	21,176,250
Zone 2 Reservoir	-	439,426	-	-	-	439,426
Subtotal, Enterprise Funds	$ 28,136,625	$ 41,391,885	$ 861,414	$ 36,286,746	$ 2,129,862	$ 31,973,316
Special Revenue Funds						
Assets Seizure	23,155	-	-	-	-	23,155
Budget Stabilization	2,445,285	-	-	-	-	2,445,285
CA Energy Conservation Program	7	-	74,500	74,500	-	7
CalHome Program	199,367	1,100	-	-	-	200,467
California Theatre	28,300	166,580	148,750	320,292	-	23,338
Economic Development	421,200	216,172	225,000	314,887	51,264	496,221
Emergency Operations Center	9,147	75	55,000	21,600	20,000	22,622
Fire District CFD	8,045	6,657	-	2,028	-	12,674
Gas Tax	63,229	1,234,503	-	-	1,162,111	135,621
Gas Tax - Road Maint & Rehab (RMRA)	203,918	964,049	-	1,027,553	-	140,414
General Plan Update	11,322	50,000	110,000	160,000	-	11,322
GHAD Administration	33,157	400	500,000	397,497	4,073	131,987
Golf Course	5,218	-	-	4,000	-	1,218
Hillivew Jr. High Athletic Field (Mainte	369,422	29,000	-	-	-	398,422
Housing Authority-Section 8	582,444	18,583,311	-	18,388,168	18,680	758,907
HUD Community Development Block Grant	87,021	599,112	35,000	507,872	163,545	49,716
Lighting and Landscape	94,752	3,051,647	932,273	3,884,060	109,753	84,859
Lighting and Landscaping Oak Hill	33,901	34,359	663	36,605	-	32,318
Local Law Enforcement Block Grant	459	-	-	-	-	459
Marina Dredging & Infrastructure Improve	-	-	987,000	-	-	987,000
Marina Vista Field Replacement	322,854	12,500	-	-	-	335,354
Measure C Tax Fund	76,068	742,900	-	-	695,332	123,636
Miscellaneous Grants	51,018	403,000	-	-	400,000	54,018
Neighborhood Stabilization	46,564	400	-	-	-	46,964
Park Maintenance CFD 2007-1	74,322	145,760	-	71,883	702	147,497
Project Amenities Mgmt (CFD 2015-1)	37,842	27,188	-	2,400	-	62,630
Public Safety CFD 2005-1	100,072	667,600	-	4,000	640,000	123,672
Public, Education & Gov't Fees (PEG)	755,577	124,000	-	137,000	-	742,577
R/R AVE SPECIFIC PLAN (E-BART) CFD 2014-	20,368	10,150	-	2,500	-	28,018
Regional Freeway Security Fund	428	-	-	-	-	428
San Marco CFD 2004-1	68,907	1,128,610	-	10,000	1,050,000	137,517
Small Cities Grant	1,904	4,217	10,000	10,000	-	6,121
Solid Waste	354,300	544,700	-	480,431	4,213	414,356
Southwest Pittsburg GHAD II	4,306,819	1,002,075	-	115,175	500,000	4,693,719
Storm Water Utility NPDES	366,640	1,262,431	-	1,341,350	63,918	223,803
Successor Agency Housing Fund	2,606,098	211,317	-	389,893	562	2,426,960
US EPA Grants	143,246	-	-	-	-	143,246

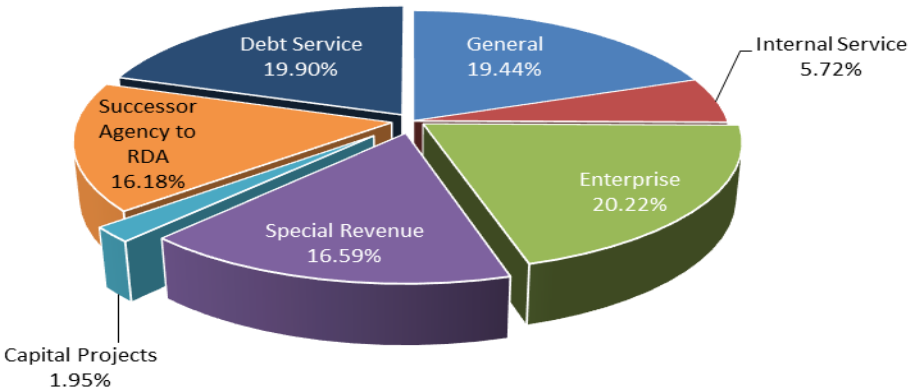
	Estimated Reserves June 30, 2020[1]	Projected Revenues 2020-21	Transfers-In	Projected Expenditures 2020-21	Transfers-Out	Estimated Balance June 30, 2021
Vista Del Mar CFD 2005-2	9,998	367,490	-	700	340,000	36,788
Subtotal, Special Revenue Funds	$ 13,962,374	$ 31,591,303	$ 3,078,186	$ 27,704,394	$ 5,224,153	$ 15,703,316
Capital Projects Funds						
Bailey Road Maintenance	1,417,913	162,000	-	-	-	1,579,913
Capital Improvement	73,618	-	-	-	-	73,618
Communitiy Capital Improvement	101,784	-	-	-	-	101,784
Inclusionary Housing	412,014	4,000	-	-	-	416,014
Infrastructure Repair & Replacement	25,590	3,000	-	-	-	28,590
Kirker Creek Drainage Fees	371,600	3,000	-	-	18,360	356,240
Park Dedication	217,575	2,190,792	-	58,049	-	2,350,318
RDA - Project Fund	48,640	-	-	-	-	48,640
Recycled Water Capital Maintenance	32,743	280	-	-	-	33,023
Regional Traffic Mitigation	54,820	2,500	-	-	-	57,320
Traffic Impact Fair Share	514,304	4,000	-	-	-	518,304
Traffic Mitigation	3,008,701	1,702,315	-	76,368	-	4,634,648
Subtotal, Capital Projects Funds	$ 6,279,302	$ 4,071,887	$ -	$ 134,417	$ 18,360	$ 10,198,412
Successor Agency to RDA Funds						
RDA-Tax Increment	1,039,197	60,810	380,354	389,187	32,361	1,058,813
Redevelopment Obligation Retirement Fund	-	33,359,487	-	-	33,359,487	-
Subtotal, Successor Agency to RDA Funds	$ 1,039,197	$ 33,420,297	$ 380,354	$ 389,187	$ 33,391,848	$ 1,058,813
Debt Service Funds[4]						
Assessment Districts Fund	6,121,170	327,645	-	323,076	-	6,125,739
Other Impact Fees Fund	35,020	4,600	-	-	-	39,620
Pension Obligations	3,051,559	4,479,886	-	4,351,996	-	3,179,449
RDA - Housing S/A TAB 2006A	1,572,393	44,000	725,900	718,591	-	1,623,702
RDA - TAB 1999	24,292,369	20,000	5,156,489	5,156,780	-	24,312,078
RDA- TAB 2004A	-	25,000	-	-	25,000	-
Re-Assessment District 2011-1	-	1,175,360	-	1,755,077	-	(579,717)
San Marco CFD 2009-1	-	1,366,750	-	15,000	-	1,351,750
Successor Agency to RDA - TARB 2014	-	248,000	7,700,722	7,551,722	-	397,000
Successor Agency to RDA - TARB 2016A	-	20,000	5,660,514	6,010,850	-	(330,336)
Successor Agency to RDA - TARB 2016B	-	-	-	2,000	-	(2,000)
Successor Agency to RDA - TARB 2016C	-	50,000	12,469,161	12,497,550	-	21,611
Successor to RDA - HSG S/A TARB 2016A	-	5,000	1,323,708	1,311,690	-	17,018
Vista Del Mar CFD Bond 2005	-	749,400	-	729,631	-	19,769
Subtotal, Debt Service Funds	$ 35,072,511	$ 8,515,641	$ 33,036,494	$ 40,423,963	$ 25,000	$ 36,175,683
Total, All Funds	$ 107,772,762	$ 166,056,602	$ 42,866,068	$ 158,858,506	$ 42,384,069	$ 115,452,857

[1] Represents working capital and does not include fixed assets, inventory, long-term advances or loans
[2] Does not include CERBT trust funds held by CalPERS
[3] Pension trust funds are collected and disbursed to a trustee
[4] Debt service fund balances include debt service reserves held by a trustee

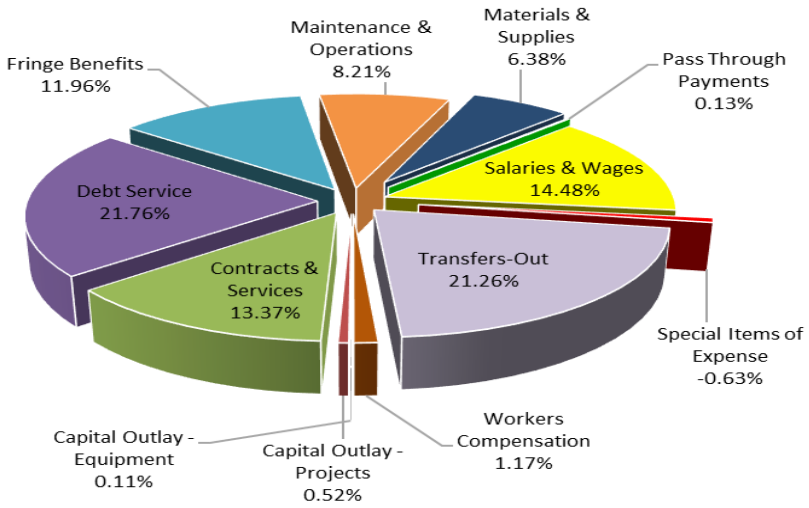
Summary of Revenues and Expenditures - All Funds
Table 2

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Revenue					
General Fund	47,819,641	47,784,654	40,624,579	(7,160,075)	-14.98
Internal Service Funds	11,944,597	12,250,528	11,950,630	(299,898)	-2.45
Enterprise Funds	43,684,807	53,803,720	42,239,299	(11,564,421)	-21.49
Special Revenue Funds	39,186,453	43,402,103	34,669,489	(8,732,614)	-20.12
Capital Projects Funds	3,068,573	10,712,806	4,071,887	(6,640,919)	-61.99
Successor Agency to RDA Funds	34,658,867	34,490,380	33,800,651	(689,729)	-2.00
Debt Service Funds	42,702,204	42,325,188	41,566,135	(759,053)	-1.79
Total, Revenues	$ 223,065,142	$ 244,769,379	$ 208,922,670	$ (35,846,709)	-14.65 %
Expenditure					
Capital Outlay - Equipment	2,156,644	3,055,533	224,500	(2,831,033)	-92.65
Capital Outlay - Projects	10,475,623	43,779,162	1,067,553	(42,711,609)	-97.56
Contracts & Services	29,482,407	32,034,706	27,257,312	(4,777,394)	-14.91
Debt Service Funds	47,562,113	44,503,331	44,349,213	(154,118)	-0.35
Fringe Benefits	21,896,376	24,172,693	24,370,548	197,855	0.82
Maintenance & Operations	14,232,967	16,510,285	16,739,621	229,336	1.39
Materials & Supplies	11,862,451	13,572,266	12,999,588	(572,678)	-4.22
Pass Through Payments	220,102	337,098	271,682	(65,416)	-19.41
Salaries & Wages	28,760,397	30,509,633	29,519,700	(989,933)	-3.24
Special Items of Expense	180,312	908,427	(1,281,237)	(2,189,664)	-241.04
Transfers-Out	44,555,374	56,015,682	43,331,069	(12,684,613)	-22.64
Workers Compensation	3,515,138	3,105,460	2,393,026	(712,434)	-22.94
Total, Expenditures	$ 214,899,904	$ 268,504,276	$ 201,242,575	$ (67,261,701)	-25.05 %

2020-21 Revenues by Fund Type



2020-21 Expenditures by Category



Revenue Source by Category and Object
Table 3

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
General Fund					
Fines & Forfeitures	575,953	703,195	478,075	(225,120)	-32.01
Franchise Fees	4,359,173	4,349,861	3,638,028	(711,833)	-16.36
Intergovernmental Revenue	4,338,132	3,941,597	3,773,503	(168,094)	-4.26
Other Revenues	2,553,415	2,013,242	1,888,303	(124,939)	-6.21
Other Taxes	7,467,748	7,671,962	6,575,712	(1,096,250)	-14.29
Permits, Licenses & Fees	1,849,673	2,826,036	2,411,092	(414,944)	-14.68
Property Taxes	3,991,209	4,193,834	4,193,834	-	-
Sales Taxes	13,680,653	13,920,943	9,744,660	(4,176,283)	-30.00
Service Fees	2,910,499	2,555,516	2,284,414	(271,102)	-10.61
Transfers-In	4,972,091	5,032,677	5,149,620	116,943	2.32
Use of Money & Property	1,121,095	575,791	487,338	(88,453)	-15.36
Subtotal, General Fund	$ 47,819,641	$ 47,784,654	$ 40,624,579	$ (7,160,075)	-14.98 %
Internal Service Funds					
Operating Expenditures	-	-	1,200,000	1,200,000	-100.00
Other Revenues	6,625,295	6,426,293	5,046,859	(1,379,434)	-21.47
Service Fees	4,757,677	5,364,235	5,343,771	(20,464)	-0.38
Transfers-In	561,625	460,000	360,000	(100,000)	-21.74
Subtotal, Internal Service Funds	$ 11,944,597	$ 12,250,528	$ 11,950,630	$ (299,898)	-2.45 %
Enterprise Funds					
Debt Service	46	27	-	(27)	-100.00
Fines & Forfeitures	14,781	23,681	-	(23,681)	-100.00
Franchise Fees	880,000	880,000	880,000	-	-
Intergovernmental Revenue	232,686	1,008,716	130,000	(878,716)	-87.11
Other Revenues	1,626,203	1,560,178	1,335,370	(224,808)	-14.41
Other Taxes	270,368	179,632	36,000	(143,632)	-79.96
Service Fees	36,996,106	36,378,568	36,643,713	265,145	0.73
Transfers-In	914,736	11,195,410	861,414	(10,333,996)	-92.31
Use of Money & Property	2,749,881	2,577,508	2,352,802	(224,706)	-8.72
Subtotal, Enterprise Funds	$ 43,684,807	$ 53,803,720	$ 42,239,299	$ (11,564,421)	-21.49 %
Special Revenue Funds					
Fines & Forfeitures	853	33,829	-	(33,829)	-100.00
Franchise Fees	153,610	160,000	120,000	(40,000)	-25.00
Intergovernmental Revenue	19,452,640	24,860,454	18,593,846	(6,266,608)	-25.21
Other Revenues	4,869,315	3,244,357	1,335,230	(1,909,127)	-58.84
Other Taxes	3,709,004	3,811,869	2,990,452	(821,417)	-21.55
Sales Taxes	127,568	128,673	109,372	(19,301)	-15.00
Service Fees	255,701	304,397	393,122	88,725	29.15
Special Assessments	6,632,137	7,132,649	7,642,117	509,468	7.14
Transfers-In	3,315,108	3,219,227	3,078,186	(141,041)	-4.38
Use of Money & Property	670,517	506,648	407,164	(99,484)	-19.64
Subtotal, Special Revenue Funds	$ 39,186,453	$ 43,402,103	$ 34,669,489	$ (8,732,614)	-20.12 %
Capital Projects Funds					
Intergovernmental Revenue	617,862	1,496,597	150,000	(1,346,597)	-89.98
Other Revenues	25,680	4,599,199	-	(4,599,199)	-100.00
Service Fees	1,511,702	2,284,112	3,872,107	1,587,995	69.52
Transfers-In	709,157	2,223,738	-	(2,223,738)	-100.00
Use of Money & Property	204,172	109,160	49,780	(59,380)	-54.40
Subtotal, Capital Projects Funds	$ 3,068,573	$ 10,712,806	$ 4,071,887	$ (6,640,919)	-61.99 %
Successor Agency to RDA Funds					
Other Revenues	670,393	533,551	355,354	(178,197)	-33.40
Property Taxes	33,515,164	33,380,507	33,004,133	(376,374)	-1.13
Transfers-In	360,147	452,703	380,354	(72,349)	-15.98
Use of Money & Property	113,163	123,619	60,810	(62,809)	-50.81
Subtotal, Successor Agency to RDA Funds	$ 34,658,867	$ 34,490,380	$ 33,800,651	$ (689,729)	-2.00 %
Debt Service Funds					
Debt Service	564,383	441,715	440,500	(1,215)	-0.28
Service Fees	4,460,819	4,503,421	4,489,886	(13,535)	-0.30
Special Assessments	3,878,894	3,874,025	3,561,805	(312,220)	-8.06
Transfers-In	33,710,099	33,431,927	33,036,494	(395,433)	-1.18
Use of Money & Property	88,009	74,100	37,450	(36,650)	-49.46
Subtotal, Debt Service Funds	$ 42,702,204	$ 42,325,188	$ 41,566,135	$ (759,053)	-1.79 %
Total, All Funds	$ 223,065,142	$ 244,769,379	$ 208,922,670	$ (35,846,709)	-14.65 %

Summary of Expenditures by Program
Table 4

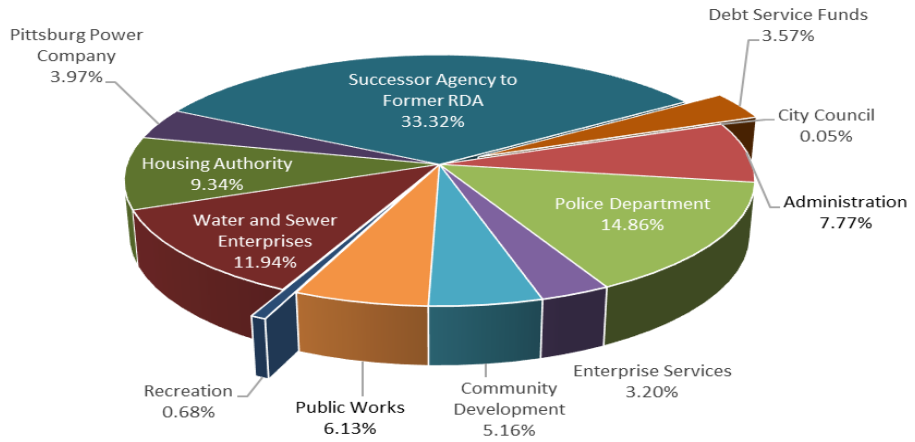
	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
City Council					
City Council	107,075	119,543	104,581	(14,962)	-12.52
Subtotal, City Council	$ 107,075	$ 119,543	$ 104,581	$ (14,962)	-12.52 %
Administration					
City Manager	229,910	252,655	172,412	(80,243)	-31.76
City Clerk	409,360	445,760	487,016	41,256	9.26
City Attorney	414,667	397,715	352,705	(45,010)	-11.32
Human Resources	1,144,148	1,288,667	1,097,427	(191,240)	-14.84
Debt service:					
Treasurer	6,331	6,331	6,223	(108)	-1.71
Finance	3,020,538	3,109,480	3,077,015	(32,465)	-1.04
General Fund - Non Departmental	4,117,513	4,875,267	2,320,213	(2,555,054)	-52.41
Emergency Operation Center	52,869	49,050	41,600	(7,450)	-15.19
Information Technology	1,020,164	1,560,741	1,439,549	(121,192)	-7.77
Employee Fringe Benefits	2,390,266	2,267,812	1,960,073	(307,739)	-13.57
Other Post-Employment Benefits (OPEB)	2,085,188	2,272,580	2,123,900	(148,680)	-6.54
Pension Trust	391,765	394,215	392,935	(1,280)	-0.32
Insurance	1,657,117	1,970,254	2,166,069	195,815	9.94
Subtotal, Administration	$ 16,939,836	$ 18,890,527	$ 15,637,137	$ (3,253,390)	-17.22 %
Police Department					
Police Services	28,347,673	29,798,510 [1]	27,462,040	(2,336,470)	-7.84
San Marco CFD	1,028,824	1,139,200 [1]	1,060,000	(79,200)	-6.95
Vista Del Mar CFD	425,690	380,800 [1]	340,700	(40,100)	-10.53
Public Safety CFD	617,678	570,100 [1]	644,000	73,900	12.96
Asset Forfeitures	40,383	15,000	-	(15,000)	-100.00
Police Grants	1,695,341	1,671,634	400,000	(1,271,634)	-76.07
Subtotal, Police Department	$ 32,155,589	$ 33,575,244	$ 29,906,740	$ (3,668,504)	-10.93 %
Enterprise Services					
Marina	1,957,826	3,029,093	2,443,564	(585,529)	-19.33
Golf Course	7,701	9,000	4,000	(5,000)	-55.56
Fire District CFD	1,835	2,232	2,028	(204)	-9.14
R/R Ave e-BART CFD	81,319	-	2,500	2,500	-100.00
Environmental Affairs	720,229	898,616	696,144	(202,472)	-22.53
Housing Rehab Loans - CDBG	147,721	120,374	10,000	(110,374)	-91.69
CDBG Entitlements	921,634	895,320	671,417	(223,903)	-25.01
CalHome Program	21,399	-	-	-	-100.00
Waterfront Operations	1,484,712	3,981,408	2,250,110	(1,731,298)	-43.48
Economic Development	498,909	349,634	366,151	16,517	4.72
Community Services Grants	-	6,000	-	(6,000)	-100.00
Subtotal, Enterprise Services	5,843,285	9,291,677	6,445,914	(2,845,763)	-0.31
Community Development					
Planning Division	1,927,810	2,066,910	1,561,108	(505,802)	-24.47
Planning Grants	194,459	74,842	-	(74,842)	-100.00
Building Division	918,194	940,850	986,102	45,252	4.81
Engineering Division	1,946,560	2,192,076	1,946,527	(245,549)	-11.20
Gas Tax	3,051,737	6,041,257	2,189,664	(3,851,593)	-63.75
Measure J Tax	1,825,210	5,881,099	695,332	(5,185,767)	-88.18
NPDES	914,992	1,470,269	1,405,268	(65,001)	-4.42
Southwest Pittsburg GHAD	788,981	703,585	615,175	(88,410)	-12.57
GHAD Administration	433,948	489,503	401,570	(87,933)	-17.96
Pittsburg CIP	308,325	3,031,555	-	(3,031,555)	-100.00
Developer Fee Fund	3,349,155	6,809,687	152,777	(6,656,910)	-97.76
Community Capital Improvements	698,122	244,124	-	(244,124)	-100.00
Code Enforcement	-	-	437,121	437,121	-100.00
Project Amenities Mgmt CFD	15,322	-	2,400	2,400	-100.00
Infrastructure Repair & Replacement	147,766	346,890	-	(346,890)	-100.00
TOTAL Community Development	16,520,581	30,292,647	10,393,044	(19,899,603)	-0.66
Public Works - Maintenance Services					
Swim Center Maint.	160,509	169,540	161,576	(7,964)	-4.70
Landscape	2,694,403	2,868,344	2,527,363	(340,981)	-11.89
Landscape - Oak Hills Assessment	35,175	37,328	36,605	(723)	-1.94

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Public Works Administration	90,322	101,014	83,476	(17,538)	-17.36
Streets	2,366,113	3,020,620	3,510,624	490,004	16.22
Street Lighting	754,709	948,009	922,821	(25,188)	-2.66
Street Trees	437,881	468,385	484,118	15,733	3.36
Concrete	39,673	57,523	59,511	1,988	3.46
Fleet Maintenance	2,633,399	2,141,325	2,045,981	(95,344)	-4.45
Building Maintenance	1,726,109	2,578,991	2,261,559	(317,432)	-12.31
Graffiti Removal Program	147,522	178,976	161,312	(17,664)	-9.87
Subtotal, Public Works - Maintenance Services	$ 11,162,281	$ 12,659,588	$ 12,327,531	$ (332,057)	-2.62 %
Recreation					
Recreation Administration	165,117	317,345	259,587	(57,758)	-18.20
Recreation Services	1,061,265	1,245,672	796,497	(449,175)	-36.06
Recreation Grants Police Department	12,740	13,324	-	(13,324)	-100.00
California Theatre	418,449	547,547	320,292	(227,255)	-41.50
Subtotal, Recreation	1,657,571	2,123,888	1,376,376	(747,512)	-0.35
Public Works - Water and Sewer Enterprises					
Water Operating	14,661,821	22,921,194	16,879,472	(6,041,722)	-26.36
Water CIP	514,706	1,995,881	32,553	(1,963,328)	-98.37
Water Facility Reserve Fee Funds	192,207	3,904,703	-	(3,904,703)	-100.00
Sewer Maintenance	2,928,533	3,185,692	3,134,636	(51,056)	-1.60
Sewer CIP	2,419,701	17,579,547	32,553	(17,546,994)	-99.81
Sewer Facility Reserve Fee Funds	82,312	943,113	-	(943,113)	-100.00
Water Bond Debt Service	3,153,260	4,861,764	3,150,300	(1,711,464)	-35.20
Sewer Bond Debt Service	805,112	803,429	805,254	1,825	0.23
Subtotal, Public Works - Water & Sewer Enterprises	$ 24,757,652	$ 56,195,323	$ 24,034,768	$ (32,160,555)	-57.23 %
Housing Authority					
Housing Authority - Section 8	17,816,667	17,603,064	18,406,848	803,784	4.57
Housing - Successor Agency	273,665	911,843	390,455	(521,388)	-57.18
Subtotal, Housing Authority	$ 18,090,332	$ 18,514,907	$ 18,797,303	$ 282,396	1.53 %
Pittsburg Power Company					
Island Energy	5,424,304	6,226,754	5,430,825	(795,929)	-12.78
Pittsburg Power	2,082,866	3,250,679	2,268,358	(982,321)	-30.22
Power Company Capital Projects	709,816	1,559,207	290,000	(1,269,207)	-81.40
Subtotal, Pittsburg Power Company	$ 8,216,986	$ 11,036,640	$ 7,989,183	$ (3,047,457)	-27.61 %
Successor Agency to Former RDA					
RDA General	33,863,178	33,854,630 [2]	33,391,848	(462,782)	-1.37
RDA Administration	312,328	1,013,744 [2]	389,187	(624,557)	-61.61
RDA Capital Projects Fund	84,446	341,881	-	(341,881)	-100.00
RDA Tax Allocation Bonds	34,467,702	31,267,745 [2]	31,243,902	(23,843)	-0.08
RDA Housing Bonds	2,030,030	2,026,328 [2]	2,030,281	3,953	0.20
Subtotal, Successor Agency to Former RDA	$ 70,757,684	$ 68,504,328	$ 67,055,218	$ (1,449,110)	-2.12 %
Debt Service Funds					
Pension Obligation Bond	4,358,225	4,479,693	4,351,996	(127,697)	-2.85
Assessment Districts	4,332,807	2,820,271	2,822,784	2,513	0.09
Subtotal, Debt Service Funds	$ 8,691,032	$ 7,299,964	$ 7,174,780	$ (125,184)	-1.71 %
Total, Uses by Program	$ 214,899,904	$ 268,504,276	$ 201,242,575	$ (67,261,701)	-25.05 %

(1) Includes transfers between Police funds in the amount of $2,430,000, therefore uses appear to be overstated by $2,430,000.

(2) Uses appear to be overstated by inclusion of transfers between Successor Agency funds to pay for debt obligations in the amount of $33,004,133.

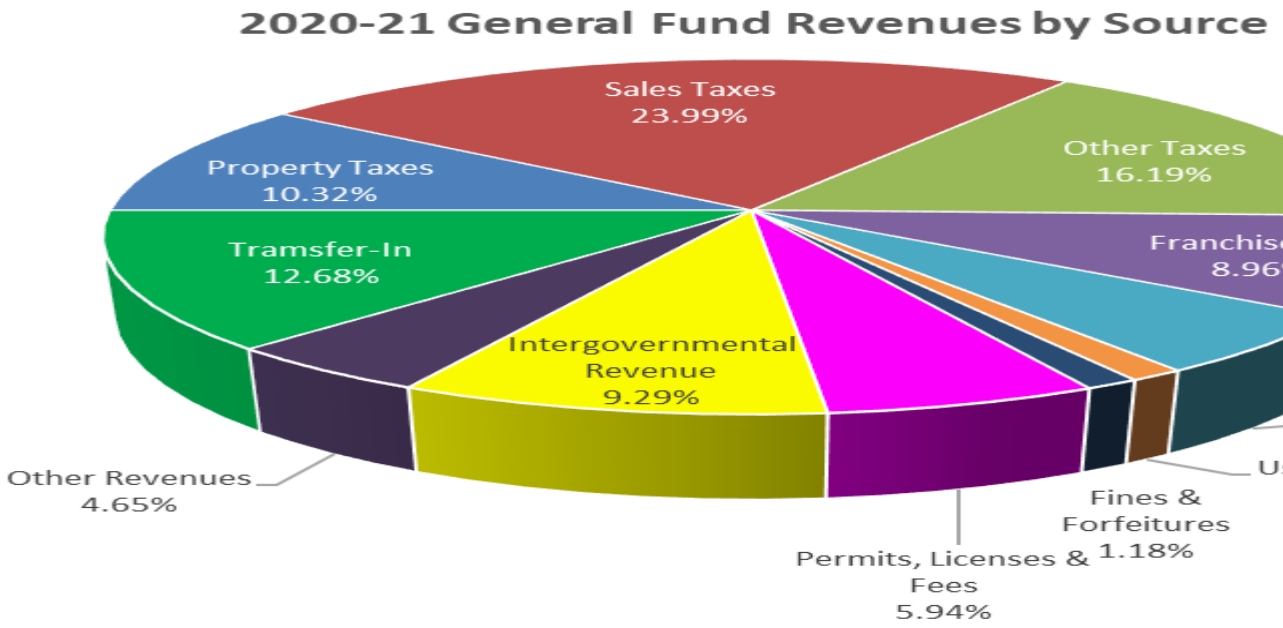
2020-21 Expenditures by Program



General Fund Revenues
Table 7

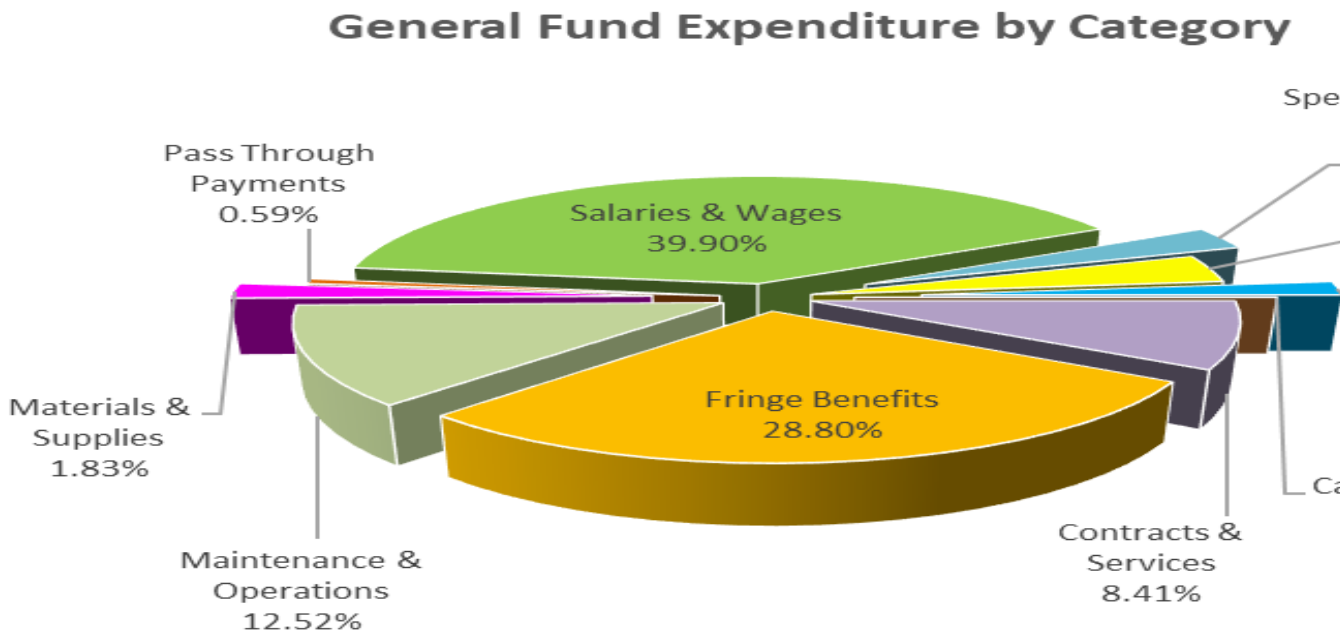
	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Property Taxes					
Homeowners Tax Relief	77,578	78,000	78,000	-	-
Prior Year Taxes	(18,098)	(17,468)	(17,468)	-	-
Secured Property Taxes	2,991,282	3,118,409	3,118,409	-	-
Supplemental Taxes	293,819	400,000	400,000	-	-
Unitary Taxes	319,457	288,736	288,736	-	-
Unsecured Property Taxes	327,171	326,157	326,157	-	-
Subtotal, Property Taxes	$ 3,991,209	$ 4,193,834	$ 4,193,834	$ -	0.00 %
Sales Taxes					
Sales & Use Taxes	9,169,399	9,331,000	6,531,700	(2,799,300)	-30.00
Sales Taxes - Increase	4,511,254	4,589,943	3,212,960	(1,376,983)	-30.00
Subtotal, Sales Taxes	$ 13,680,653	$ 13,920,943	$ 9,744,660	$ (4,176,283)	-30.00 %
Other Taxes					
Business License Tax	595,278	550,000	490,000	(60,000)	-10.91
Motor Vehicle Tax	5,152,948	5,346,962	5,346,962	-	-
Other Taxes	238,671	260,000	200,000	(60,000)	-23.08
Public Safety - Prop 172 Sales Tax	638,246	640,000	320,000	(320,000)	-50.00
Transient Occupancy Taxes	842,605	875,000	218,750	(656,250)	-75.00
Subtotal, Other Taxes	$ 7,467,748	$ 7,671,962	$ 6,575,712	$ (1,096,250)	-14.29 %
Franchise Fees					
Calpine	17,900	18,000	18,000	-	-
Comcast Broadband	675,156	670,000	650,000	(20,000)	-2.99
Franchise Fees - Other	92,869	92,000	90,000	(2,000)	-2.17
PG&E	613,595	591,000	559,000	(32,000)	-5.41
Pittsburg Disposal	1,989,596	1,980,000	1,813,000	(167,000)	-8.43
RCTS	970,057	998,861	508,028	(490,833)	-49.14
Subtotal, Franchise Fees	$ 4,359,173	$ 4,349,861	$ 3,638,028	$ (711,833)	-16.36 %
Service Fees					
Building Service Fees	246,428	260,387	241,882	(18,505)	-7.11
Engineering Service Fees	20,689	4,506	516	(3,990)	-88.55
Other Reimbursements	553,375	345,000	300,000	(45,000)	-13.04
Other Service Fees	633,745	648,097	659,100	11,003	1.70
Planning Service Fees	409,017	218,950	167,700	(51,250)	-23.41
Police Service Fees	556,287	551,836	546,216	(5,620)	-1.02
Public Works Service Fees	267,213	279,000	276,000	(3,000)	-1.08
Recreation Entrance Fees	137,933	160,500	60,000	(100,500)	-62.62
Recreation Service Fees	72,394	69,100	18,000	(51,100)	-73.95
Recreation Sports Fees	13,418	18,140	15,000	(3,140)	-17.31
Subtotal, Service Fees	$ 2,910,499	$ 2,555,516	$ 2,284,414	$ (271,102)	-10.61 %
Use of Money & Property					
Investment Earnings	780,641	250,000	250,000	-	-
Rental Income	330,951	325,791	237,338	(88,453)	-27.15
Sale of Property	9,503	-	-	-	-100.00
Subtotal, Use of Money & Property	$ 1,121,095	$ 575,791	$ 487,338	$ (88,453)	-15.36 %
Fines & Forfeitures					
Abandoned Vehicle Abatement	51,909	51,909	15,000	(36,909)	-71.10
Booking Fees	6,304	2,000	1,000	(1,000)	-50.00
Code Enforcement Fines	97,876	86,775	1,000	(85,775)	-98.85
Fines and forfeitures	13,436	2,500	63,075	60,575	2,423.00
Police Fines	148,129	143,011	72,000	(71,011)	-49.65
Police Forfeitures	1,532	2,000	1,000	(1,000)	-50.00
POST Reimbursements	23,756	65,000	75,000	10,000	15.38
Vehicle Code Fines	233,011	350,000	250,000	(100,000)	-28.57
Subtotal, Fines & Forfeitures	$ 575,953	$ 703,195	$ 478,075	$ (225,120)	-32.01 %
Permits, Licenses & Fees					
Building Fees	111,328	283,800	187,400	(96,400)	-33.97
Building Permits	673,345	1,464,250	1,016,500	(447,750)	-30.58
Business License Fees	156,883	129,500	94,400	(35,100)	-27.10
Engineering Fees	691,607	651,405	762,351	110,946	17.03
Other Fees	10,257	10,261	10,261	-	-

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Other Permits	5,882	9,100	5,000	,100)	-45.05
Permits, licenses and fees	-	-	7,500	7,500	-100.00
Planning & Zoning	181,897	238,100	290,980	52,880	22.21
Planning Service Fees	10,000	31,000	30,000	(1,000)	-3.23
Police Fees	8,474	8,620	6,700	(1,920)	-22.27
Subtotal, Permits, Licenses & Fees	$ 1,849,673	$ 2,826,036	$ 2,411,092	$ (414,944)	-14.68 %
Intergovernmental Revenue					
Grants	180,892	186,649	148,649	(38,000)	-20.36
Intergovernmental revenues	1,406,450	1,060,000	1,060,000	-	-
Other Reimbursements	462,943	454,149	444,149	(10,000)	-2.20
RDA AB-1290/City Pass Through	701,934	590,000	590,000	-	-
School Resource Officer Reimbursement	515,101	535,705	535,705	-	-
State Mandated Costs	71,794	65,094	30,000	(35,094)	-53.91
Tipping Fee	999,018	1,050,000	965,000	(85,000)	-8.10
Subtotal, Intergovernmental Revenue	$ 4,338,132	$ 3,941,597	$ 3,773,503	$ (168,094)	-4.26 %
Other Revenues					
Administrative Overhead	1,839,903	1,763,520	1,639,303	(124,217)	-7.04
Donations	19,227	1,792	-	(1,792)	-100.00
Other	106,202	20,295	6,000	(14,295)	-70.44
Other Reimbursements	588,083	227,635	218,000	(9,635)	-4.23
Planning Service Fees	-	-	25,000	25,000	-100.00
Subtotal, Other Revenues	$ 2,553,415	$ 2,013,242	$ 1,888,303	$ (124,939)	-6.21 %
Transfers-In					
Transfers-In	4,972,091	5,032,677	5,149,620	116,943	2.32
Subtotal, Transfers-In	$ 4,972,091	$ 5,032,677	$ 5,149,620	$ 116,943	2.32 %
Total, General Fund Revenues	$ 47,819,641	$ 47,784,654	$ 40,624,579	$ (7,160,075)	-14.98 %



General Fund Expenditures by Category
Table 8

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
General Fund					
Capital Outlay - Equipment	319,193	513,510	-	(513,510)	-100.00
Contracts & Services	4,657,460	4,431,949	3,845,146	(586,803)	-13.24
Fringe Benefits	12,465,681	13,573,117	13,163,508	(409,609)	-3.02
Maintenance & Operations	5,289,813	6,057,019	5,721,969	(335,050)	-5.53
Materials & Supplies	707,429	935,005	835,885	(99,120)	-10.60
Pass Through Payments	315,137	337,098	271,682	(65,416)	-19.41
Salaries & Wages	18,279,396	18,921,360	18,240,830	(680,530)	-3.60
Special Items of Expense	70,040	239,135	(1,293,737)	(1,532,872)	-641.01
Transfers-Out	1,762,164	2,514,668	1,572,936	(941,732)	-37.45
Workers Compensation	1,167,325	1,048,710	766,360	(282,350)	-26.92
Total, General Fund Expenditures	$ 45,033,638	$ 48,571,571	$ 43,124,579	$ (5,446,992)	-11.21 %



Proposed Annual Budget

Fiscal Year 2020-21

City of Pittsburg, California

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➢ ACKNOWLEDGEMENTS

City Council

Jelani Killings, Mayor
Marilyn "Merl" Craft, Vice Mayor
Holland Barrett White, Council Member
Shanelle Scales-Preston, Council Member
Juan Antonio Banales, Council Member

Other Elected Officials

Alice E. Evenson, City Clerk
Nancy L. Parent, City Treasurer

City Attorney

Donna Mooney, City Attorney

Management Staff

Garrett Evans, City Manager
Fritz McKinley, Assistant City Manager
Alice E. Evenson, Director of Records and Council Services
Brad Farmer, Director of Finance
Brian Addington, Chief of Police
Jill Hecht, Director of Community Development
Maria Aliotti, Director of Community Services
Stacy Shell, Director of Human Resources

➢ ACKNOWLEDGEMENTS

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Mary Morales, Account Clerk II
Rhonda Caldwell, Administrative Specialist

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Pittsburg
California

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Pittsburg for the Annual Budget beginning July 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565

June 29, 2020

Honorable Mayor and Members of the City Council:

On behalf of the Management Team and the entire City staff, I am pleased to submit the Fiscal Year (FY) 2020-21 Annual Budget. This document includes the City's Operating and Capital Improvement budget for all activities and provides a comprehensive financial framework for the coming year. The current year's budget was prepared under the shadow of the global pandemic coronavirus or Covid-19. Team Pittsburg's divisions and staff pulled together to provide a reduced budget that strives to maintain the core services Pittsburg's residents and businesses expect from their local government. The commitment to Team Pittsburg from the City Council, community, and entire organization is the basis for the budget presented, reflecting the City Council's community goals and priorities.

The annual budget is the single most important policy that the City Council reviews and approves, as it represents the City's priorities for making resource investments, both for the upcoming year and the long-term future. As such, the budget process must include effective participation from the Mayor and City Council, our community, key stakeholders, and City staff. Working together, we strive for progressive investment in our community's future, as well as in our organization and staff, so that we can operate efficiently and effectively.

Revenues for the City (excluding transfers) are projected to be $201.7 million, of which 17.6 percent comprises the General Fund. The City's total expenditures (excluding transfers) are projected to be $197.1 million, of which 21.4 percent is the General Fund, the City's main source of unrestricted funds. This proposed budget funds 291 full-time equivalent employees. This Budget follows the requirements of the Fiscal Sustainability Ordinance, which set a minimum reserve by the end of FY 2017-18.

Projected FY 2020-21 ending Budget Stabilization Fund Balance	$ 2,445,285
Projected FY 2020-21 ending General Fund Balance	$16,157,674

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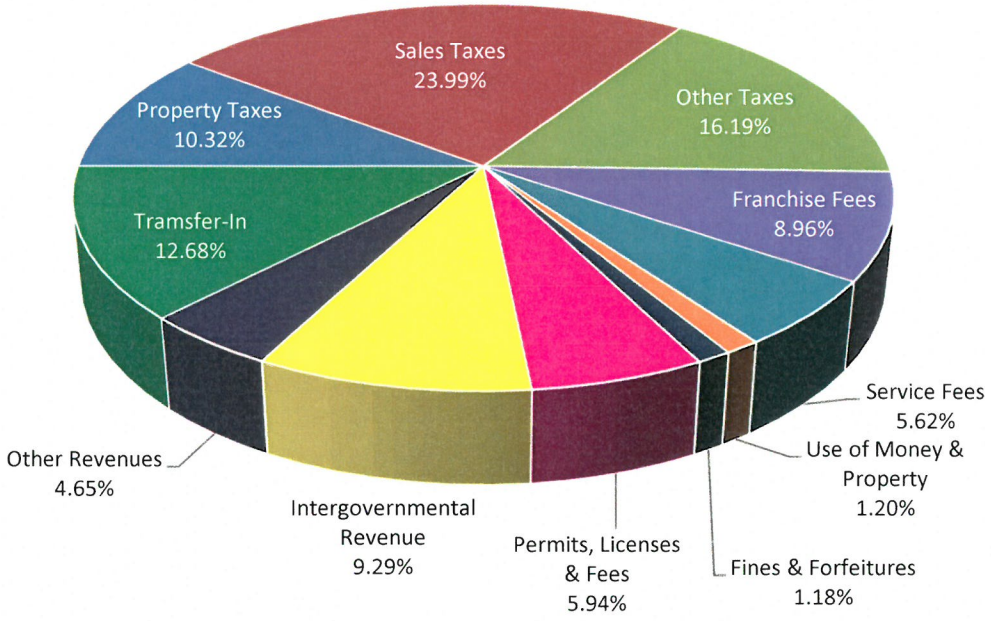
Overview of the General Fund Proposed Operating Budget for FY 2020-21

	FY 2019-20 YE Estimate	FY 2020-21 Budget	Increase/ (Decrease)	Percentage Inc/(Dec)
Revenues	$ 47,784,654	$ 40,624,579	$ (7,160,075)	(14.98%)
Expenditures	48,571,571	43,124,579	(5,446,992)	(11.21%)
Surplus (Deficit)	*$ (786,917)*	*$ (2,500,000)*	*$ (1,713,083)*	*217.70%*
Use of General Fund Balance	***$ 786,917***	***$ 2,500,000***	***$ 1,713,083***	***217.70%***

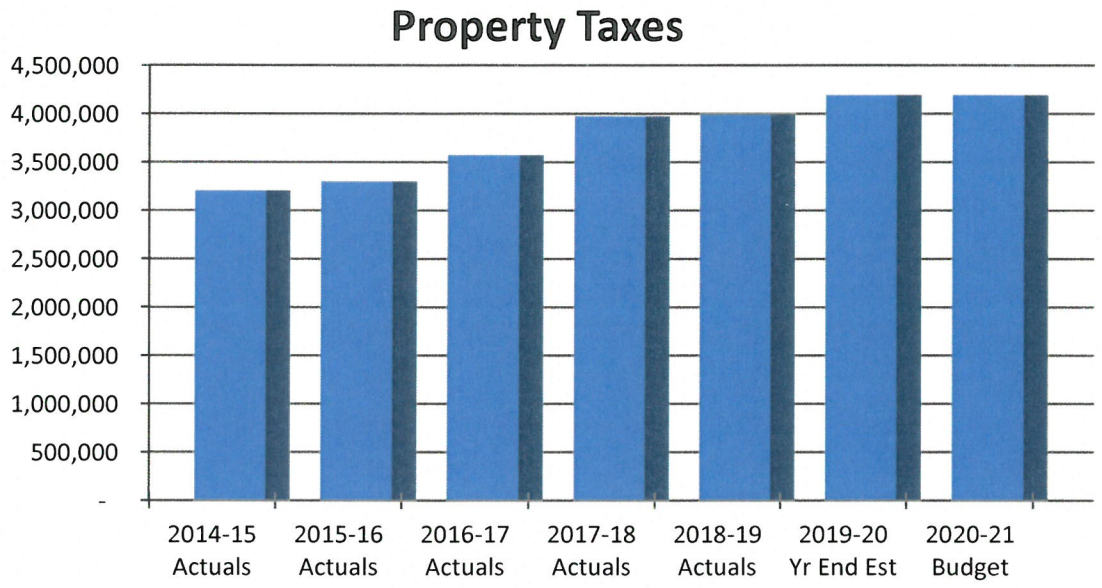
Revenues

The City's revenue streams are influenced by overall economic conditions. Total General Fund revenue projections for FY 2020-21 are approximately $7.2 million less than FY 2019-20 year-end estimates. These reductions are due to the anticipated economic impacts resulting from the Covid-19 pandemic. The General Fund major revenue sources include property and sales taxes, transfers, other taxes, and franchise taxes. Together the major sources comprise 72.13 percent of total General Fund revenues for FY 2020-21, as shown on the graph below. The remaining 27.87 percent includes revenues such as intergovernmental revenue, departmental fee revenues and interest earnings.

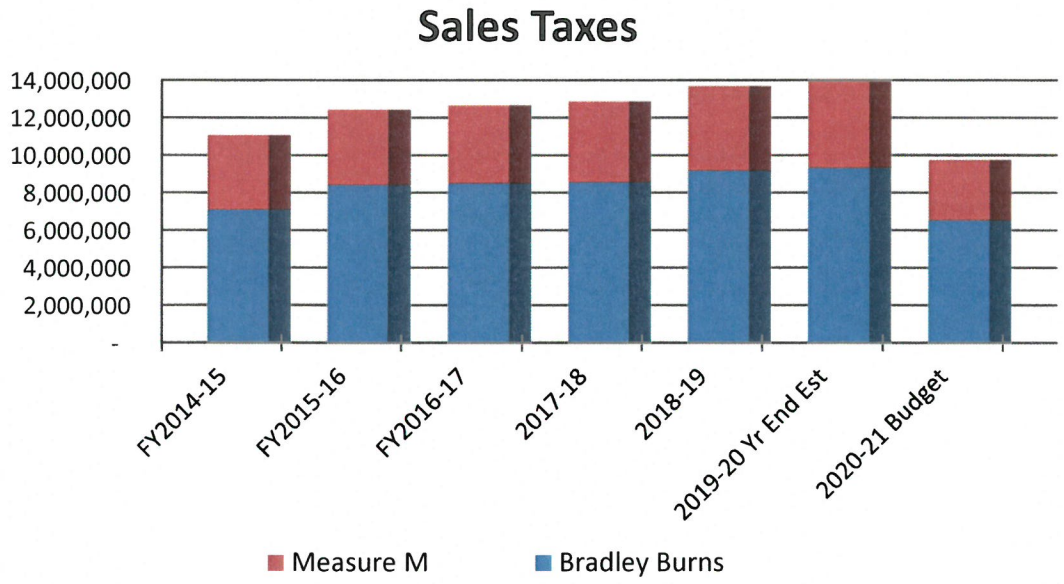
2020-21 General Fund Revenues by Source



Based on the Property Assessment Value (AV) report from Contra Costa County, the City anticipates property tax revenues to remain consistent at $4.2 million in FY2020-21.



FY 2020-21 Sales Tax revenue projections decreased by $2.8 million compared to the FY 2019-20 year-end estimates, a 30 percent decrease. Sales Tax revenue was showing continued growth until the Covid-19 pandemic when most tax revenue generators were closed.



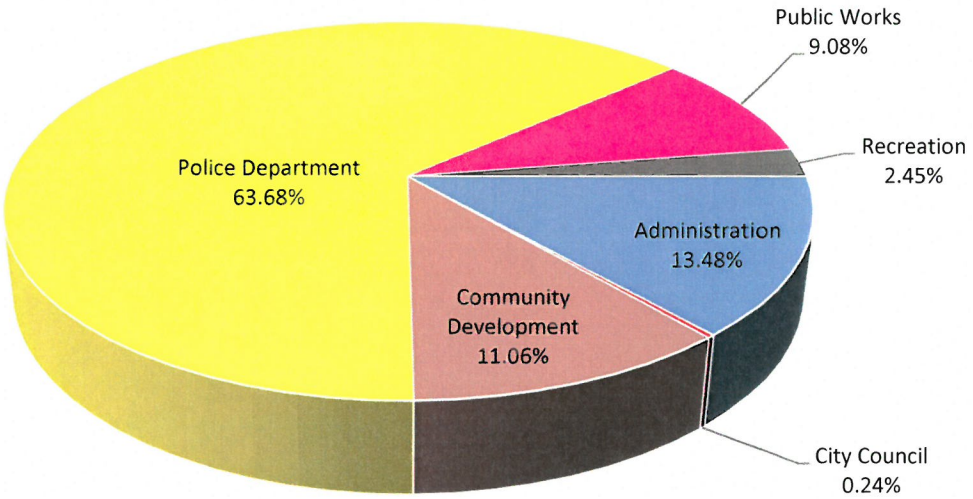
The auto dealerships and gasoline stations will continue to see reduced sales as the shelter in place order and Covid-19 continues into FY 2020-21. Looking forward, the City is projecting Sales Tax revenue to decrease in FY 2020-21 and possibly into FY 2021-22 depending on how quickly the economy turns around once all businesses are re-opened for business.

In June 2016, 81 percent of voters approved Measure M, extending the City's one-half percent sales tax through June 2035 to support public safety, senior activities, economic development, youth enrichment and the City's infrastructure.

Expenditures

General Fund projected expenditures have decrease by $5.4 million in FY 2020-21 over FY 2019-20 year-end estimates. For the FY 2020-21 budget, departments were asked to reduce controllable costs to offset projected revenue reductions. This budget continues to see additional resources dedicated to fund the City's pension obligation, with higher contribution rates and additional funding requirements to cover the unfunded actuarial liabilities (UAL) and changes initiated by the California Public Employees' Retirement System (CalPERS) Board. The CalPERS rate increases resulted from changes to proactively fund the current UAL over the next 15 years. In response to these changes, the City redirected program costs to other funds and away from the General Fund, where possible, and made necessary adjustments to the current and future projected budgets to minimize the impact.

2020-21 General Fund Expenditures by Department



The restructuring and reductions made to the current budget, including the use of $2.5 million of General Fund reserves, were necessary to enable the City to continue providing core services to both residents and businesses during the upcoming fiscal year.

Fiscal Sustainability Ordinance – The City continues to develop the annual budget under the guidelines of the City's Fiscal Sustainability Ordinance. The Budget Stabilization Fund projected balance at the end of FY 2020-21 is just over five percent of the General Fund operating expenditures as required by the Ordinance. While the City Council adopted a change to the Fiscal Sustainability Ordinance allowing up to ten percent of the required minimum 30 percent General Fund reserve level to be held in real estate, no expected utilization of real estate is projected for the current year to maintain the minimum requirements as outlined in the Ordinance. Depending on the collection of property, sales and other taxes received, the City may need to address the necessity to access the Budget Stabilization Fund during the year.

20-year General Fund Forecast – The City budgets annually for the upcoming year, however, a longer-range 20-year forecast is used to predict future fiscal measures to operate within. This forecast incorporates anticipated revenues from development, assessed market value and economic projections, as well as a systematically structured expenditure plan to cover current operational costs, post retirement liabilities Contra Costa County Employees' Retirement Association (CCCERA), pension, and Other Post-Employment Benefits (OPEB).

Pension - One of the benefits offered to City employees is participation in the CalPERS pension program. Following significant losses during the great recession and lower than projected returns on assets held for the past several years, CalPERS changed the assumptions it applied to the funding requirements of the program. These assumptions changed the term of recovery from 30 years to 15 years, lowering the discount rate (projected annual earnings rate) from 7.375 percent to 7.0 percent and a shortening of the amortization life from 30 years to 20 years for future years. The resulting financial impacts of these changes will significantly increase future pension obligations, possibly resulting in reduced service levels throughout the City.

Assembly Bill 340 (AB 340) created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and the final compensation period for employees hired on or after January 1, 2013. The impacts of AB 340 will be realized as the City experiences employee attrition. The City is working on reducing this liability through employee attrition, negotiated employee contributions, and additional City contributions toward the pension obligation.

In FY 2019-20, at the City Council's direction, a Section 115 Trust Fund was established to accumulate funds that can only be used towards future pension costs in addition to paying the required CalPERS annual pension payments. For FY 2020-21 the City has budgeted $392,935 citywide to be deposited into the Trust. The Section 115 Trust Fund had a balance of $967,771 as of May 31, 2020.

OPEB Liabilities – In December 2013, the City established an agreement with CalPERS to set aside funds and deposit into the California Employer's Retiree Benefit Trust (CERBT) fund to accumulate and distribute assets for the exclusive benefit of retirees and their beneficiaries. Plan assets are irrevocable and may not be used for any purpose other than funding post-retirement healthcare. The City continues to deposit funds with CERBT each year to reduce its unfunded OPEB liability. The City's CERBT account had a balance of $5.2 million as of June 12, 2020. The proposed FY 2020-21 Budget includes using $1.2 million to cover the current year's General Fund expenses. Once the current economic downturn turns around, the City will resume prefunding the CERBT fund.

Looking Forward

Staff will continue to streamline the City's organization and strive to optimize the existing workforce to meet the needs of residents throughout the City. By continuing to improve efficiency and focusing on the longer-term 20-year forecast for the City's General Fund, staff feels the City, residents, business leaders and community partners will continue to invest in and strengthen the community.

Crime Rates – Over the past year, the City saw an increase in Violent Crimes and a reduction in Part I Crimes. Overall crime rates continue to remain at some of the lowest levels in decades and continue to compare very well with nearby cities.

VIOLENT CRIME COMPARISON BY CITY PER 1,000 RESIDENTS

CITY/YEAR	2018	2019
Walnut Creek	1.5	1.7
Pleasant Hill	1.8	2.2
Brentwood	2.4	2.6
Concord	3.7	4.2
Antioch	5.3	5.7
Pittsburg	5.8	6.2

PART I CRIME COMPARISON BY CITY PER 1,000 RESIDENTS

CITY/YEAR	2018	2019
Brentwood	23.7	23.7
Pittsburg	29.2	29.3
Walnut Creek	33.2	37.3
Concord	35.5	39.5
Antioch	35.5	34.3
Pleasant Hill	44.4	43.4

Violent Crime includes: Murder, Rape, Robbery and Aggravated Assault

Part I Crime includes: Murder, Rape, Robbery, Aggravated Assault, Burglary, Larceny Theft, Vehicle Theft and Arson

Development – Pittsburg is a great place to live and work, filled with many talented people with a diversity of interests. The business community and the City are both committed to maintaining the tradition of working together to build a stronger City. The City Council and staff work with businesses and developers to ensure the community grows at a pace that is healthy for all parties involved. Staff's objective is to encourage expansion from existing businesses and attract new businesses that would improve the quality of life in Pittsburg.

The proposed FY 2020-21 Capital Projects budget is approximately $1.3 million, as summarized in the chart below. A majority of the capital projects involve improvements to the City's streets and traffic systems.

City of Pittsburg
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Project Number	Project Name	Funding Source	FY 20-21 Allocation
5822	Causeway Bridge Coupling Replacement Project	IE	$ 250,000
2229	SB1 2020/21 Pavement Management Project	RMRA	327,553
2230	2020/21 Traffic Signal Modification Project	RMRA	100,000
2231	STP/OBAG II Pavement Improvement Project	RMRA	300,000
3115	HSIP 8 2017-02 Stoneman Avenue Safety Improvement Project	RMRA	300,000
	Totals		**$ 1,277,553**

Conclusion

The FY 2020-21 Annual Budget reflects the short and long-term financial capacity of the City. It balances a variety of wants against needs, while reflecting the goals, strategic direction and plans prioritized by the City Council as the community moves forward.

I would like to thank the City Council for their guidance and support throughout the development of the budget. In addition, I would like to thank the Finance Department Budget staff and staff in all other City Departments that contributed to the Fiscal Year 2020-21 budget. I would like to give special thanks to Brad Farmer, Finance Director and to Janielyn Bayona, Finance Accounting and Budget Manager for their work and expertise throughout this year's budget process.

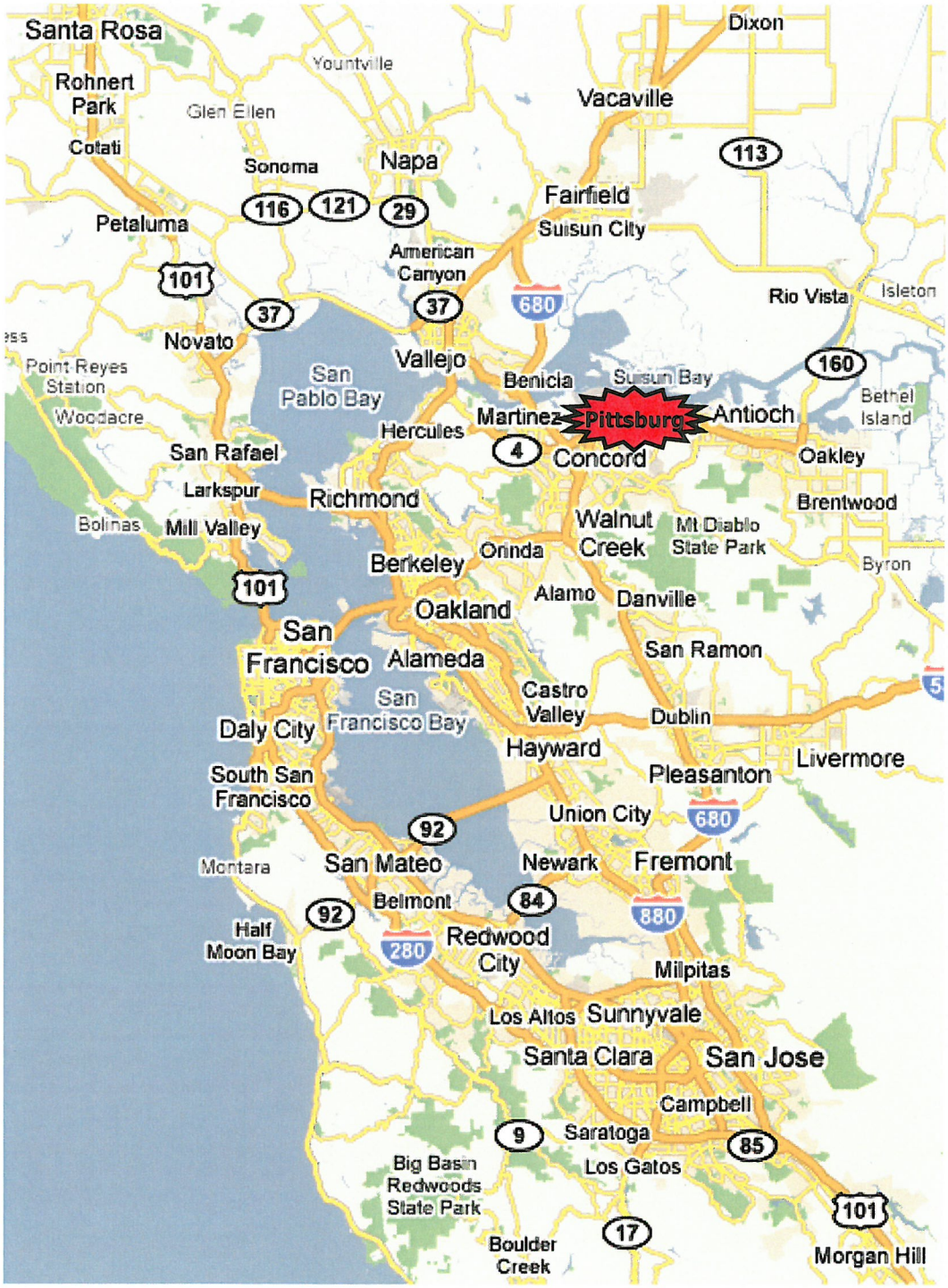
Garrett EvansCity Manager

➢ MISSION STATEMENT

To provide responsive and high quality public services in partnership with our citizens while celebrating our community's rich history, cultural diversity, and pride in our prosperous future.

Our Continuing Values:

INTEGRITY	To be open and honest, to honor with our commitment
TRUST	To conduct all activities in ways which increase confidence in the City's policies and services
COMMITMENT	To sustain a focus on excellence in public service
RESPECT	To be responsive to all the people we work with and serve, to act in a timely and sensitive way
PRIDE	To recognize and celebrate the unique and positive characteristics of the City of Pittsburg
CONTINUOUS LEARNING	To grow in our understanding of the workplace and the community so that we can provide the most responsive and efficient service
PARTNERSHIP	To foster collaboration in meeting community challenges to maximize active citizen participation


Santa Rosa
Rohnert Park
Cotati
Yountville
Glen Ellen
Sonoma
Napa
Petaluma
116
121
29
Vacaville
Dixon
113
Fairfield
Suisun City
American Canyon
101
37
37
680
Rio Vista
Isleton
Novato
Point Reyes Station
Woodacre
San Pablo Bay
Vallejo
Benicia
Suisun Bay
160
Bethel Island
Martinez
Pittsburg
Antioch
Hercules
4
Concord
Oakley
San Rafael
Larkspur
Richmond
Brentwood
Bolinas
Mill Valley
Walnut Creek
Mt Diablo State Park
Orinda
Berkeley
Byron
101
Alamo
Danville
Oakland
San Francisco
Alameda
San Ramon
San Francisco Bay
Castro Valley
Dublin
Daly City
Hayward
Livermore
South San Francisco
Pleasanton
Union City
680
92
Montara
San Mateo
Newark
Fremont
Belmont
84
92
880
Half Moon Bay
280
Redwood City
Milpitas
Los Altos
Sunnyvale
Santa Clara
San Jose
Campbell
9
Saratoga
85
Big Basin Redwoods State Park
Los Gatos
101
17
Boulder Creek
Morgan Hill

➢ CITY OF PITTSBURG – OUR HISTORY

Pittsburg has been a city in progress for nearly a century and a half. Located at the point where the Sacramento and San Joaquin rivers meet, Pittsburg is a community of both progress and promise.

[1800's]

1839 – Mexican government grants 10,000 acres to Jose Antone Mesa and Miguel Jose Garcia

1840 – Named New York of the Pacific, possibly because the man who laid out the town, Colonel J.D. Stevenson, was a native of New York

1870's – First Italian fisherman, Pietro Aiello and brother Rosario, began fishing the river. Word of mouth quickly spread and by 1910 it was recorded that nearly 1,000 Italian fishermen and their families worked the rivers and canneries.

[1900 – 1929]

1903 – Town renamed Black Diamond following discovery of coal in the hills 3 miles south of town

1910 – Columbia-Geneva Steel Company starts operating on a small scale

1911 – Town renamed Pittsburg, honoring Pittsburgh, Pennsylvania (without the "H"), because of the city's associations with the steel building industry

1916 – Pacific Gas & Electric power plant was built. The Great Western Electro Chemical Company was established

1920's – Pittsburg High School opens

1927 – USS Steel purchased Columbia Geneva Steel Company

[1930 – 1960's]

1939 – Great Western Electro Chemical Company merges with Dow Chemical Company

1942 – Camp Stoneman was built and local industries boomed. For thousands of enlisted personnel who went to fight in the Asian-Pacific operations during WWII, Camp Stoneman was their last contact with the United States.

1954 – After the Korean War, Camp Stoneman closed and the property was added to the City of Pittsburg for commercial and residential development; however, as Camp Stoneman closed its doors, so ended that era of prosperity in Pittsburg.

1960's – Buchanan Park Swim Center and Pittsburg High School's Creative Arts Center open

[1970's – 1990's]

1970's – Pittsburg Marina first built. The berths, docks and other facilities have undergone extensive renovations over the years.

1974 – Los Medanos College opens, providing 2-year degrees and transfer programs to East Contra Costa County students, in addition to lifelong learning programs

1980's – Pittsburg's vacant land was seen as a gold mine to developers. From 1981 to 2000, Pittsburg experienced a 59% increase in population.

1990's – Bay Area Rapid Transit (BART) extended its lines to its Eastern-most point – Pittsburg/Bay Point Station at Bailey Road. The State Route 4 widening project began.

[2000 – 2010]

2000's – New High Occupancy Vehicle (HOV) lanes added to State Route 4, relieving congestion as Eastern Contra Costa County population grows. Widening project continued through 2006.

2003 – Pittsburg's Centennial Celebration

2004 – Pittsburg's Auto Plaza opens on Century Blvd. along State Route 4

2000 – 2010 - Pittsburg's population estimate grew 37%. New BART extension proposed to expand service 23 miles to the east to reduce traffic congestion

[2011 – Present]

2011 – Construction begins on project to widen State Route 4 to eight lanes. Pittsburg segment is completed in 2015.

2013 – Re-opening of the historic California Theatre after a $7 million renovation.

2015 – Construction of BART extension to Antioch begins in median of State Route 4.

2018 - Extension of BART service from Pittsburg/Bay Point to Antioch is completed, including service to Pittsburg Center Station.

From a struggling settlement to an industrial center, Pittsburg has grown into a pleasant community of 26 parks, recreational facilities, shopping centers, housing, and planned business and commercial development. New homes, renovated older homes, new businesses and a revitalized historic district are all signs of even better times ahead. Additionally, Pittsburg's local government has expanded the parks system, improved roads, increased commerce and employment and expanded the City's Marina and waterfront recreation facilities.

Source: Pittsburg Chamber of Commerce

Historical Photo Courtesy of Southport Land & Commercial Co.

CITYWIDE GOALS	
Public Safety.	*Prioritize public safety, health, and welfare in the City Budget and when reviewing projects.*
Public Infrastructure.	*Improve public facilities and infrastructure and increase beautification of City maintained areas.*
Economic Development.	*Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.*
Efficiency.	*Increase efficiency of City operations and services through technology and streamlined processes.*
Quality of Life.	*Improve the quality of life for all Pittsburg residents.*

CITY ATTORNEY

CA-1: Provide thorough and timely legal advice to minimize legal risk to the City.

Related City Goal: *Prioritize public safety, health, and welfare in the City Budget and when reviewing projects.*

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Implementation Strategy: Inform the City Council and City Manager of legal risks associated with policy options or Council actions. This objective will help the City Council make informed decisions and reduce the likelihood the City may face litigation. Long term, the City will reduce the number of litigations resulting from Council decisions to zero.

Implementation Strategy: Provide drafting and negotiation assistance for complex transactions. Doing this will help ensure protection the health and welfare of its population, as well as the financial well-being of the City. As part of this objective, the City Attorney's Office will review and respond to requests for legal review of contracts, agreements, or other documents same business day, or within three business day depending on complexity.

Implementation Strategy: The City will seek to reduce its government claims portfolio and ongoing litigation. To achieve this, the City Attorney's Office will conduct semi-annual meetings with Police and Public Works. Long term, the City can expect to see a continuing decrease, or no increase, in claims made against the City and litigation related to assertions of dangerous conditions of property, and police-related claims.

CA-2: Provide legal information and training on laws.

Related City Goal: *Prioritize public safety, health, and welfare in the City Budget and when reviewing projects.*

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Implementation Strategy: Along with the City Manager's Office, provide semi-annual workshops regarding hot-button legislation that may impact the City. The City Attorney's Office will help to identify new laws that significantly effect operations, major projects, or have budgetary implications, and help present an overview of legislation. Achievement of this objective will help the City Council make informed decisions, and long term, will help the City implement proactive measures to protect against unforeseen impacts.

Implementation Strategy: The City Attorney's Office will hold workshops with the Planning Commission regarding findings required for land use entitlements, and laws concerning conditions of project approval(s). By helping educate the Planning Commission on what findings must be made for certain types of applications, some projects will experience faster review processes. In some instances, removing unnecessary continuances may reduce review time by 15-30 days.

Implementation Strategy: Since the hiring of an in-house City Attorney in fall 2018, the City Attorney has held numerous trainings for staff regarding the contracting process, the Public Records Act, records retention law, and new housing laws. The City Attorney's Office desires to keep up proactive legal services, including opportunities for training, in order to better incorporate best practices in City services and improve the accuracy and efficiency of service delivery. The City Attorney's Office will evaluate training gaps and develop and implement proactive outreach policies for internal staff. In order to reduce legal risk and provide equitable, effective, and efficient services, the City Attorney's Office will develop and implement proactive outreach policies and provide City Attorney's Office trainings of 8 hours.

CITY CLERK/RECORDS AND COUNCIL SERVICES

CC-1: Ensure the City is maintaining and providing transparency and optimal public service.

Related City Goal: Increase efficiency of City operations and services through technology and streamlined processes.

Implementation Strategy: Stay abreast of rules, regulations, and best practices regarding social media to help the City maintain compliance.

Implementation Strategy: Review process for recruitment of commission vacancies.

Implementation Strategy: Identify and analyze Code for America resources for multiple projects.

CC-2: Utilize technology to enhance transparency and public participation in City Council meetings.

Related City Goal: Increase efficiency of City operations and services through technology and streamlined processes.

Implementation Strategy: Partner with CCTV to install and begin closed captioning for broadcast of meetings. This will ensure the City is compliant with newly established Federal ADA regulations. This project should be complete by fall 2020.

Implementation Strategy: Work with the IT Department to develop a request for proposal for upgrades to the Council Chamber audio system. RFP to be complete in fall, with project to begin in spring 2021.

Implementation Strategy: Assess video quality and potential improvement to video services for all public meetings.

COMMUNITY DEVELOPMENT

CD-1: Complete long-range planning efforts to establish a road map for development and land use in the future and identify funding sources to support future planning and construction projects.

Related City Goal: *Improve public facilities and infrastructure and increase beautification of City maintained areas.*

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Implementation Strategy: Complete the Comprehensive General Plan Update. As part of this effort, identify vacant and underutilized areas of the City and land use alternatives. By accomplishing this objective, the City can promote redevelopment of these areas by identifying alternative land uses that would induce reinvestment and reduce blight, as well as meet its prescribed housing planning goals. Redeveloped areas could potentially result in one million square feet of commercial or industrial development and 1,000 housing units.

Implementation Strategy: Complete development of objective design standards for multi-family housing and mixed-use projects. Development of these standards will ensure quality development for projects undergoing design review, as well as projects streamlined under state law, by providing easily identifiable and transparent criteria that will help staff review projects more quickly and developers meet City design standards at the onset of a project application. By removing the subjectivity from the residential design review process, staff time spent on applications will be reduced and application processing times will also be reduced by at least 30%.

CD-2: Ensure the provision of safe and reliable public facilities and infrastructure through the long-range planning and completion of Capital Improvement Program (CIP) projects.

Related City Goal: *Improve public facilities and infrastructure and increase beautification of City maintained areas.*

Implementation Strategy: Compete for federal, state, county, and private foundation grants to support capital projects, facility enhancements, and long-range planning, and minimize general fund spending, by leveraging local funds and existing efforts such as the Capital Improvement Program and General Plan update. Grants and other outside funding will total $700,000 per year.

Implementation Strategy: Seek out innovative techniques to reduce costs and extend the reach of scheduled capital projects for Pavement Management, Street Maintenance, Street Lighting and Traffic Signal Modifications where possible, to extend the useful life and improve safety and efficiency of City roadways. Currently, 17.3 miles of roadway along designated truck routes is in need of pavement maintenance or repair that can extend its useful life by 7 to 15 years.

Implementation Strategy: Identify solutions to help reduce traffic delays along State Route 4 and major arterials during commute hours, such as the effectiveness and feasibility of adaptive traffic signals for the City's major corridors.

Implementation Strategy: Identify and carry-out projects for traffic calming and improved safety for pedestrians and cyclists and develop a strategy to educate parents, students, and other residents on street safety to reduce total bicycle and pedestrian accidents and injuries. Seek to reduce total bicycle and pedestrian accidents by 50 percent.

CD-3: Create more transparency, predictability, and efficiency for new development proposals.

Related City Goal: Increase efficiency of City operations and services through technology and streamlined processes

Implementation Strategy: Update the City's Accessory Dwelling Unit ordinance to comply with state law and develop/provide prototype plans for ADU's to assist their development. By ensuring consistency with state law and providing pre-approved plans, the City will encourage the development of ADUs, which have become a popular alternative to allow senior residents to age in place, help homebuyers finance the purchase of homes, and provide affordable housing within single family neighborhoods, creating mixed income communities. ADUs are considered a moderately affordable housing type and with streamlined processes and preapproved building plans in place, it is estimated that staff review time for ADU applications can be reduced by up to 75%. It is also expected that the number of ADU applications received will at least double in the first year, thereby increasing the amount of moderately affordable units available to Pittsburg residents.

Implementation Strategy: Facilitate change from Level of Service to Vehicle Miles Traveled standard for project specific CEQA review. By doing such, the City will ensure consistency with State of California statutory requirements (SB 743) and help to streamline the environmental review for new projects proposed in areas that are more transit accessible. This will also provide prospective developers with more certainty when assessing the costs and challenges associated with large project development and could reduce review time by 50%.

Implementation Strategy: Inspect 10 percent of City's rental housing stock through Residential Rental Inspection Program to ensure continued review of enrolled properties and to ensure safe housing for tenants.

COMMUNITY SERVICES

CS-1: Provide services and housing opportunities that improve the quality of life for Pittsburg residents.

Related City Goal: Improve the quality of life for all Pittsburg residents.

Implementation Strategy: Administer the CDBG Program and oversee the subrecipients' use and effectiveness with the program. At a minimum, subrecipients receiving funding should achieve 80% of their goals and drawing down 100% of its funding. Examples of the types of services and programs provided by subrecipients are focused on the homeless, victims of abuse, legal counseling for seniors, medical care for low income families, and meals for low income families. A long-term goal is to employ and/or house 10% of the homeless in the community by 2025. During the fiscal year, staff will meet with the CDBG Subcommittee to explore potential activities and consider drafting a Request for Proposal (RFP) for a qualified provider to administer the potential activities.

Implementation Strategy: Establish the Digital Office for New Americans website. Continue to update the website with relevant information. Seek grant funding, create partnerships, and participate in and host events to support the program and expand outreach efforts, with the goal of assisting 30 Pittsburg residents. Assistance include but are not limited to legal help with various immigration forms and providing resources and know your rights information. Staff will conduct a community survey to assist with development of programs and services that will address immigration concerns. The long-term goal is to help 50 community members awaiting citizenship become citizens by 2025.

CS-2: Assist in the development of mixed income housing.

Related City Goal: Improve the quality of life for all Pittsburg residents.

Implementation Strategy: Provide a subsidy to enable the construction of affordable housing within a market rate development, thereby creating mixed income housing. A study will be conducted to assess the effectiveness of Accessory Dwelling Units (ADU) in providing affordable housing options.

Implementation Strategy: Provide housing rehabilitation loans to qualified households to preserve the housing stock. At a minimum, issue 3-5 loans per year for the next five years. The loans are used for qualified improvements such as a new roof, ramps for the disabled and seniors, and ADA improvements for a bathroom. Long term, this effort will result in the reinvestment of blighted neighborhoods, protect property values, and provide safe and sufficient housing for low income individuals, while reducing code enforcement activities at these properties by 10%.

Implementation Strategy: Provide housing to as many families as possible with the funding received from HUD through the Section 8 program, and encourage property owners to participate in the Section 8 program so that there is a sufficient inventory of housing available to meet all types of needs. A workshop will be conducted to educate Section 8 program participants on the home ownership process. The City currently provides Section 8 assistance to approximately 1,000 families. It is the City's goal to house 10 persons or families per year from the waiting list, pending HUD funding. Long term, providing stable housing will protect against increasing homelessness and reduce at-risk youth by giving them a sense of place, a community that provides resources for youth development so that they can grow to be a confident, contributing member of the community.

CS-3: Seek and develop energy opportunities and provide reliable service at competitive prices.

Related City Goal: *Improve public facilities and infrastructure and increase beautification of City maintained areas.*

Related City Goal: *Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.*

Implementation Strategy: Develop a strategy and financial plan for serving new and existing electric load through Pittsburg Power Company within and adjacent to the City of Pittsburg. PPC, via Island Energy, currently serves 21 GWH of annual electric load on Mare Island. By acquiring transmission and distribution assets within the City limits, PPC could potentially serve an additional 40 GWH/year (or more) of electric load at rates 2-3% below that of PG&E. Long term, this could increase PPC gross revenues by up to $11.5 million annually, with up to 10% of which could be used to fund additional community activities and programs.

Implementation Strategy: Invest in strategic capital projects that seek to upgrade electrical facilities to ensure reliable service, while continuing to provide electric and gas service at competitive rates to Island Energy customers. By achieving this objective, current industrial customers will expand operations, and additional large-scale industrial users will be attracted to Mare Island, further increasing the service load. IE currently serves an annual load of approximately 2.5MW on average (commercial / industrial), and has the infrastructure capacity to serve up to four (4) times that load. By serving an additional 50% load, PPC would expect to see an additional $2.9 million in annual gross revenues.

Implementation Strategy: Explore the feasibility of a City-operated Internet Service Provider (ISP).

ECONOMIC DEVELOPMENT

ED-1: Develop an Economic Development Plan to guide the City for the next 5-10 years.

Related City Goal: Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.

Implementation Strategy: The development of the Plan will be a collaborative effort with staff, City Council, community leaders, educators, and businesses providing feedback.

- Hold workshops with the City Council and Economic Development Subcommittee on the draft Economic Development plan. These meetings may include one or more workshops with the entire City Council, as well as monthly meetings with the Economic Development Subcommittee with a standing agenda item to discuss plan development during the drafting period.
- Hold a series of roundtable discussions with the leaders within various industries and business support organizations. To support business retention, identify the five most pressing issues impacting the viability of existing businesses in Pittsburg. To expand the City's employment and tax base, identify the five most impactful actions to attract new small- and medium-sized employers. These discussions will help mold the policies of the Economic Development Plan to ensure they support existing and future businesses.
    - Each roundtable will include at least one representative from either a specific industry or business size (small, medium, or large), or an industry expert.
    - Participants will be invited to present information on their industry or field of expertise, including future challenges, industry evolution, and workforce and infrastructure needs.
    - Participants will answer questions and provide feedback. These discussions will be used to develop targets and/or strategies within the Economic Development Plan.

Implementation Strategy: The City is uniquely positioned to house industrial users and startup businesses; its proximity to Silicon Valley, relative affordability, and location of underutilized industrial areas near State Route 4, public transit, and a variety of housing options will allow the City to attract users looking to expand operations or own their sites, which may in turn induce further investment in infrastructure and personnel. As part of the Economic Development Plan, staff will identify strategies for promoting these amenities and attracting new businesses.

- Continue to support existing business clusters, including but not limited to food manufacturing/processing.
- Identify, analyze, and target business sectors that will continue to grow and be sustainable in the 21st Century. Target sectors would include those that support or could be supported by existing clusters and that provide skilled jobs, opportunities to scale-up the workforce, and a living-wage. These types of users may include research and development of different kinds, autonomous infrastructure innovation, and advanced or value-added manufacturing, as well as small-scale

shared, "maker spaces." Support development of vertically integrated businesses to increase operational efficiency.

Implementation Strategy: Research potential development of a program to complement Future Build that would focus on tech-centered skills, such as coding.

Implementation Strategy: As a result of the COVID-19 pandemic, many existing businesses will be reevaluating their operations and planning for future force majeure events that may have similar impacts. The Economic Development Plan should include strategies to help businesses plan for unforeseen events and include actions that may be undertaken to help businesses affected by COVID-19 retool and rebuild.

ED-2: Foster a business climate that is competitive with other cities in the region while supporting existing businesses and attracting new businesses.

Related City Goal: Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.

Implementation Strategy: Support and retain existing businesses by identifying and addressing issues affecting business operations, such as employee recruitment, training, and small business financing. As part of this effort, the City will hold 1-on-1 meetings with businesses to solicit feedback, and identify assistance programs and resources, particularly financial or those related to workforce development, that allow for existing small businesses and startups to grow. As part of this objective, the City will meet with 20 small businesses each year for onsite visits and provide virtual check-ins to another 20.

Implementation Strategy: Enhance the vitality and aesthetic value of existing shopping centers. To achieve this goal, staff will form a multi-departmental team to review the state of existing shopping centers and identify signage and property maintenance issues and work with property owners and managers of commercial and industrial areas to process and expedite entitling façade and landscaping improvements for multi-tenant shopping centers. For smaller centers, the City can help owners identify funding mechanisms to undertake façade and/or landscaping improvements. By completing this effort, the City will review a minimum of three shopping centers annually. The City will also conduct pre-renovation surveys with customers and seek a 50% increase in shopper satisfaction post-improvements. The City will deliver to the Economic Development Subcommittee a report on vacant tenant fees.

Implementation Strategy: Utilize Bludot or similar service to allow businesses to better communicate with staff within multiple departments and provide ongoing updates from the City's Economic Development team. Through a variety of mechanisms, provide Economic Development Subcommittee agendas to business contacts, and encourage their participation.

- Include a standing agenda item for business owners to provide the Subcommittee with feedback, including through prerecorded video messages or remotely.
- Explore holding meetings earlier in the day when many business owners are working, but customers are minimal and standardize the meeting time(s) to allow business owners to schedule their attendance.

ED-3: Identify trends in employment needs and skill development in order to scale up workforce and prepare residents for job opportunities.

Related City Goal: Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.

Implementation Strategy: Partner with educational institutions, local and regional business advocacy groups, and local businesses to identify target skill and education needs. The City will convene a working group with LMC to identify and address workforce development needs and required skills, as well as programs for teens and young adults, and explore potential links between businesses, LMC, and other educational institutions for curriculum and internships that support the needs of local industries.

- To increase participation and effectiveness, assess possibility of utilizing online learning.
- In collaboration with PUSD, programs should provide avenues for workers without high school diplomas or GEDs to obtain necessary educational requirements prior to enrollment to ensure they are not preempted from participating.

Long term, this objective will result in a 100% increase in the number of local youth and young adults hired by Pittsburg businesses after completion of respective programs.

Implementation Strategy: Invest in programs that train youth, young adults, seniors, English language learners, reentry, and other populations in local industries, strengthening both the community and the local economy, and continue to partner with Future Build to provide target populations with skills necessary for modern construction jobs. Long term, these programs will help to create opportunities through programming for young people to enhance self-esteem, self-confidence, lifetime leisure skills, and connectedness to the community. By completing this objective, the City will invest in programs that train and employ 25 persons within the target populations annually.

ED-4: Identify strategies for bringing additional commercial and job opportunities to underutilized areas of the City.

Related City Goal: Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.

Implementation Strategy: Identify areas of the City that are equipped to serve businesses in their current state and establish programs, policies, and strategies that will support and/or streamline privately funded redevelopment and allow for flexibility in uses. As part of this objective, the City will identify opportunities to attract desirable industries, and determine if these elements are present in Pittsburg and how they can be added or strengthened. Achieving this objective will result in a reduction in staff review time from potentially 8 months to 30 days.

Implementation Strategy: Promote availability of existing vacant/underutilized land and building spaces for targeted uses, and establish a list with size, zoning, ownership, broker representation, and contact

information. Create a promotional document that includes demographic and employee characteristics, location of available land area, and site-specific maps and building locations, and opportunities for adaptive reuse of existing buildings. Long term, the City will target occupancy of 10 currently underutilized sites.

Implementation Strategy: In order to better assess size and needs of business, continue to gather additional information on businesses within the City. Utilize surveys of local businesses to gather data on employment statistics, ownership information, practices, and future plans. Long term, the City will obtain ownership, employment, and operations data on the 100 largest businesses in the City.

ENVIRONMENTAL SERVICES

ES-1: Develop municipal and community programs that emphasize sustainable and environmentally positive operations.

Related City Goal: Increase efficiency of City operations and services through technology and streamlined processes.

Related City Goal: Improve the quality of life for all Pittsburg residents.

Implementation Strategy: Develop an action plan to coincide with the General Plan Update (GPU) that identifies sustainable programs and opportunities for City and community to reduce greenhouse gas (GHG) emissions. Municipal operations currently produce an estimated 3,520 metric tons of carbon dioxide equivalent (CO_2E) emissions, while the community produces 428,563 metric tons CO_2E emissions, annually. Reduction in CO_2E emissions provides a clean, safe and healthy Pittsburg by having homes and businesses comfortable and less expensive to operate, less reliance on cars as the only form of transportation, a safe network of walking and biking to promote healthy lifestyles, and cleaner air to reduce asthma and other respiratory illnesses. Long term, the City will seek to reduce its municipal emissions by 18% compared to existing conditions, and develop strategies and policies that will help reduce community emissions by 44% compared to existing conditions consistent with the State of California's SB32 targets for the year 2030. If any new State legislation is passed for reduction targets beyond the year 2030 (for example, through the year 2045), the City will update its reduction goals accordingly.

Implementation Strategy: Establish strategies within the action plan that will help to streamline the CEQA review process. The revised CEQA guidelines require GHG emissions be analyzed for each project and recognizes the important role an action plan is in the CEQA process. The action plan will be a qualified GHG reduction plan in accordance with CEQA Guidelines Section 15183.5 and as such will incorporate growth projections associated with future development consistent with the GPU and GHG reduction measures that will help to mitigate City-wide emissions while potentially streamlining CEQA review for compliant projects. By achieving this objective, the City will ensure consistency with State of California statutory requirements and improve the likelihood projects subject to higher levels of CEQA review properly assess and mitigate GHG impacts, protecting community health and providing developers with more certainty when assessing the costs and challenges associated with large project development.

ES-2: Create and execute a Revitalization Plan for properties in Pittsburg with US EPA Grant funding to enhance public enjoyment and reduce existing environmental contamination of the waterfront and opportunities for economic development in alignment with the General and Trust Lands Use Plans.

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Related City Goal: *Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.*

Implementation Strategy: Conduct thorough market and environmental assessments on waterfront and Opportunity Zone brownfields, as well as extensive stakeholder outreach, to determine greatest and practically attainable uses of these sites and regions and build in flexible land use regulations that allow for innovative and streamlined economic development. The City currently estimates there are approximately 1,400 acres of brownfield sites that are not remediated, and thus underutilized. By accomplishing this objective promoting brownfield redevelopment, the City can plan revitalization for approximately 550 acres and result in approximately one million square feet of commercial or industrial development and up to 1,000 housing units.

Implementation Strategy: Provide new and enhanced existing public recreational opportunities on underutilized brownfield sites. Several sites, totaling approximately 500 acres, of brownfield areas have been identified as open space or potential public recreation opportunity, including connection to regional trail systems, regional nature preserves like the Corteva Wetlands, a community visitor's center, neighborhood or community parks, a community center, and more. By accomplishing this objective, the City can see a 10% increase in open space acreage and up to 50 acres that can be used for the recreation amenities listed above.

ES-3: Modernize Marina operations for staff and customer use to increase efficiencies, increase moorage occupancy rate, and improve safety and security.

Related City Goal: *Improve public facilities and infrastructure and increase beautification of City maintained areas.*

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Implementation Strategy: Contract with new operating software system to manage moorage customers more efficiently and provide better customer service with on-line services platform. Currently, 370 Marina tenants are served monthly in person by a representative from the City, with an approximately 2-3 days long wait time. Long-term, enhanced customer service will allow the Marina to serve an additional 50 customers monthly, reduce wait times by 1 day, and potentially decrease vacancy rates from 34% to 15%.

Implementation Strategy: Contract to install new gate system software and infrastructure to manage access efficiently and securely, establish new camera system and update cameras, and install new LED lighting on promenade and on all docks to improve visibility, monitoring, tracking, safety, and security throughout the Marina as well as add additional cameras. Completion of this objective will help security with the enforcement of the Marina rules and regulations and monitoring of liveaboard activity, overnight guest activity, parking lot vehicle activity, guest and vendor activity as well as provide better video footage. Long term, increasing safety and security in and around the Marina will reduce calls for service by at least one call to Police dispatch per month, increase Marina occupancy by 5%, and increase visitors within the Marina area by 50 - 100 visitors per month.

ES-4: Advocate on behalf of residents legal and public health issues concerning Keller Canyon Landfill.

Related City Goal: *Improve the quality of life for all Pittsburg residents.*

Implementation Strategy: Review potential pilot program for adding air monitoring stations for the community surrounding Keller Canyon Landfill with Bay Area Air Quality Management District (BAAQMD) to ensure compliance with air permit conditions and health protection of community. Monitor Land Use Permit and other legal requirements to ensure the safety of the community is prioritized such as closing front cell, visibility issues conditions, and disposal of materials from military facilities. Review guidelines for reestablishing the Local Advisory Committee for overseeing and advising on community issues related to impacts from Keller Canyon Landfill.

FINANCE

FI-1: Establish financial planning models, reporting and controls to help manage short- and long-term business strategies of the City, including but not limited to investments, cash management, internal risk management, municipal finance, auditing and accounting for the City's financial affairs and the Fiscal Sustainability Ordinance.

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Implementation Strategy: Produce and present to the City Council the projected fund balance spreadsheet to be presented to the Finance Subcommittee for each budget and mid-year budget review or as requested based upon changing conditions in the economy. Long term, the projected fund balance spreadsheet will help the City reduce its use of fund balances to 0%, leaving the minimum of 30% for the funds subject to the City's Fiscal Sustainability Ordinance, without the use of property to achieve the 30%.

Implementation Strategy: Produce and present to the City Council the quarterly investment report to the City Council showing the City is following the cash flow requirements of State law. Long term, a more proactive strategy to guide investments will lead to a .10 basis return higher than benchmark.

Implementation Strategy: Produce and present to the City Council the Risk Management Log by fiscal year, showing active litigation for both Liability and Workers Compensation Claims. The litigated cases will be updated quarterly for the City Attorney to review and report to the City Council. Long term, the use of the Risk Management Log will reduce the number and duration of active litigation cases by 2%.

HUMAN RESOURCES

HR-1: **Ensure that employees are provided with a work environment that encourages growth, development, and engagement and fosters retention through quality organizational training programs.**

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Implementation Strategy: To accomplish this objective, the City will facilitate an internal learning program to provide relevant training and development opportunities for City staff that will provide a 90% overall satisfaction rate from both participants and their supervisors/managers for the attainment and application of enhanced skills in the workplace. Long term, this will help strengthen and maintain leadership competencies and build skills for successful job performance and promotability and lead to a 100% pass probation rate of promoted employees.

HR-2: **Promote the City as an attractive employer to secure highly qualified applicants for vacancies and retain those employees.**

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Implementation Strategy: The City will conduct biannual market analysis of salaries and benefits with comparable public agencies to proactively address issues of inequity for internal alignments of compensation. Long term, this will increase employee retention and enhance recruitment abilities, leading to positions being filled more quickly, reducing downtime or strain on other employees.

Implementation Strategy: Approach each recruitment with a custom plan of outreach and advertisement designed to target skilled candidates that reflect the diversity of our community, and increase visibility on social media platforms to include a job focus for positions that are more difficult to recruit with spotlights of individual employees and their contributions to this community and insight into various City departments to increase the awareness of the services that our employees provide to Pittsburg. Current recruitments take an average of 45 days from start to eligibility list; the City will strive to fill vacant positions within 40 days to maintain service levels.

Implementation Strategy: Facilitate an employee benefits outreach program designed to ensure that employees are aware of the City's comprehensive benefits with open enrollment fairs, health & safety events, on-site meetings with benefit providers, and wellness activities with an employee participation increase of 10%. Long term, these strategies will increase employee retention and reduce employee turnover rate by 50%.

POLICE DEPARTMENT

PD-1: Establish proactive crime reduction strategies and utilize available data to identify priority enforcement areas.

Related City Goal: Prioritize public safety, health, and welfare in the City Budget and when reviewing projects.

Implementation Strategy: Evaluate the deployment of officers in the community on a monthly basis to optimize police presence in areas identified as higher-crime areas through available data, including theft, burglary, robbery and all violent crime. Crime data provides real-time information on crime trends which allows for the strategic application of targeted enforcement, such as having a greater visual presence or saturation in a specific area. By accomplishing this objective, the City expects a reduction in these types of crimes.

Implementation Strategy: Identify and combat violent crime involving gang activity through specialized enforcement. Utilizing officers with specific expertise in gang culture and behavior will allow for a greater impact. The Police Department anticipates these efforts to curb gang activity will result in a reduction in gang related violent crime, such as robberies and shootings. Long term, the Police Department also believes these efforts will reduce the overall gang initiation among youth in the community.

Implementation Strategy: Provide internal and external education of human trafficking and related crimes. This would include providing officers with advanced training on identifying victims of human trafficking. It would also include training from the School Resource Officers within the schools to educate student on indicators and methods criminals use to lure young people. The Police Department anticipates these efforts will result in a reduction in victimization of human trafficking and related crimes.

Implementation Strategy: Continue to develop a pilot program to reduce big box commercial shrinkage. This will help protect the viability of multiple large businesses in the City and help create a more enjoyable and safe shopping experience. Overall, the Police Department will work to implement the program at three retailers.

PD-2: Develop a strategic plan to evaluate Police Department operations, guide department activities, and utilize technology to improve overall efficiency.

Related City Goal: Prioritize public safety, health, and welfare in the City Budget and when reviewing projects.

Implementation Strategy: As part of Strategic Plan Development, the Police Department will identify youth-oriented programs that seek to address at risk youth and provide intervention as necessary. By implementing this objective, the Department will expect to see a long-term reduction in violent and non-violent crimes committed by minors.

Implementation Strategy: As part of Strategic Plan development, the Police Department will prepare an overall organizational Succession Plan. The Succession Plan will provide direction on ensuring personnel are ready to lead the Department in the future. Long term, this will improve officer retention and allow the City to maintain experienced personnel.

Implementation Strategy: Utilize an independent auditor to provide an unbiased review of Department programs, such as a new officer Field Training Program and make recommendations on program modifications that will enhance success. Long term, program enhancements will be gauged on crime reduction success, community engagement, or voluntary compliance, as applicable.

Implementation Strategy: Implement employee wellness mobile application to allow for resources related to the overall health and welfare of staff. The application provides detailed information on resources available for employees. Long term, this will improve officer retention and availability by reducing paid leave.

Implementation Strategy: Explore technology for officers that would reduce the time required for report writing. Officers currently spend approximately 4 hours per 10-hour shift drafting reports. Achieving this objective will allow the officers to remain focused on crime prevention.

PD-3: Develop a strategic plan to evaluate Police Department operations, guide department activities, and utilize technology to improve overall efficiency.

Related City Goal: Prioritize public safety, health, and welfare in the City Budget and when reviewing projects.

Related City Goal: Improve the quality of life for all Pittsburg residents.

Implementation Strategy: Develop additional venues for forums to promote communication with groups in the community. Providing the opportunity to interact with Department members in these forums allows for direct feedback, while frequent check-ins with the various groups in the community will keep communication consistent. These groups include the school districts, faith-based groups, and non-governmental organizations that provide services in the community.

Implementation Strategy: The Department will continue to provide information and allow for feedback on all social media platforms and will place enhanced emphasis on utilizing social media for educational programs and community interaction. As part of this effort, develop partnerships for community-led messaging that seeks to reduce crime and violence throughout the City. Using these platforms to share information as well as accept feedback provides the opportunity for additional, wide-ranging engagement. The Department will also explore all technology that allows for community interaction and evaluating the services provided by the department.

PUBLIC WORKS

PW-1: Improve maintenance and operational efficiency throughout the park system by implementing a Citywide Landscape Plan.

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Related City Goal: *Improve the quality of life for all Pittsburg residents.*

Implementation Strategy: Create and present to City Council a Citywide Landscape Plan that will detail park facilities, landscape, cameras, signage and maintenance. As part of this effort, evaluate existing lighting conditions in the parks and adjust to appropriate levels for the safety of patrons and earmark locations for additional lighting for future projects. Cameras shall be installed in all parks to ensure a safe environment for all community members utilizing the parks. Long term, the Landscape Plan will be utilized to help increase efficiency of staff and resources within the Citywide Park System.

PW-2: Complete Annual Water Loss Audit of the water treatment and distribution system as well as customer meters to identify areas of loss or inaccuracies.

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes.*

Implementation Strategy: Initiate and implement a customer meter accuracy testing program of 1%-2% of the small and large water meters in the water distribution system to improve meter inventory accuracy. Staff will have the ability to pinpoint water leaks in the system and reduce water loss of the system by 3% annually.

Implementation Strategy: Conduct meter accuracy tests annually on the two master production meters at the Water Treatment Plant and 8 of the large water meters in the water distribution system. Utilize data to identify areas of higher loss and provide for long term planning of strategic water system repairs and maintenance and reduce water loss by 3% annually.

RECREATION

REC-1: **Provide high quality recreational programs and services throughout the community that provide fun, educational, accessible and safe environments for people of all ages and abilities.**

Related City Goal: Improve the quality of life for all Pittsburg residents.

Implementation Strategy: Recreation activities should be available and responsive to the needs of different age groups, cultural backgrounds, and social economic status. By accomplishing this objective, staff will provide a broad range of recreational activities from pre-kindergarten to seniors.

- Provide new recreational sports programs for all ages including Junior High Powder Puff league, youth and adult flag football, tiny-tots "Fun Fitness," Yoga for All, and more.
- Continued active, healthy and engaging programs at the Pittsburg Senior Center to include meals, dances, health and fitness, knitting, computer classes, and self-help.
- Define purpose and goals for a potential youth leadership program and encourage youth to take an active leadership role by participating in visioning workshops and working with existing Commissions and Subcommittees on any youth-oriented projects.
- Provide a variety of community events throughout the City including Car Shows, cultural Festivals, First Fridays, and other family friendly events

The above programs will encourage healthy bodies, cooperation with others, and understanding the strength in diversity. Long term, more residents will participate in programs and attend events by 10-15% and volunteer with local non-profits or other community organizations.

Implementation Strategy: Provide a full range of programs and activities to address community needs, such as health and fitness. By accomplishing this objective, staff will encourage active, healthy lifestyles. The sports program will provide fitness for the youth and healthy eating classes at the senior center will encourage weight management. The two programs will assist in reducing childhood obesity and adult obesity within the community. Long term, smoking and vaping use by residents will go down due to healthier lifestyles.

Implementation Strategy: Support arts and crafts, public art projects, classroom instruction in music and dance, physical conditioning and health care. Provide meeting facilities and other program activities for all cultural, age, physical and mental capability, and income groups in the community. By accomplishing this objective, staff will encourage artistic development in Pittsburg. Not all recreational programs are sports related, classes and programs such as anime sketch classes, youth performance showcases, Art in the Park, multimedia, and youth theatre in partnership with PACF and the California Theatre. By emphasizing arts, music and dance, the City will see a 15% increase of local art shows at the OTAC and 10% of local dance performances at the California Theatre.

Implementation Strategy: Continue to provide a safe and active environment for our 50+ residents. By accomplishing this objective, staff will see a rise in the spending habits of this critical population. Over 18.2% of the Pittsburg community is between 50 and 64. This typically is a segment of the community with disposable income and a desire for more activity. Long term, a 5% increase in sports like pickle ball, yoga, and line-dancing will encourage this segment.

REC-2: Foster collaboration, coordination, and partnerships throughout the community.

Related City Goal: Improve the quality of life for all Pittsburg residents.

Implementation Strategy: Continue to foster relationships with other city, state and federal entities; other city departments; non-profit organizations; boards, commissions, and neighborhood groups. Offering programs and classes in partnership with organization like First 5 Contra Costa, an organization focused on making sure primary children ages 5 and under are healthy and ready to learn. By collaborating with First 5 Contra Costa, school children will be better learners. Long term, educational proficiencies and job opportunities will increase for the more educated population.

Implementation Strategy: Promote the "Parks Make Life Better" campaign and other such community events and activities that support parks and programs. There are 27 parks and over 100 events or activities each year in the park system. These programs and activities include: Eats and Beats Food Trucks, Farmers Markets, Car Shows, Music in the Park, sports programs, festivals, STEM Week, Wipe Out Wednesdays, community clean-ups, and more. Actively marketing the "Parks Make Life Better" campaign will increase the publicly available events in the park system by 10%. Long term, the more recreational activities in the park system will allow for a reduction in obesity levels in Pittsburg.

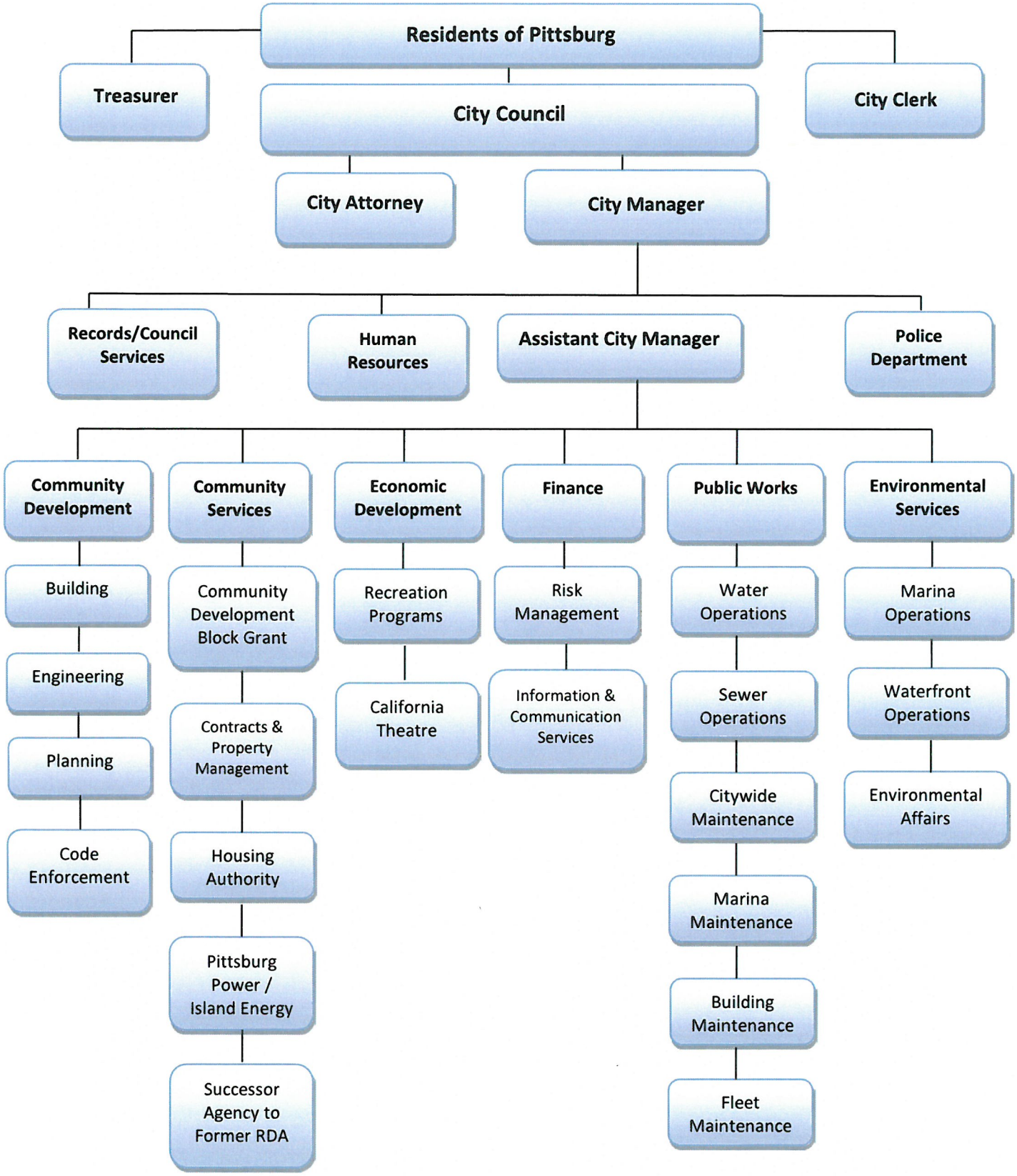
REC-3: Employ an ongoing system of organizational evaluation.

Related City Goal: Improve the quality of life for all Pittsburg residents.

Implementation Strategy: Conduct periodic program surveys and studies. The department has 5 full time employees, 38 seasonal employees, and serves approximately 50,000 users annually. The demands for appropriate and engaging programming is constantly evolving. The surveys will lead to the elimination of the lowest 5% of programming and replace it with new, preferred programs. Long term, the department will be more engaging and see a 10% increase in participation.

Implementation Strategy: Conduct a bi-annual departmental self-assessment. The department has 5 full time employees, 38 seasonal employees, and serves approximately 50,000 users annually. The demands for appropriate training for all recreation staff is constantly evolving. Long term, a better trained department will provide for increased quality of programs and activities.

➢ CITY GOVERNMENT ORGANIZATION



➢ BUDGET PROCESS AND BASIS OF BUDGETING

BUDGET PROCESS

The budget process begins in December and culminates seven months later with the adoption of the Annual Budget in June.

Mid Year Budget Review

Work begins in December of each year on the mid-year review. The mid-year review is a detailed analysis of all City revenues and expenditures during the current fiscal year. The mid-year report actual and estimates is published and distributed to the City Council, staff, and the general public for consideration during the month of February each year. The mid-year financial analysis provides the financial starting point for the subsequent year's Operating Budget.

Update General Fund 20-Year Forecast

Preparing accurate General Fund revenue and expenditure forecasts is an important part of the budget process. The update of the 20-year forecast of the General Fund begins during the mid-year budget review. The forecast is revised as necessary based on different budgeting scenarios and as more accurate revenue and expenditure data is available during the budget preparation process. The update and revisions occur again once year-end financial statements have been prepared.

Revenue Estimates

Revenue estimates are developed each year using the actual revenues realized from the prior fiscal year and adjusted upwards or downwards based on whether staff has information to suggest such an adjustment is necessary. For example, property taxes are adjusted based on the most recent assessed valuation reports that the City receives from the County. Similarly, the City's sales tax advisor develops sales tax revenue projections based on trends in various sales categories. Rate based revenues such as those associated with water, sewer, and Island Energy services are based on the current rates, recent consumption patterns, and anticipated changes to water supply due to rainfall patterns.

Budget Preparation

Budget packets are distributed by the Finance Department to each City department in January. Departments submit preliminary budget requests to the Finance Department in February/March. During this time all revenue sources are projected. Budget staff reviews departmental requests and compiles the Preliminary Budget. The requested budgets are then presented to Senior Management and the City Manager for review and approval.

Recommendations and revisions from review sessions are incorporated into the proposed operating budget. The Finance Subcommittee reviews, makes revisions as necessary, and recommends the proposed operating budget.

The Oversight Board of the Successor Agency to the Former Redevelopment Agency reviews and recommends the proposed Successor Agency budget.

After recommendation by the two committees, the City Council holds Public Workshops to obtain input from the public. After giving due consideration to the public input, the City Council finalizes and adopts the budget by June 30th.

5-Year Capital Improvement Program

The City of Pittsburg 5-Year Capital Improvement Program (CIP) is a multi-year planning instrument that identifies the construction of new facilities and infrastructure, and for the expansion, rehabilitation, or replacement of existing City-owned assets. Each year a 5-year CIP is developed in conjunction with the operating budget and reflects changing priorities and funding availability. The 5-Year CIP must be approved by the Community Advisory Commission and Planning Commission prior to seeking Council approval.

Budget Amendments

All changes to the Operating Budget throughout the year require budget amendments which require the following levels of governing body approval:

Items Requiring Council or Agency Action

- Appropriation of fund balance reserves
- Transfers of appropriations between funds
- New inter-fund loans or advances
- Creation of new capital projects
- Transactions which increase total fund budgets

Items Delegated to the City Manager or Executive Director

- Budget modifications in excess of $5,000.
- Transfers between departments and divisions so that the total fund budget remains the same
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same

Items Delegated to Department Heads

- Budget modifications of $5,000 or less
- Allocation of departmental appropriations to line items except for salary and benefit appropriations
- Changes which exceed current funds disbursement authorizations must be approved by the City Manager/Executive Director. These changes cannot increase the department budget.

BASIS OF BUDGETING

Governmental Funds include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds. The Governmental Funds and the Successor Agency to the Former Redevelopment Agency Funds are accounted for using the modified accrual basis of accounting. Modified accrual accounting recognizes revenues when they become available and measurable and, with a few exceptions, recognizes expenditures when liabilities are incurred. This system divides available funds into separate entities within the organization to ensure that the money is being spent where it was intended.

Proprietary funds include Enterprise Funds and Internal Service Funds. These funds are accounted for using the accrual basis of accounting. Accrual basis of accounting measures the performance and position of the City by recognizing economic events regardless of when cash transactions occur. The general idea is that economic events are recognized by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is made (or received).

The budgetary process is based upon accounting for certain transactions on a basis other than generally accepted accounting principles (GAAP basis). The major difference between the budgetary basis and GAAP basis is that year end encumbrances are recognized as the equivalent of expenditures on the budgetary basis in governmental funds, while encumbered amounts are not recognized as expenditures on the GAAP basis.

➢ FY 2019/20 Budget Development Calendar

January 2020						
S	M	T	W	Th	F	Sa
			1	2	3	4
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12	13	14	15	16	17	18
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February 2020						
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March 2020						
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April 2020						
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May 2020						
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31						

June 2020						
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1/1	Winter Break - City Offices Closed
1/2	Distribution of Mid-Year Reports for Dept. Year-End Estimates
1/9	Department Year End Estimates Due to Finance
1/20	City Holiday - Martin Luther King Jr. Day - City Offices Closed
1/13 - 1/30	Finance Staff Review and Reporting of Year-End Estimates
2/6	City Manager Review and Approval of Year-End Estimates
2/6	General Fund Balancing Plan and 20 Yr Projections Update
2/7	Distribution of Budget Packets (by email)
2/12	City Holiday - Lincoln's Birthday - City Offices Closed
2/17	City Holiday - Washington's Birthday - City Offices Closed
2/18	Budget Kickoff Meeting
	Finance Subcommittee Meeting - Mid Year Budget Review
3/5	Staff Operating Budgets due to Finance
3/16	Mid Year 19-20 Budget Review at City Council
	- RESCHEDULED for 4/6/20
3/17	**COVID-19 Employee Response Plan issued**
3/31	City Holiday - Cesar Chavez Day - City Offices Closed
4/6	Mid Year 19-20 Budget Review at City Council
4/13	Goal Workshop Proposed FY 2020/21 Operating Budget
4/17	Finance Subcommittee - COVID-19 Budget Impacts
4/20	Budget Workshop - Council directed staff to
	cut FY 20-21 Budget by 15%
4/24	Revised Operating Budget
	(with 15% cuts as result of COVID-19) due to Finance
4/25 - 4/30	Finance Staff Compilation and Analysis of Proposed Budget
5/1	Finance Subcommittee - Review of Proposed Budget
5/4	Budget Workshop
5/6 - 5/29	Meetings with individual departments.
5/15	Finance Subcommittee - Review of Budget Options
5/25	City Holiday - Memorial Day - City Offices Closed
5/29	Finance Subcommittee - Review of Budget Options
6/5	Measure M Oversight Committee Meeting
6/8	Budget Workshop
6/12	Finance Subcommittee Meeting
6/22	Budget Workshop
6/29	Adoption of Gann Spending Limit
6/29	Public Hearing and Adoption of the FY 2020/21 Budget
9/9	Update General Fund 7 Yr Balancing Plan & 20 Yr Projections
9/16	End of FY 2019/20 Reports to CM (Actual Expenses/Revenues)
9/23	Finance Subcommittee Meeting - Year End Reporting

July 2020						
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November 2020						
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December 2020						
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➢ BUDGETARY FUND STRUCTURE

Governmental Funds

General Fund

Special Revenue Funds

- Asset Seizure Fund
- Bailey Road Maintenance Fund
- Budget Stabilization Fund
- California Theater
- CalHome Program
- City Housing Fund (former Successor Agency)
- Citywide Lighting & Landscape
- Community Capital Improvements
- Community Development Block Grants (CDBG)
- COPS Hiring Recovery
- Economic Development Fund
- Emergency Operations Center (EOC)
- Environmental Affairs Grant Funds
- Fire District CFD 2017-1
- Gas Tax Fund
- Gas Tax Road Maintenance & Rehab (RMRA)
- General Plan Update
- Geologic Hazard Abatement District (GHAD)
- Hillview Jr. High Field Maintenance
- Housing Authority Section 8
- Housing Rehabilitation
- Inclusionary Housing Fund
- Infrastructure Repair & Replacement Fund
- Kirker Creek Drainage Fund
- Marina Vista Field Replacement
- Marina Dredging & Infrastructure Improvement
- Measure J Tax Fund
- Neighborhood Stabilization Program
- NPDES - Stormwater
- Oak Hills Lighting & Landscape
- Park Dedication Fund
- Park Maintenance CFD 2007-1
- Pension Obligation Fund
- Police Grant Funds
- Project Amenities Management CFD 2015-1
- Prop-1B Local Street & Road Improvement
- Public, Education & Government Fee (PEG)
- Public Safety CFD 2005-1
- R/R Ave Specific Plan (eBart) CFD 2014-1
- Recycled Water Capital Maintenance
- Regional Traffic Mitigation Fund
- San Marco CFD 2004-1
- Solid Waste Fund
- Traffic Impact Fair Share Fund
- Traffic Mitigation
- US EPA Grants
- Vista Del Mar CFD 2005-2

Enterprise Funds

- Water Operations
- Water Operations
- Water Facility Reserve
- Sewer Operations
- Sewer Facility Reserve
- Marina
- Island Energy
- Pittsburg Power
- Waterfront Operations

Fiduciary Funds

- Successor Agency to RDA
- RDA Obligation Retirement
- RDA Tax Allocation Bonds
- RDA Housing Bonds
- Assessment Districts
- Regional Freeway Security

Internal Service Funds

- Information and Communication Systems
- Fleet Maintenance
- Building Maintenance
- Fringe Benefits
- Pension Trust/Reserve Fund
- Liability Insurance

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➢ MAJOR REVENUE SOURCES – GENERAL FUND

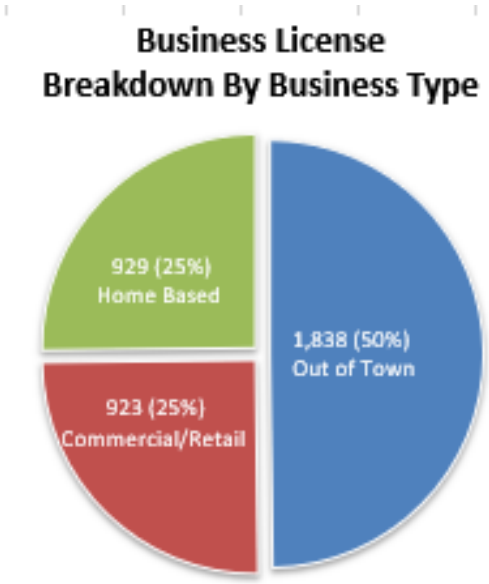
The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources in the General Fund include property taxes, sales taxes, unrestricted revenues from the state (e.g., motor vehicle-in-lieu fees), county tipping fees, franchise fees, development service fees, police fines and fees, and recreation program fees. Expenditures consist of general government operating expenses which include Human Resources, Finance, Police, Recreation, Public Works and other services.

Administrative Recoveries

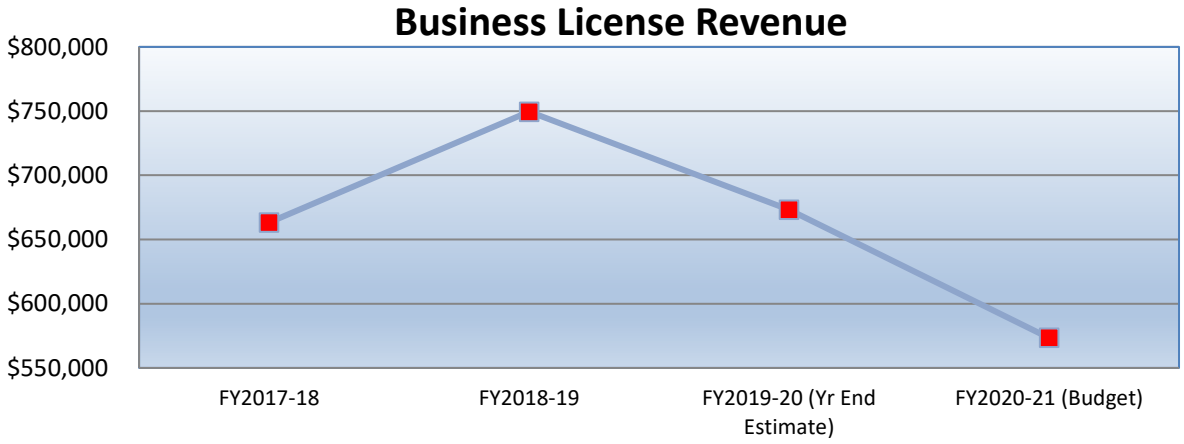
Administrative recoveries from the Water and Sewer Enterprises, the Lighting/Landscape Assessment District, the City of Pittsburg Housing Authority and other non-General Fund sources reimburse the General Fund for administrative costs.

Business License Tax

The Business License Tax is an annual tax on local businesses, based upon either gross receipts (under progressive tax rates) or flat fees, depending on the type of business. Generally, retail businesses, service providers, and contractors pay based on gross receipts, while professionals (e.g., accountants, lawyers, dentists) pay under a flat fee. The rates are established by City Ordinance. The City currently has 3,690 active business licenses of which 1,852 businesses are located within the City and 1,838 businesses are located outside of the City. Online business license renewals continue to increase, now in its third year since implementation, and accounts for over 40 percent (1,494 licenses) of our completed applications.



In-light of the global coronavirus or Covid-19 pandemic, the City estimates lower business license revenue in the last quarter of FY 2019-20 and for most of FY 2020-21. With the cessation of non-essential services and businesses as ordered by the Contra Costa County Health Services effective March 13, 2020, the City estimates business license revenue to go down from $715,000 in FY 2019-20 to $573,000 in FY 2020-21.



Community Benefit and Service Fee

The Community Benefit and Services Fee, which began in 2011, has generated approximately $3.9 million over an eight-year period. This fee allows Pittsburg Disposal Service the exclusive right to collect refuse and recycling from all sectors in the community within the City of Pittsburg. With an estimated annual CPI inflation factor of 3.0 percent, the City estimates the Community Benefit and Service Fee in FY 2020-21 at $645,000.

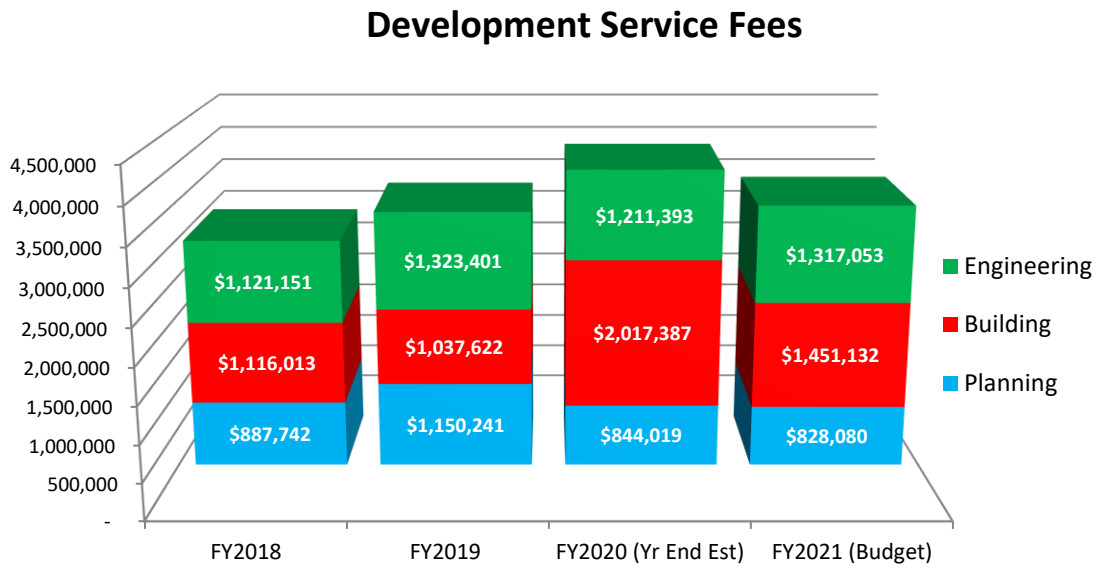
County Tipping Fees – Keller Canyon Mitigation

The Keller Canyon Mitigation was approved in 1994 as an Amendment to the Keller Canyon Landfill Land Use Permit. A Tipping Fee of $3.00 per ton is divided between Contra Costa County ($1.75 per ton) and the City ($1.25 per ton). In FY 2018-19, the Keller Canyon Landfill processed 799,000 tons of taxable solid waste and 397,000 tons for the first 6 months in FY 2019-20. City staff anticipate revenues to be lower from the current year estimate of $1,050,000 to $965,000 in FY 2020-21.

Development Service Fees

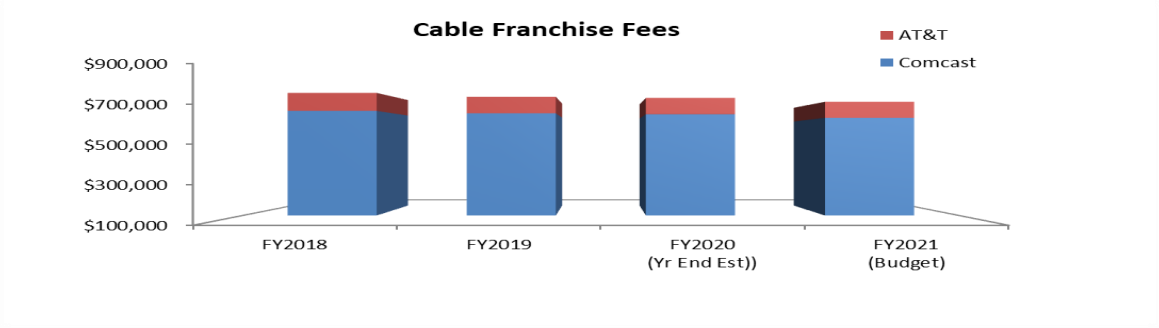
These revenues, which consist of design review charges, plan check services and building permits from the Engineering, Planning and Building Departments, are directly dependent upon the level of residential and commercial construction taking place in the community. These fees are generally collected during the planning and/or building permit process and are used to recover the costs of operating the City's development service functions such as planning, engineering, and building. The City estimates development service fees to come in at approximately $4.0 million in FY 2019-20 and decrease to $3.6

million in FY 2020-21 resulting from anticipated lower construction activity due to the economic impact of Covid-19 on the building/construction industry.



Franchise Fees on Cable

Cable service was originally regulated by local franchising authority and awarded non-exclusive franchises to serve local communities. This authority was transferred to the State Public Utilities Commission in 2007 with the passage of the Digital Infrastructure and Video Competition Act (DIVCA). The state franchise requires channels be set aside for public, educational, and government programming and a Franchise Fee, typically five percent, to be paid to the local host community. The City receives five percent (5%) franchise fees on gross receipts from Comcast Cable and AT&T U-Verse.



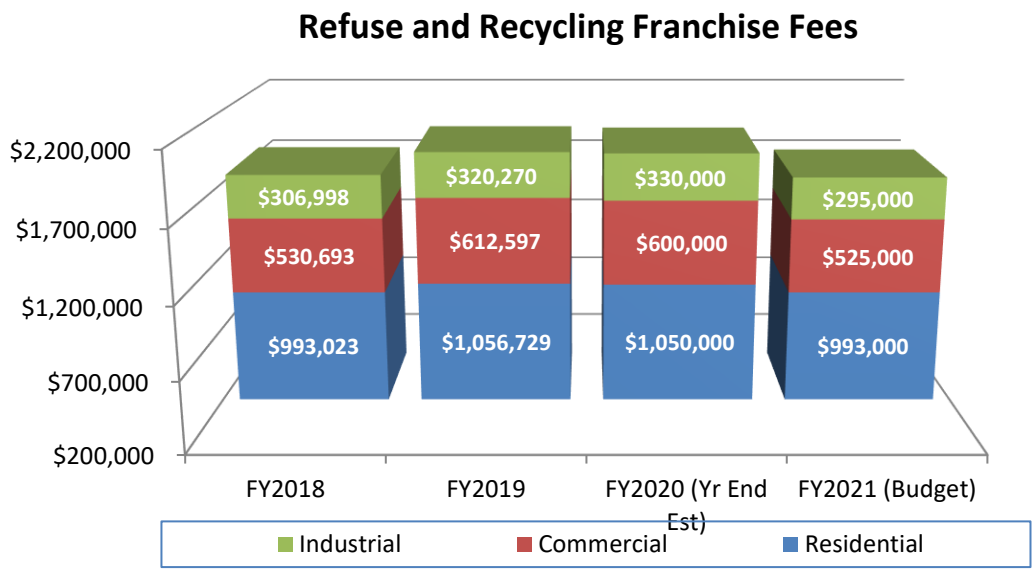
Comcast Cable reported gross receipts remains consistent from previous years however AT&T reported gross receipts have been decreasing as their number of subscribers continue to drop. The City estimates franchise fees of $740,000 (of which $650,000 is from Comcast and $90,000 from AT&T) in FY 2020-21.

Franchise Fee from the Recycling Center & Transfer Station (RCTS)

Contra Costa Waste Service, Inc., the operator of the RCTS, pays a Franchise Fee for the general benefit and to support City services. The franchise fee was $600,000 starting in FY 1996-97 and adjusted by the Consumer Price Index (CPI) annually thereafter. The City estimates franchise fees at $508,000 in FY 2020-21.

Franchise Fees on Refuse and Recycling

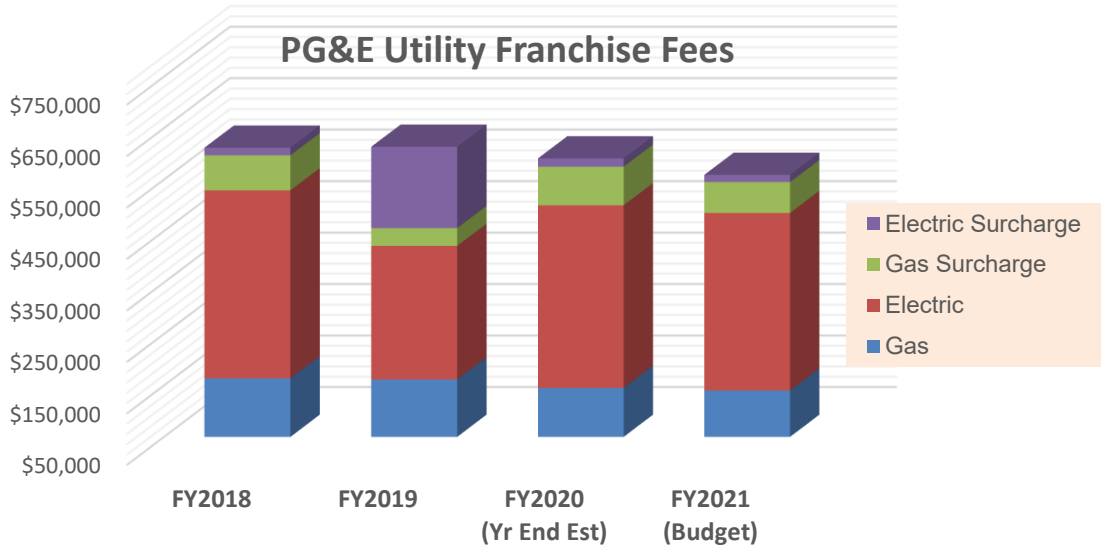
Pittsburg Disposal Service pays a Residential, Commercial, and Industrial Franchise Fee of 12 percent based on gross receipts. Gross receipts have increased based upon previously adopted rate increases by Pittsburg Disposal Service and increased growth of new developments and businesses within the City. With anticipated decline in commercial and industrial refuse volume in FY 2020-21, city staff estimates franchise fee revenue to decrease to $1,813,000.



Franchise Fees on Utilities

Utility Franchise Fees are paid by Pacific Gas & Electric Company (PG&E) for using City right-of-way for the transmission and distribution of electricity and natural gas to its customers. The Franchise Fee is a percentage of gross receipts; the Electricity Franchise is five percent and the Gas Franchise is one percent. In addition, the City is paid a Surcharge on electricity and natural gas to replace Franchise Fees lost due to deregulation. In April 2018, the City joined the Marin Clean Energy Community Choice Aggregation Program (MCE) designed to provide resources and incentives to help residents, businesses and public agencies become more energy efficient. Customers enrolled in the program purchase their commodity from a third-party energy service provider. Therefore, PG&E electric revenues decreased but the electric franchise fee surcharge increased due to PG&E billing customers a surcharge on the commodity

purchased from the third party, in lieu of a franchise fee. In addition, as part of the California cap-and-trade program, which was designed to reduce the state's greenhouse gas emissions, PG&E distributed a semi-annual Electric California Climate Credit to its customers to ease the burden customers bear from higher electricity and gas rates. As more consumers choose to purchase energy from a third-party at a cheaper price and continue to receive energy efficient credit incentives, PG&E reported revenues and franchise fees to the City will decrease. City staff estimates franchise fees will slightly decrease by 5 percent to $559,000 in FY 2020-21.



Investment Earnings

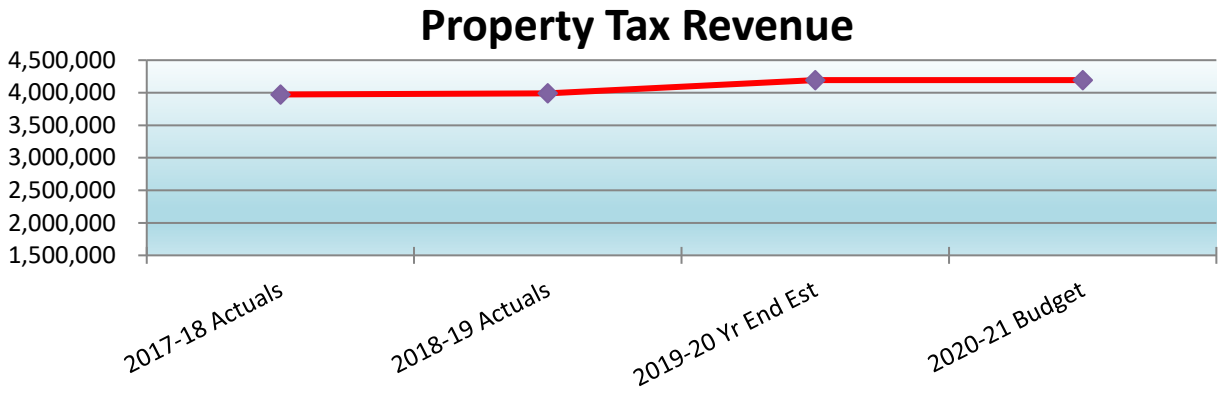
The City utilizes a strict cash management program to ensure that all available funds are invested to earn the maximum yield consistent with safety and liquidity. Investment income is subject to extreme fluctuation making it difficult to analyze and predict trends. For the last few months in FY 2019-20 and for most of FY 2020-21, the global economic impact of the Covid-19 pandemic is unknown. With the risk and uncertainty of the impact on the financial market, City staff estimate lower investment earnings to $75,000 in FY 2020-21.

Property Tax

Homes, businesses, and other taxable real and personal property are subject to a property tax rate of one percent of the assessed value. Assessed values are based on the 1975 property values with subsequent increases limited to two percent or CPI (Consumer Price Index), whichever is lower. However, when there is a transfer of property ownership, or when a new property is constructed, the property is appraised at

the current market value. The City of Pittsburg's property tax revenue, excluding the Pittsburg Successor Agency to the former Redevelopment Agency's project area which consists of 70% of City properties, is approximately 16 percent of the property tax rate on secured, unsecured and unitary taxes that homeowners pay to the County.

The City's property taxes were severely reduced in the past due to the State's need to finance its own budget. Pittsburg property taxes shifted downward resulting from the passage of Educational Relief Augmentation Fund (ERAF) and AB 860. In recent years, we have seen a gradual rise in property tax revenues attributable to increased property values as housing demand has picked up within the City, as well as the addition of several single-family and multi-family developments.



Based on the Property Assessment Value (AV) report from Contra Costa County, City staff estimates property taxes to remain consistent with prior year at $4.2 million in FY 2020-21.

HISTORICAL GROSS ASSESSMENT VALUATION					
Fiscal Year	**Land**	**Improvements**	**Personal Prop**	**Gross**	**Prior Year Variance**
FY2010-11	1,291,970,726	4,261,648,442	139,832,660	**$ 5,693,451,828**	*-1.0%*
FY2011-12	1,212,412,953	4,256,357,435	141,090,919	**$ 5,609,861,307**	*-1.5%*
FY2012-13	1,165,223,630	4,223,853,661	137,267,135	**$ 5,526,344,426**	*-1.5%*
FY2013-14	1,255,042,127	4,347,436,227	128,832,623	**$ 5,731,310,977**	*3.7%*
FY2014-15	1,442,385,836	4,664,153,180	133,949,553	**$ 6,240,488,569**	*8.9%*
FY2015-16	1,605,095,513	4,888,258,096	125,511,128	**$ 6,618,864,737**	*6.1%*
FY2016-17	1,742,190,654	4,930,330,068	127,586,933	**$ 6,800,107,655**	*2.7%*
FY2017-18	1,920,471,203	5,170,256,626	114,841,147	**$ 7,205,568,976**	*6.0%*
FY2018-19	2,109,900,611	5,449,816,081	128,190,760	**$ 7,687,907,452**	*6.7%*
FY2019-20	2,255,555,877	5,657,611,817	157,539,189	**$ 8,070,706,883**	*5.0%*

Source: Contra Costa County Assessor

Property Transfer Tax

A transfer tax is imposed upon the transfer of real property. Pittsburg receives $0.55 per $1,000 of property value, which is the standard allowed under State law. Estimates are based on historical experience and market conditions. City staff estimates transfer tax revenue of $260,000 in FY 2019-20 and $200,000 in FY 2020-21.

Police Fines and Fees

The Police Department's revenues are comprised largely from citations, moving violations, abandoned vehicle abatements, administrative citations, Proposition 172, and the half-cent sales tax (Measure M) for public safety services. A smaller portion of the revenues are generated from fees for services which include document and report reproduction, research services, court appearances, vehicle inspections, and fingerprinting services. Because of the nature of these fees and how they are derived, it is difficult to predict the level of activity and revenues generated, therefore estimates are based on the prior year's projected receipts and any pre-existing condition that would otherwise impact City services. With the limitations on services due to Covid-19, City staff estimates administrative and support fees to decrease from $7.5 million in FY 2019-20 to $6.4 million in FY 2020-21.

Recreation Program Fees

Recreational fees are charged to participants to help cover the costs to provide the program services. Fees are charged for facility rentals, community events, Small World Park, youth activities, sports, aquatics, and recreation classes. Fee increases, if any, occur on July 1 and are based on the twelve-month average Consumer Price Index change for the San Francisco-Oakland-San Jose All Urban Workers. As a result of Covid-19 and the Contra Costa Health Services public order to shelter-in-place and to cease non-essential services and events, most of the City's recreational services and programs were suspended and closed. The City estimates these program fees to go down by 55% to $239,000 in FY 2020-21.

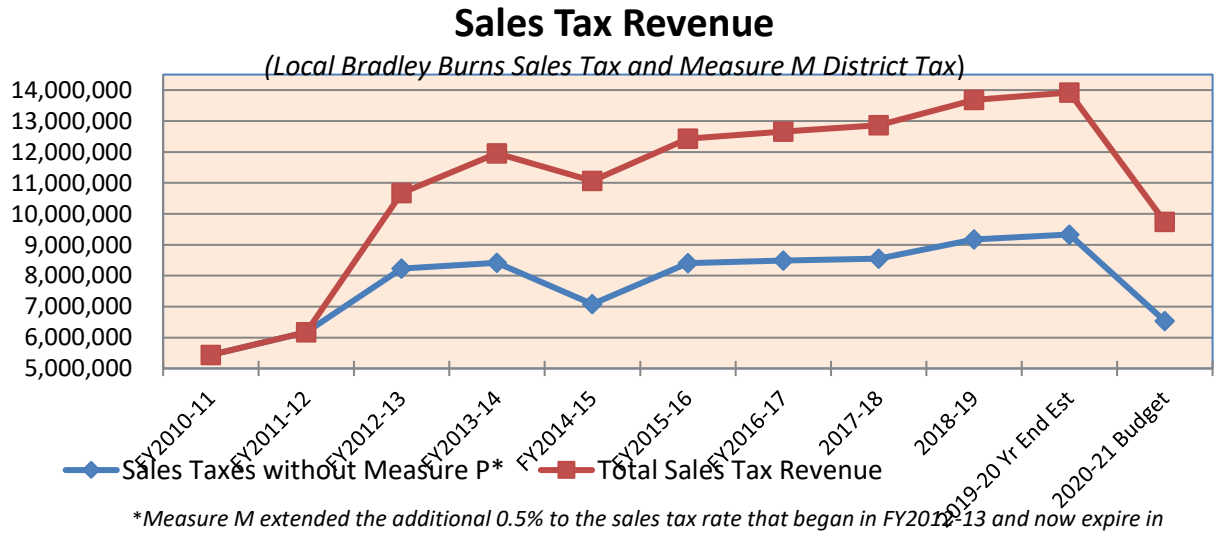
Understanding the need to stay connected, healthy, and active during this time, the City created the Virtual Recreation Center. An online community resource providing "options to remain engaged while having a little fun"

Sales Tax (Local Bradley Burns)

Sales tax is levied on goods and services at the point-of-sale. The Sales tax rate in Pittsburg is 8.75 percent, of which the City receives one percent. On June 2018, in the case of *South Dakota v. Wayfair*, the Supreme Court ruled in favor of South Dakota allowing the state to charge tax on purchases made from out-of-state sellers, even if the seller does not have a physical presence in the taxing state. This decision allows states more authority to require out-of-state sellers to collect sales and use tax. The California Department of Fee and Tax Administration (CDFTA) announced it will require out-of-state retailers to collect and remit use tax beginning on April 1, 2019 if in the preceding or current calendar year their sales into California exceed $100,000, or 200 or more separate transactions. This decision has generated an additional sales tax revenue of $200,000 for the City in FY 2019-20. With the uncertainty of the global economic impact of the Covid-19 pandemic, and whether this brings the economy to a state of recession, City staff estimates a reduced budget with a 30% reduction in sales tax revenue to $6.5 million in FY 2020-21.

Measure M – Temporary District Sales Tax Increase

In June 2012, the voters approved Measure P, a limited one-half percent sale and use tax, to preserve essential services throughout the City. Measure P originally was to reduce to one-quarter percent in FY 2017-18 and expire in FY 2022-23. In June 2016, the voters passed Measure M extending Measure P until June of 2035. Voters approved Measure M with 81.31% of the vote. Measure M will continue to support public safety, the Senior Center, jobs programs, road repair, youth services and services for victims of domestic violence within the City. Measure M require a Citizens Oversight Committee to report on the revenues and expenditures of the measures. Staff estimates revenues from Measure M to decrease by 30% from $4.6 million in FY 2019-20 to $3.2 million in FY 2020-21 due to Covid-19.



**Measure M extended the additional 0.5% to the sales tax rate that began in FY2012-13 and now expire in*

Total revenues from both Sales Tax and Measure M are projected to be approximately $13.9 million in FY 2019-20 and $9.7 million in FY 2020-21.

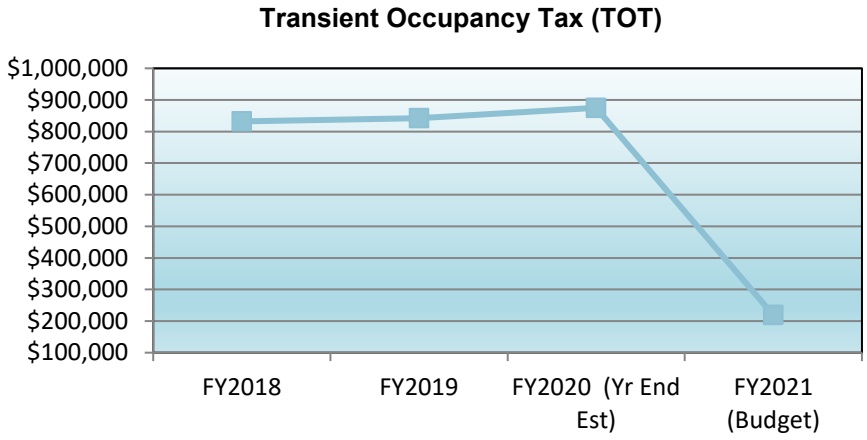
Transfer-In from other Funds

Transfers-In represent a transfer of cash from other funds to reflect the administrative support and other services provided by the General Fund. Examples would be Water and Sewer, Storm Water, Power, Island Energy, and miscellaneous Assessment District funds. Other transfers such as Gas Tax and Measure J reflect street-related expenses incurred by the General Fund.

Transient Occupancy Tax (TOT or Hotel Tax)

The City of Pittsburg's Transient Occupancy Tax rate is currently ten percent and is paid by travelers staying at any of the City's four hotels. This current rate was increased from eight percent to ten percent effective January 2012. TOT revenues saw major increases during the Highway 4 construction project between FY 2012-13 and FY 2015-16, when a new mid-sized Hampton Inn hotel opened in Pittsburg. On July 2017, the City secured a voluntary collection agreement with Airbnb to facilitate the reporting, collection and remittance of TOT on behalf of their registered hosts and short term-rentals within the City of Pittsburg. The City also entered into a similar agreement with Mister B&B in March 2019. Staff estimates that these new agreements will bring in approximately $12,000 to $15,000 in additional revenue annually.

The hotel industry is one of the hardest hit financially by the Covid-19 pandemic. Since the public health issue of corona virus began escalating in mid-February, Hampton Inn was already down by 55% of normal capacity in March. Hampton Inn and Motel 6 comprises 92% of the City's TOT revenue. The City estimates TOT revenues to decrease by 75% to $218,750 in FY 2020-21.



➢ MAJOR REVENUE SOURCES – INTERNAL SERVICE FUNDS

There are several Internal Services Funds that were created to account for the cost and revenues of services provided to other City departments for which those departments are charged.

Building Maintenance Fund

The Building Maintenance Division of the Department of Public Works maintains and oversees maintenance and service contracts for all City owned buildings. User charges are applied to the respective City departments, based on square footage, to provide the revenues to support the building maintenance functions, as well as to plan for future maintenance costs.

Fleet Maintenance Fund

The Fleet Maintenance Division provides maintenance of the City's vehicle and equipment fleet. User charges are applied to the respective City departments, based on the number of vehicles and usage, to provide the revenues to support this function.

Other Post-Employment Benefits (OPEB) Fund

The OPEB Fund provides for centralized accounting and funding of Retiree Medical expenses for the current year and funding for future years to reduce the long-term retiree health benefit liability. Each department contributes to this fund based on the number of employees.

Fringe Benefit Fund

The Fringe Benefit Fund provides for centralized accounting and funding of employee benefits including vacation buy back, termination payouts, Workers Compensation, dental and unemployment insurance and other miscellaneous benefit administrative costs. Each department contributes to this fund based on salary percentage.

General Liability Insurance Fund

The General Liability Insurance Fund provides a centralized funding mechanism to pay the City's insurance premiums, liability claims, and deductible expenses. The City procures insurance through Municipal Pooling Authority (MPA). Charges to City departments are based on salary percentage and claims received.

Information and Communications Fund

The City's Information and Communications Fund provides a centralized funding mechanism for the operation, maintenance and replacement of the Citywide network infrastructure, telephones, computer equipment and other hardware and software needs. Charges are applied to departments based on infrastructure usage.

➢ MAJOR REVENUE SOURCES – ENTERPRISE FUNDS

The City's Enterprise Funds account for the acquisition, operation and maintenance of government facilities and services which are entirely self-supported through user charges.

Marina Fund

Pittsburg's Marina is divided into three distinct harbors with a total of 649 berths; 274 are covered berths. The Marina is self-sufficient generating all its revenues through the use of its berthing facilities and the sale of gasoline. The annual operation of the Marina Fund generates approximately $2.3 million in gross revenue and $2.4 million in operating expenses. Lower gasoline and fuel sales accounts for the decrease in revenue in FY 2020-21.

Pittsburg Power and Island Energy Funds

The Pittsburg Power Company (PPC) is a municipal utility formed under the California Constitution. The PPC does business in the City of Pittsburg and as Island Energy (IE) on Mare Island located in Vallejo, California. PPC develops revenue streams for the City of Pittsburg while retaining existing businesses and attracting new business. Island

Energy distributes natural gas and electricity to the industries, schools, businesses and residents on Mare Island. Island Energy's focus is to build capital asset value and income for the City of Pittsburg as Mare Island is redeveloped over time. The estimated gross revenue in FY 2020-21 is $5.7 million of which $4.8 million is revenue from the electric operation and $666,000 from gas operation. These estimates reflect an 8% decrease from the previous year as a result of Covid-19 impact on the businesses.

Sewer Operating Fund

The City maintains the collection system that transports sewage to the treatment plant at Delta Diablo Sanitation District. The City charges water customers a fee to cover the cost to operate and maintain the system. The monthly sewer charge for a residential family is a flat fee. The non-single family and non-residential fees are based on a flat fee multiplied by their water consumption. The City's sewer fees have remained the same since March 2014. With the closure of non-essential businesses and services due to Covid-19, the annual operation of the Sewer Fund is estimated to decrease by 20% to $4.3 million in gross revenue and $4.0 million in operating expenses in FY 2020-21. Excess annual revenues over operating expenses are utilized to maintain and update the infrastructure of the system through capital projects.

Waterfront Operations Fund

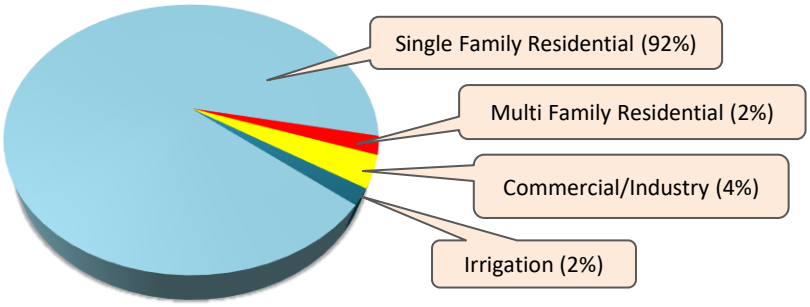
The Waterfront Operations Department manages existing Trust Land leases, negotiating expired Trust Lands leases, and identifying un-leased areas for which Trust Lands leases are required. Staff estimates lease revenue at $1.7 million in FY 2020-21.

Water Operating Fund

The City operates and maintains its own water treatment plant. The City charges water customers fees for water usage to cover the cost to procure water as well as operate and maintain the City's water system.

Currently the City provides water service to approximately 18,939 customers of which 92 percent (17,424) of these accounts are for residential locations. Since commercial and industrial customers represent 4% of the City's total water accounts, water sales is estimated to decrease only by 2% in addition to $209,000 of lost revenue as a result of waiving late payment penalty and other service charges during this Covid-19 pandemic period. The annual operation of the Water Fund is estimated to generate approximately $23.4 million in gross revenue and $21.8 million in operating expenses. Any excess annual revenues over operating expenses are utilized to maintain and update the infrastructure of the system through capital projects.

Water Account By Customer Type



Water and Sewer Facility Reserve Charge Funds

A Facility Reserve Charge (FRC) or development impact mitigation fee is a charge to pay for public facilities in existence at the time the charge is imposed and to serve new development, or to pay for new facilities that will be of benefit to the person or property being charged (new development or upgrades to existing meter capacity). FRC's are intended to recover a portion of the City's Capital Improvement Program costs and utility rate payers' prior investment in capital facilities that support land development through utility system expansion prior to new development.

The city has separate FRC's for both the water and sewer utilities. However, the development of FRC unit costs for the water and sewer utilities is very similar and addresses the same fundamental concerns. The payment of appropriate FRC's should:

1) Recoup the cost of new utility facilities that are necessary to provide utility services to new development, or
2) Recoup the value of utility facilities that have been previously provided for by ratepayer investment through construction, maintenance and rehabilitation and are now available for use by new developments.

The City has established separate funds to account for the water and sewer facility reserve charges.

➢ MAJOR REVENUE SOURCES – SPECIAL REVENUE FUNDS

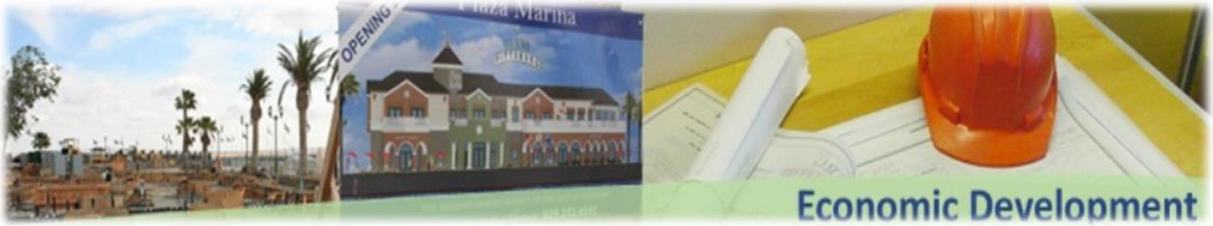
Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The City has several special revenue funds: Citywide Lighting and Landscape District, Oak Hills Lighting and Landscape District, National Pollutant Discharge Elimination System (NPDES) Storm Water, Geological Hazard Abatement District (GHAD), Community Development Block Grant (CDBG), San Marco Community Facilities District (CFD) 2004-01, Vista del Mar CFD 2005-2, Public Safety CFD 2005-1, Park Maintenance CFD 2007-1, Gas Tax, Measure C and M, Railroad Avenue Facilities District (CFD 2014-1) Park Dedication, Traffic Mitigation, Kirker Creek Drainage, Inclusionary Housing, Traffic Impact Fair Share, Economic Development and the Budget Stabilization Fund. The following defines several of the City's larger Special Revenue Funds:

Budget Stabilization Fund

This Budget Stabilization Fund (BSF) was established by the City Council on October 18, 2004 which shall provide the City a cushion to help absorb costs during economic downturns and/or budget shortfalls. The BSF must maintain a minimum balance of $2,000,000 or five percent of the city's general fund operating expenses, whichever is greater, but no more than $7,500,000 or 25 percent of the City's annual general fund operating expenses, whichever is greater. One-time revenues and projected recurring revenues that exceed ten percent or more from previous fiscal years are deposited into the fund. Appropriations from the Budget Stabilization Fund require a majority vote of the City Council and may be made in order to balance the General Fund budget.

Economic Development Fund

During Fiscal Year 2004-05, the City Council adopted Resolution No. 02-9703 that transferred $6 million from the General Fund reserve to the newly created Economic Development Fund to provide financing for economic development activities within the City.



The Economic Development Fund revenues include Business Improvement District Tax (BID) collected on business license applications, an allocation of 2.75 percent of the City's Measure M proceeds, rental income, and transferred funds from the Pittsburg Power Company. Total revenues are estimated at $441,000 in FY 2020-21.

Citywide Lighting and Landscape District

In 1988 the City established a Citywide Assessment District 1988-01 to fund the following services:

- Park maintenance, including park-related structures (restrooms, park facilities)
- Street median and right-of-way landscaping maintenance
- Street tree maintenance
- Sidewalk repair related to street tree damage only
- Street light energy maintenance and replacement costs

In June 2007, voters approved the $25 per benefit factor for each residential land use, resulting in a total assessment of $102.18 per residential unit and $77.18 for commercial, institutional, churches, parking lots and nonprofit parcels. Assessment collections averages at $4.0 million annually for FY 2019-20 and FY 2020-21.

Lighting and Landscaping - Oak Hills Assessment District

In 1988 the City established a Citywide Assessment District 1988-02 Oak Hills to fund the following services:

- Right-of-way landscaping maintenance
- Street tree maintenance
- Sidewalk repair related to street tree damage only
- Street light energy maintenance and replacement costs

The assessment per benefit factor is $77.18. There are 440 single family parcels in the district. The assessments collected are estimated to be $35,022 for FY 2020-21.

Gas Tax Fund – Highway Users Tax Account (HUTA)

The State of California imposes per-gallon excise taxes on gasoline and diesel fuel, sales tax es on gasoline and diesel fuel and registration taxes on motor vehicles with allocations dedicated to transportation purposes. These allocations and grant monies are to be used for the maintenance, repair, and design of streets. The use of gas tax funds is restricted to street expenditures by State and Federal legislation.
Revenue from the motor vehicle fuel taxes imposed are allocated under the following:

Section 2103 - Beginning in Fiscal Year 2010-11, Section 2103 was added to allocate funds from a new motor vehicle fuel excise tax that replaced previous city and county allocations from the Proposition 42 sales tax on gasoline. Section 2103 is known as the "fuel tax swap of 2010". The funds are allocated to cities on a per capita basis and to counties based on the proportion of registered vehicles and maintained county road miles.

Section 2105 – Allocates 11.5 percent of the tax revenues in excess of 9 cents per gallon monthly among cities based on population.

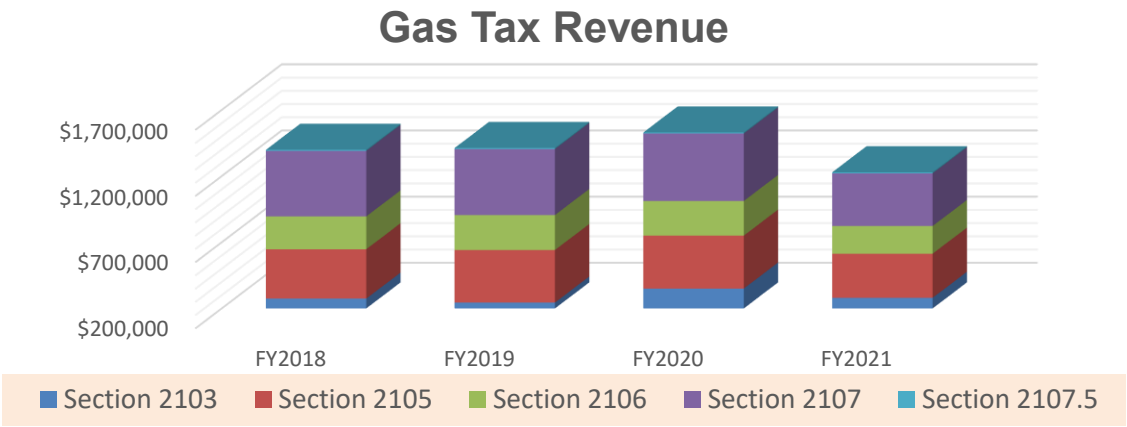
Section 2106 – Revenues equal to 1.04 cents per gallon are allocated as follows:

- $7.2 million per year to the State Bicycle Transportation Account
- $400 per month to each city
- $800 per month to each county
- The residual amount to each county and cities based on registered vehicles.

Section 2107 – Monthly allocations to cities of $1.315 cents per gallon of gasoline, $1.8 cents per gallon of diesel, and $2.59 per liquefied petroleum gas.

Section 2107.5 – Funds (about $2.6 million per year) are allocated to cities annually in July based on population. Funds must be used for engineering costs and administrative expenses related to city streets.

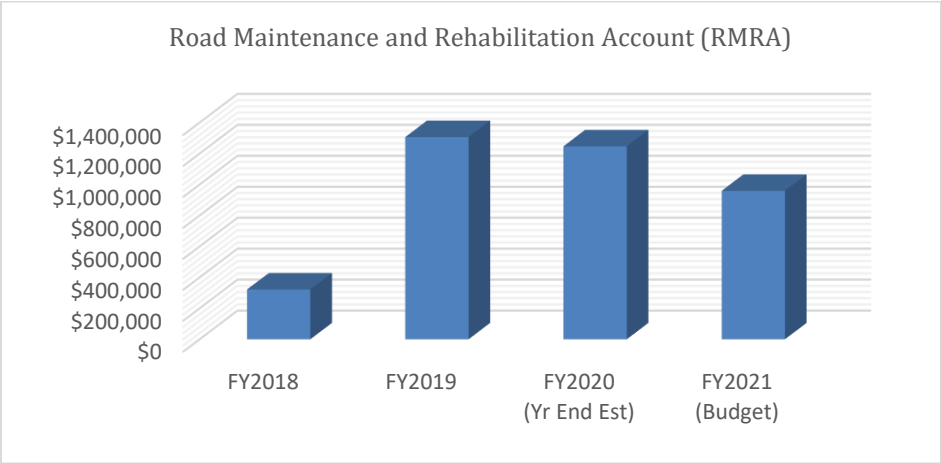
Impacts due to the Covid-19 pandemic have caused declines in fuel consumption and vehicle sales, which has reduced state transportation tax revenue. Based on projections from California League of Cities and prior history, City staff estimate gas tax revenue to decrease from $1.5 million in FY 2019-20 to $1.2 million in FY 2020-21.



<u>SB-1 Gas Tax Fund – Road Maintenance and Rehabilitation Account (RMRA)</u>

The Road Maintenance and Rehabilitation Account (RMRA) bill was enacted under the Road Repair and Accountability Act of 2017 also known as SB-1. Announced on March 29, 2017, SB-1 increased the gasoline excise tax by $0.12 cents per gallon and $0.20 cents per gallon to the diesel fuel excise tax effective November 1, 2017, in addition to

other vehicle registration tax and fee increases that became effective in January 1, 2018. Unlike the HUTA funds, SB-1 revenues must be used for road maintenance and rehabilitation projects and contains specific accountability and reporting requirements. It requires the City to submit an annual report of project completion to the California Transportation Commission (CTC) in order to receive RMRA funds. A recall measure to eliminate this increase in tax on November 2018 did not make the ballot, as it failed to collect enough valid signatures. Based on updated projections from California League of Cities with consideration of Covid-19 impact, the City estimates $1.2 million in revenue in FY 2019-20 and $959,000 in FY 2020-21.



Housing Authority Fund

The Federal Housing and Urban Development Department (HUD) provides housing vouchers to eligible low-income families, the elderly, and the disabled allowing them to afford decent, safe, and sanitary housing in the private market.

HUD also provides housing vouchers to homeless veterans participating in the HUD Veterans Affairs Supportive Housing (VASH) Program. The HUD-VASH program combines the HUD Housing Choice Voucher rental assistance for homeless veterans with the case management and clinical services provided by the Department of Veterans Affairs (VA) at its medical centers in the community. The City's Housing Authority manages the HUD system and is reimbursed for vouchers issued by HUD. Additional information regarding the housing authority revenue assumptions can be found in the Overview Section labeled Housing Authority 7-Year Forecast and Balancing Plan.

Kirker Creek Drainage Fund

The City collects fees from developers of properties that are within the Kirker Creek Watershed Drainage Area. These fees are deposited into a separate special revenue fund to be expended solely for land acquisition, construction, engineering, administration, repair maintenance and operating of planned drainage facilities within the drainage area, or to reduce the principal or interest of any bonded indebtedness of the drainage area.

Measure J Fund

In 1988, the Contra Costa County voters approved a one-half cent sales tax called Measure C for the purpose of funding transportation projects within the County. The imposition of the sales tax expired March 31, 2009 and was replaced with Measure J. This measure allocates sales tax to cities within the County based on population and road mileage. These funds may be used only for transportation and transit related projects. City staff estimates allocations from the county at $920,000 in FY 2019-21 and decrease to $743,000 in FY 2020-21 due to anticipated drop in consumer mileage due to Covid-19.

National Pollutant Discharge Elimination System (NPDES)

NPDES is a joint effort of the Planning, Engineering and Public Works departments through the Contra Costa County Clean Water Program. Since 1993, the City has worked with Contra Costa County, Contra Costa County Flood Control and Water Conservation District and 15 other cities in the county to meet federal mandates for minimizing pollutants in storm water runoff.

Revenues are used to fund its pro-rata share of the Clean Water Program's staffing and overhead costs as well as local level activities necessary to comply with provisions of the joint Municipal Regional Permit (MRP). Contra Costa County collects a property assessment of $30 per Equivalent Runoff Unit each year on behalf of the City to fund its clean water activities. The fee cannot be increased without a two-thirds majority vote of property owners. Revenue is estimated to be at $1.3 million in FY 2020-21.

Park Maintenance Community Facility District (CFD 2007-1) The Park Maintenance CFD 2007-1 is dedicated to enhancing the quality of life for the citizens and visitors of the District and provides a level of grounds care and customer service that promotes a positive community image. There is a total of 1,461 parcels in the district. In FY 2020-21 CFD collections are estimated to be $105,460 with maximum special tax rate per residential unit of $64.58. Additionally, on June 2006 the City entered into a joint use agreement with Mount Diablo Unified School (MDUSD) of which MDUSD will pay its share of 50 percent of the annual maintenance cost of Delta View Elementary School (Lasater) Park. City estimates its 50 percent share at $40,000 in FY 2020-21.

Public, Education & Government Fees (PEG)

The California Public Utility Commission (CPUC) administers certain provisions of the state franchises under the Digital Infrastructure and Video Competition Act (DIVCA).

Some areas of DIVCA are administered by the City, specifically, the collection of franchise fees, PEG issuance, and enforcement of customer service standards. Each state franchise holder shall remit to the City a fee to support PEG channel facilities in the amount of one percent of the gross revenues of the state franchise holder. Revenues collected shall be only expended for the purpose of supporting PEG channel facilities. The City receives one percent of gross receipts from Comcast Cable and AT&T U-Verse. The City anticipates receiving $120,000 ($100,000 from Comcast and $20,000 from AT&T) in FY 2020-21.

Park Dedication Fee Fund

The City collects Park Dedication Fees in lieu of land from developers of properties and deposits these monies in this separate special revenue fund. These funds may be used for the design, development and construction of new parks or the expansion and rehabilitation of existing parks within the City.

Railroad Avenue Specific Plan Area Community Facilities District (CFD 2014-1)

On March 3, 2014, the City Council adopted the formation of the Railroad Avenue Specific Plan Area CFD 2014-1. This is a one-time special tax to finance the construction of a Bay Area Rapid Transit (BART) station at the intersection of Railroad Avenue and Highway 4. This levy will also fund the acquisition and development of certain public facilities in and for the City which includes roadway widening and construction of pedestrian and bicycle pathways, public transportation improvements, bicycle facilities and public parking, construction of a plaza and streetscape as well as installation of public art. The special levy tax rate ranges from $660/unit to $2,000/unit based on tax zone for residential properties and $0.49/square foot to a maximum of $1.50/square foot based on tax zone for non-residential properties. Effective July 1, 2014 and each July thereafter, these rates increase by 2 percent annually. City staff estimates revenue to be at $10,000 in FY 2020-21.

Southwest Pittsburg GHAD II

On February 20, 2001 the City Council created the Southwest Pittsburg Geological Hazard Abatement District II (GHAD) as a separate legal entity from the City to provide maintenance of slopes in the open space areas of Southwest Pittsburg. Funding for the GHAD is provided through assessment fees levied on the property taxes of the homes built in the hillside areas. Of the approximately 2,401 parcels included in the district, most

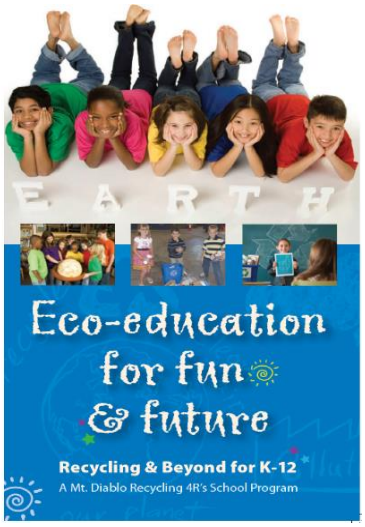
are single-family units under two acres in Oak Hills and San Marco and are assessed $242.82 per year. Detached single-family unit parcels located in the Vista Del Mar subdivision are assessed $419.62 per year. This fund centralizes the accounting for the revenues and expenses associated with GHAD as required by law. City staff estimates special assessment fees to come in at $941,000 in FY 2019-20 and $966,000 in FY 2020-21.

San Marco Community Facilities District (CFD 2004-1)

On June 7, 2004 the City Council approved the formation of the San Marco CFD 2004-1 to provide police services to the surrounding area. There is a total of 1,175 taxable parcels and City staff estimates revenue to be $1,050,000 in FY 2020-21 and $1,128,000 in FY 2020-21.

Solid Waste Fund

Under the Recycling Center and Transfer Stations (RCTS) operating agreement with the Contra Costa Waste Service, Inc.(CCWS), the City receives a Recycling and Inspection Fee of a flat rate ($1.91/ton effective October 2018) plus annual CPI adjustment on all solid waste and recycled material accepted at the transfer station.



Solid Waste Management creates and implements programs and services for schools, City offices, businesses and the community by promoting waste prevention, reuse and recycling to meet the state-mandated, AB 939 (50 percent waste diversion requirements leading to the eventual 'zero-waste' formula). With a slight increase anticipated in tonnage (approximately 342,000 tons) based on recent activity, City staff expects solid waste recycling and inspection fee revenue from CCWS at $630,000 in FY 2019-20 but decrease to $540,000 in FY 2020-21 due to Covid-19.

Vista Del Mar Community Facilities District (CFD 2005-2)

On September 19, 2005 the City Council approved the formation of the Vista Del Mar CFD 2005-2. The authorized services funded by the special tax revenue include police protection services for the residents within the CFD. There is a total of 518 residential parcels. Staff estimates revenue in the amount of $350,000 in FY 2019-20 and $367,000 in FY 2020-21.

Public Safety Community Facilities District (CFD 2005-1)

On August 1, 2005 the City Council approved the formation of the Public Safety Services CFD 2005-1 to provide funding for public safety services to residents and businesses

within the District. There is a total of 658 residential and non-residential parcels. Staff estimates revenues to be $667,000 for FY 2020-21, with maximum special tax rates per residential unit of $709.44 and $1,418.87 per acre for non-residential.

Successor Agency to the Former Pittsburg Redevelopment Agency - Redevelopment Obligation Retirement Fund

AB1X 26, adopted in June 2011, required redevelopment agencies to be dissolved and replaced with Successor Agencies responsible for winding down the affairs of the redevelopment agencies including disposing of their assets. The City is the Successor Agency to the former Pittsburg Redevelopment Agency. Successor Agencies must adopt Recognized Obligation Payment Schedules (ROPS) annually that identify enforceable obligations consisting of bonds, loans, payments required by governments (except pass-through payments), court judgments and settlements, legal contracts and agreements and contracts necessary for continued administration.

➢ General Fund 20-Year Forecast

In 2004, the City Council established a Budget Stabilization Fund (BSF) to assist with balancing the City's Funds, but primarily the City's General Fund, in the event revenues decline or the City experiences unexpected and/or uncontrollable cost escalations due to changes in the economy. When the BSF was established, Council ensured funding by requiring one-time General Fund monies be deposited into the Fund. Again, in 2012 and 2017, Council made modifications affecting the BSF by implementing and updating the Fiscal Sustainability Ordinance (FSO). These requirements ensure that the City's General, Internal Service, and Enterprise Funds be structurally balanced by maintaining a 30 percent minimum reserve. The BSF must also maintain a minimum of $2,000,000 or five percent of the General Fund's operating expenses. To accomplish this, the City diligently reviews the fiscal health of the Funds.

The 20-year Forecast has been a great tool for Council and Management to develop current fiscal year budgets, while establishing longer-range forecasts that incorporate anticipated fluctuations of revenues and expenditures over the next 20 years. Council and Staff are aware of the continuing need to balance providing services with controlling costs and will continue to utilize this forecast model to address the City's fiscal projections. The accompanying 20-year forecast utilizes the latest information from both external experts and staff to project revenues and expenditure impacts on the General Fund.

This year the assumptions used have been greatly influenced by the Covid-19 virus and the projected slowing of the economy. The projections are subject to change and expected to improve, however we have developed the 20-year projection with the best information we have as the budget is developed. The later years of the projection are expected to improve once the economy returns following the Covid-19 Pandemic. Major assumptions used to develop long-term forecasts are as follows:

Revenue Assumptions	**Expenditure Assumptions**
Reduction of total General Fund revenues of 15% due to the Covid virus and downturn in the economy resulting in: • Lower Sales & Use, TOT and Franchise Fees in FY 20-21 • Increases in Housing, Commercial and Industrial revenues starting in FY 21-22 • Measure M Sales Tax revenues will expire June 2035 • Successor Agency pass-through will end in FY 29-30, offset by additional property taxes in FY 30-31 • New Hotel delayed, resulting in increased TOT income starting in FY 2022-23	Total Expenses – are projected to reduce by 8% during FY 2020-21 including: • No cost of living adjustment for salaries are projected for FY 20-21 due to the economy slowdown • Salary increases beyond FY 21-22 at shown at a 1% increase • Salary Savings – Senior Management will reduce total pay by ~ 7% effective July 1, 2020 • 115 Trust prefunding continues, OPEB funding will be funded by the OPEB side fund

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City of Pittsburg 20-year General Fund Forecast	Projected Ending FY 2019-20	Proposed Budget FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Annual Revenues											
Taxes - Property, Sales, TOT, Franchise & Motor Vehicle	$ 27,885,756	$ 23,832,234	$ 27,656,071	$ 29,157,213	$ 29,988,424	$ 30,846,965	$ 31,733,812	$ 32,649,983	$ 33,596,530	$ 34,574,548	$ 35,585,172
Fees, Intergovernmental, Permits, Fines and Service Charges	7,176,792	6,041,203	7,211,535	7,284,552	7,358,636	7,433,810	7,510,095	7,587,516	7,666,097	7,745,862	7,826,837
Transfers In from other City Funds	2,737,989	2,719,620	2,737,989	2,737,989	2,737,989	2,737,989	2,737,989	2,737,989	2,737,989	2,737,989	2,737,989
Other Revenues	7,242,534	6,925,817	7,276,784	7,514,966	7,768,042	7,819,542	7,994,984	8,177,471	8,332,604	8,539,762	8,934,719
Total Annual Revenues	45,043,070	39,518,874	44,882,379	46,694,719	47,853,092	48,838,305	49,976,880	51,152,959	52,333,220	53,598,161	55,084,718
Potential New or Short Term Revenues											
Police Grants	935,393	1,105,705	1,105,705	1,105,705	-	-	-	-	-	-	-
Waterfront Lease Revenues	-	-	-	-	172,612	176,214	179,906	183,691	187,570	191,546	195,622
New Hotel TOT	-	-	-	98,550	295,650	394,200	402,084	410,126	418,328	426,695	435,229
Commercial and Industrial Development	-	-	-	384,980	392,680	45,533	54,844	64,341	74,028	83,908	262,986
Housing Development Projects	-	-	102,021	211,745	281,451	293,352	378,894	465,291	552,551	689,498	930,887
Total Potential New	935,393	1,105,705	1,207,726	1,800,980	1,142,393	909,300	1,015,728	1,123,448	1,232,477	1,391,648	1,824,724
Total Revenues	**45,978,463**	**40,624,579**	**46,090,104**	**48,495,700**	**48,995,485**	**49,747,605**	**50,992,608**	**52,276,407**	**53,565,698**	**54,989,809**	**56,909,441**
Annual Expenses											
Salaries	19,492,687	19,065,943	19,481,139	19,675,950	19,872,710	20,071,437	20,272,151	20,474,873	20,679,622	20,886,418	21,095,282
Vacancy Rate/Attrition Savings	(303,638)	(575,113)	(592,366)	(610,137)	(628,442)	(647,295)	(666,714)	(686,715)	(707,316)	(728,536)	(750,392)
CalPERS	4,551,869	5,028,125	6,211,333	6,869,124	7,721,279	8,478,868	8,942,579	9,497,313	9,986,943	10,483,480	10,985,939
CCCERA, Pension Bonds & 115 Trust	3,317,574	3,208,121	3,341,597	3,619,119	3,657,431	3,696,619	3,736,584	3,575,662	3,612,802	3,647,962	3,687,744
Benefits & Insurance	6,365,074	6,314,911	6,677,614	8,465,929	8,986,762	9,545,041	10,143,569	10,785,359	11,473,660	12,211,966	13,004,042
Contractural and Professional Services	7,081,478	6,500,917	6,644,185	6,790,717	6,940,588	7,093,878	7,250,669	7,411,043	7,575,085	7,742,882	7,914,524
Transfers Out and Other Costs	5,451,491	4,498,412	4,945,650	5,013,261	5,082,125	5,152,272	5,223,737	5,296,555	5,370,763	5,446,398	5,523,498
Pavement Maintenance	963,689	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
One Time Expense	-	(1,416,737)	-	-	-	-	-	-	-	-	-
Total Annual Expenses	46,920,224	43,124,579	47,209,151	50,323,963	52,132,454	53,890,820	55,402,575	56,854,090	58,491,557	60,190,570	61,960,638
Proposed Adjustments											
New Revenues or Reductions not yet identified	-	-	(1,000,000)	(1,250,000)	(2,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(5,000,000)	(5,750,000)	(5,750,000)
Net Expenses	46,920,224	43,124,579	46,209,151	49,073,963	50,132,454	50,890,820	52,402,575	53,854,090	53,491,557	54,440,570	56,210,638
Use or Surplus of Genral Fund Reserves	$ (941,761)	$ (2,500,000)	$ (119,047)	$ (578,263)	$ (1,136,969)	$ (1,143,215)	$ (1,409,967)	$ (1,577,684)	$ 74,141	$ 549,239	$ 698,804
General Fund Reserve Balance	$ 18,502,830	$ 43,124,579	$ 15,883,783	$ 15,330,520	$ 14,143,551	$ 12,925,336	$ 11,415,369	$ 9,787,686	$ 9,781,827	$ 10,251,066	$ 10,869,869
General Fund Reserve held in Property	-	-	3,000,000	6,000,000	7,200,000	7,200,000	7,500,000	7,600,000	7,800,000	7,900,000	8,000,000
Total General Fund Reserve	$ 18,502,830	$ 43,124,579	$ 18,883,783	$ 21,330,520	$ 21,343,551	$ 20,125,336	$ 18,915,369	$ 17,387,686	$ 17,581,827	$ 18,151,066	$ 18,869,869
Compliance with Fiscal Sustainability Ordinance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Indicates significant Changes											

City of Pittsburg 20-year General Fund Forecast	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	FY 2036-37	FY 2037-38	FY 2038-39	FY 2039-40
Annual Revenues										
Taxes - Property, Sales, TOT, Franchise & Motor Vehicle	$ 36,843,557	$ 38,150,856	$ 39,509,081	$ 40,920,331	$ 42,386,793	$ 36,622,007	$ 37,914,285	$ 39,257,255	$ 40,653,039	$ 42,103,850
Fees, Intergovernmental, Permits, Fines and Service Charges	7,909,048	7,992,521	8,077,285	8,163,367	8,250,796	8,339,601	8,429,815	8,521,466	8,614,589	8,709,216
Transfers In from other City Funds	9,102,767	9,230,063	9,359,904	9,492,342	9,627,429	9,765,218	9,905,763	10,049,118	10,195,341	10,344,488
Other Revenues	7,231,462	7,223,464	7,353,437	7,510,239	7,660,825	7,827,255	8,009,142	8,168,873	8,311,012	8,483,857
Total Annual Revenues	61,086,834	62,596,904	64,299,707	66,086,279	67,925,843	62,554,082	64,259,004	65,996,714	67,773,981	69,641,411
Potential New or Short Term Revenues										
Police Grants	-	-	-	-	-	-	-	-	-	-
Waterfront Lease Revenues	199,799	204,081	208,470	212,969	217,580	222,306	227,151	232,117	256,974	282,827
New Hotel TOT	443,933	452,812	461,868	471,105	480,528	490,138	499,941	509,940	520,139	530,541
Commercial and Industrial Development	276,646	287,131	297,826	308,735	349,862	331,212	342,789	354,597	366,641	378,926
Housing Development Projects	1,045,333	1,130,885	1,224,050	1,311,389	1,399,601	1,497,707	1,602,801	2,055,904	2,588,300	3,062,760
Total Potential New	1,965,712	2,074,909	2,192,215	2,304,198	2,447,571	2,541,363	2,672,682	3,152,557	3,732,054	4,255,055
Total Revenues	**63,052,546**	**64,671,813**	**66,491,922**	**68,390,478**	**70,373,413**	**65,095,445**	**66,931,686**	**69,149,271**	**71,506,035**	**73,896,466**
Annual Expenses										
Salaries	21,306,235	21,519,297	21,734,490	21,951,835	22,171,353	22,393,067	22,616,998	22,843,168	23,071,599	23,302,315
Vacancy Rate/Attrition Savings	(772,904)	(796,091)	(819,974)	(844,573)	(869,910)	(896,007)	(922,888)	(950,574)	(979,091)	(1,008,464)
CalPERS	11,494,333	11,941,818	12,533,900	13,064,103	13,601,758	14,148,421	14,700,568	15,262,674	15,834,296	16,411,991
CCCERA, Pension Bonds & 115 Trust	3,728,599	3,760,234	3,765,436	3,804,039	3,645,353	246,171	246,171	246,171	246,171	246,171
Benefits & Insurance	13,853,941	14,766,028	15,745,003	16,795,930	17,924,262	19,135,874	20,437,094	21,834,741	23,336,158	24,949,262
Contractural and Professional Services	8,090,103	8,269,712	8,453,447	8,641,408	8,833,694	9,030,410	9,231,661	9,437,556	9,648,208	9,863,729
Transfers Out and Other Costs	5,602,106	5,682,262	5,764,011	5,847,397	5,821,960	5,732,036	5,806,262	5,881,607	5,958,088	6,035,726
Pavement Maintenance	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
One Time Expense	-	-	-	-	-	-	-	-	-	-
Total Annual Expenses	63,802,413	65,643,260	67,676,314	69,760,139	71,628,471	70,289,972	72,615,866	75,055,342	77,615,429	80,300,730
Proposed Adjustments										
New Revenues or Reductions not yet identified	(1,250,000)	(1,750,000)	(1,750,000)	(2,000,000)	(2,000,000)	(4,750,000)	(6,500,000)	(6,750,000)	(7,000,000)	(7,000,000)
Net Expenses	62,552,413	63,893,260	65,926,314	67,760,139	69,628,471	65,539,972	66,115,866	68,305,342	70,615,429	73,300,730
Use or Surplus of Genral Fund Reserves	$ 500,133	$ 778,553	$ 565,608	$ 630,339	$ 744,942	$ (444,527)	$ 815,820	$ 843,929	$ 890,606	$ 595,736
General Fund Reserve Balance	$ 11,245,002	$ 11,923,555	$ 12,389,163	$ 12,944,502	$ 13,589,444	$ 13,144,918	$ 13,860,738	$ 14,604,667	$ 15,395,273	$ 15,866,009
General Fund Reserve held in Property	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,500,000
Total General Fund Reserve	$ 19,245,002	$ 19,923,555	$ 20,389,163	$ 20,944,502	$ 21,589,444	$ 21,144,918	$ 21,860,738	$ 22,604,667	$ 23,395,273	$ 24,366,009
Compliance with Fiscal Sustainability Ordinance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Indicates significant Changes										

Section 8 Housing Choice Voucher/Veteran Affairs Support Housing Program 7-Year Forecast

In January 2012, the Department of Housing and Urban Development (HUD) implemented a new cash management policy aimed at reducing the amount of excess Net Restricted Assets ("NRA") or fund balance retained by individual public housing authorities since 2005. As a result of this policy, The Housing Authority of the City of Pittsburg's ("HACP") fund balance decreased dramatically over the past couple of years. In April 2017, HACP received notification from HUD that it is in a shortfall position and continued thru calendar year 2019. Shortfall status means HACP might not have enough funding to support the current leasing levels. HACP has been working closely with HUD to ensure that measures have been in place for cost control and have stopped additional leasing activities. In January 2020 HACP received a notice from HUD that HACP was out of shortfall status for calendar year 2020. The shortfall status is evaluated yearly by HUD.

The FY 2020-21 budgeted revenue projections are based on estimates derived from the number of units leased. Additional provisions have been made to include the potential set aside funding and utilization of the existing HUD reserve.

HACP continues to be challenged to maintain the level of service with significant increases in costs from the rising rental market coupled with lower earned administrative fees. HACP's plan is to closely balance units leased with a healthy dose of administrative revenue and attempt to cover all the costs.

The City of Pittsburg Finance Department has established a 7-year forecast to help manage the City of Pittsburg Housing Authority's budget. HACP anticipates using existing reserves to supplement any forecasted shortfalls in future years.

Staff will update this forecast periodically according to the latest revenue and expenditure information.

Major assumptions used to develop forecasts in the 7-Year Plan are as follows:

Revenue Assumptions	
Annual Increase in Operating Revenues	
FY's 2020-21 through 2025-26	1%

Expenditure Assumptions
Annual Increase in Operating Expenditures
1% - 2% increase in Program
2% increase in Personnel costs
3% increase in other Admin expenses

SECTION 8 HOUSING CHOICE VOUCHER/VETERAN AFFAIRS SUPPORT HOUSING PROGRAM 7 YEAR FORECAST

	YE Estimate	Proposed Budget	Projected				
	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Program Revenue from HUD	$ 16,478,260	$ 17,004,734	$ 17,235,735	$ 17,435,735	$ 17,635,735	$ 17,835,735	$ 18,035,735
Program Expenses	16,294,198	17,034,734	17,134,734	17,334,734	17,534,734	17,734,734	17,934,734
Net Operating Income / (Deficit)	$ 184,062	$ (30,000)	$ 101,001	$ 101,001	$ 101,001	$ 101,001	$ 101,001
Administrative Revenue							
Administrative Overhead from HUD	$ 1,095,192	$ 1,264,342	$ 1,061,508	$ 1,080,000	$ 1,100,000	$ 1,120,000	$ 1,140,000
Other Svcs fee (incl. Port In & Unreported Income)	4,703	200,000	36,000	36,000	36,000	36,000	36,000
Rental Income	98,500	114,235	101,000	102,000	103,000	104,000	105,000
Total Administrative Revenue	$ 1,198,395	$ 1,578,577	$ 1,198,508	$ 1,218,000	$ 1,239,000	$ 1,260,000	$ 1,281,000
Administrative Expenses							
Salaries and Benefits	$ 786,836	$ 883,729	$ 901,404	$ 919,432	$ 937,820	$ 956,577	$ 975,708
Retirement	76,769	89,879	91,677	93,510	95,380	97,288	99,234
Pension Bonds & CCCERA Loan Payment	105,767	105,506	107,491	108,515	109,591	110,721	111,669
Administrative Overhead for Port Out	84,000	75,000	85,000	85,000	85,000	85,000	85,000
Rental Property Expenses	13,625	10,945	13,045	13,167	13,292	13,419	13,549
Other Administrative Expenses	241,869	207,055	190,773	196,496	202,391	202,390	208,462
Total Admin. Expenses	$ 1,308,866	$ 1,372,114	$ 1,389,389	$ 1,416,120	$ 1,443,475	$ 1,465,395	$ 1,493,622
Net Administrative Income/(Deficit)	$ (110,471)	$ 206,463	$ (190,881)	$ (198,120)	$ (204,475)	$ (205,395)	$ (212,622)
Total Fund Income/(Deficit)	$ 73,591	$ 176,463	$ (89,880)	$ (97,119)	$ (103,474)	$ (104,394)	$ (111,621)
Available Beginning Fund Balance	$ 508,853	$ 582,444	$ 758,907	$ 669,027	$ 571,908	$ 468,434	$ 364,041
Use of Fund Balance	$ 73,591	$ 176,463	$ (89,880)	$ (97,119)	$ (103,474)	$ (104,394)	$ (111,621)
Available Ending Fund Balance	$ 582,444	$ 758,907	$ 669,027	$ 571,908	$ 468,434	$ 364,041	$ 252,420

Summary of Fund Condition
Table 1

	Estimated Reserves June 30, 2020[1]	Projected Revenues 2020-21	Transfers-In	Projected Expenditures 2020-21	Transfers-Out	Estimated Balance June 30, 2021
General Fund						
General Fund	18,657,674	35,474,959	5,149,620	41,551,643	1,572,936	16,157,674
Subtotal, General Fund	$ 18,657,674	$ 35,474,959	$ 5,149,620	$ 41,551,643	$ 1,572,936	$ 16,157,674
Internal Service Funds						
Building Maintenance	882,188	1,998,828	60,000	2,249,621	11,938	679,457
Fleet Maintenance	794,322	1,975,535	-	2,036,009	9,972	723,876
Fringe Benefits	989,017	1,963,930	-	1,960,073	-	992,874
Information Communication Services	1,137,332	1,158,459	-	1,439,549	-	856,242
Insurance	600,000	2,221,069	-	2,166,069	-	655,000
Other Post-Employment Benefits (OPEB)[2]	222,220	1,879,874	300,000	2,123,900	-	278,194
Pension Trust/Reserve Fund[3]	-	392,935	-	392,935	-	-
Subtotal, Internal Service Funds	$ 4,625,079	$ 11,590,630	$ 360,000	$ 12,368,156	$ 21,910	$ 4,185,643
Enterprise Funds						
Island Energy	2,836,878	5,682,000	-	5,652,033	28,792	2,838,053
Marina	953,169	2,336,516	-	2,386,570	56,994	846,121
Pittsburg Power	3,474,838	2,710,465	50,000	1,523,411	784,947	3,926,945
Sewer Utility	1,642,081	4,688,440	-	3,121,119	851,324	2,358,078
Water Front Operations	984,257	1,654,296	-	2,236,767	13,343	388,443
Water Utility	18,245,402	23,880,742	811,414	21,366,846	394,462	21,176,250
Zone 2 Reservoir	-	439,426	-	-	-	439,426
Subtotal, Enterprise Funds	$ 28,136,625	$ 41,391,885	$ 861,414	$ 36,286,746	$ 2,129,862	$ 31,973,316
Special Revenue Funds						
Assets Seizure	23,155	-	-	-	-	23,155
Budget Stabilization	2,445,285	-	-	-	-	2,445,285
CA Energy Conservation Program	7	-	74,500	74,500	-	7
CalHome Program	199,367	1,100	-	-	-	200,467
California Theatre	28,300	166,580	148,750	320,292	-	23,338
Economic Development	421,200	216,172	225,000	314,887	51,264	496,221
Emergency Operations Center	9,147	75	55,000	21,600	20,000	22,622
Fire District CFD	8,045	6,657	-	2,028	-	12,674
Gas Tax	63,229	1,234,503	-	-	1,162,111	135,621
Gas Tax - Road Maint & Rehab (RMRA)	203,918	964,049	-	1,027,553	-	140,414
General Plan Update	11,322	50,000	110,000	160,000	-	11,322
GHAD Administration	33,157	400	500,000	397,497	4,073	131,987
Golf Course	5,218	-	-	4,000	-	1,218
Hillivew Jr. High Athletic Field (Mainte	369,422	29,000	-	-	-	398,422
Housing Authority-Section 8	582,444	18,583,311	-	18,388,168	18,680	758,907
HUD Community Development Block Grant	87,021	599,112	35,000	507,872	163,545	49,716
Lighting and Landscape	94,752	3,051,647	932,273	3,884,060	109,753	84,859
Lighting and Landscaping Oak Hill	33,901	34,359	663	36,605	-	32,318
Local Law Enforcement Block Grant	459	-	-	-	-	459
Marina Dredging & Infrastructure Improve	-	-	987,000	-	-	987,000
Marina Vista Field Replacement	322,854	12,500	-	-	-	335,354
Measure C Tax Fund	76,068	742,900	-	-	695,332	123,636
Miscellaneous Grants	51,018	403,000	-	-	400,000	54,018
Neighborhood Stabilization	46,564	400	-	-	-	46,964
Park Maintenance CFD 2007-1	74,322	145,760	-	71,883	702	147,497
Project Amenities Mgmt (CFD 2015-1)	37,842	27,188	-	2,400	-	62,630
Public Safety CFD 2005-1	100,072	667,600	-	4,000	640,000	123,672
Public, Education & Gov't Fees (PEG)	755,577	124,000	-	137,000	-	742,577
R/R AVE SPECIFIC PLAN (E-BART) CFD 2014-	20,368	10,150	-	2,500	-	28,018
Regional Freeway Security Fund	428	-	-	-	-	428
San Marco CFD 2004-1	68,907	1,128,610	-	10,000	1,050,000	137,517
Small Cities Grant	1,904	4,217	10,000	10,000	-	6,121
Solid Waste	354,300	544,700	-	480,431	4,213	414,356
Southwest Pittsburg GHAD II	4,306,819	1,002,075	-	115,175	500,000	4,693,719
Storm Water Utility NPDES	366,640	1,262,431	-	1,341,350	63,918	223,803
Successor Agency Housing Fund	2,606,098	211,317	-	389,893	562	2,426,960
US EPA Grants	143,246	-	-	-	-	143,246

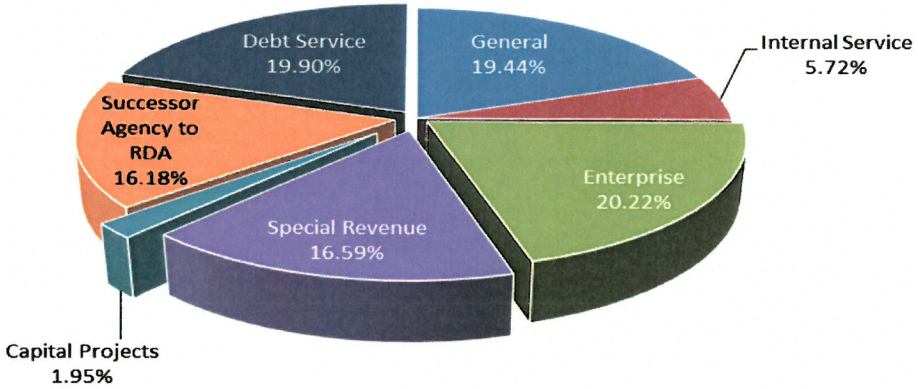
	Estimated Reserves June 30, 2020[1]	Projected Revenues 2020-21	Transfers-In	Projected Expenditures 2020-21	Transfers-Out	Estimated Balance June 30, 2021
Vista Del Mar CFD 2005-2	9,998	367,490	-	700	340,000	36,788
Subtotal, Special Revenue Funds	$ 13,962,374	$ 31,591,303	$ 3,078,186	$ 27,704,394	$ 5,224,153	$ 15,703,316
Capital Projects Funds						
Bailey Road Maintenance	1,417,913	162,000	-	-	-	1,579,913
Capital Improvement	73,618	-	-	-	-	73,618
Communitiy Capital Improvement	101,784	-	-	-	-	101,784
Inclusionary Housing	412,014	4,000	-	-	-	416,014
Infrastructure Repair & Replacement	25,590	3,000	-	-	-	28,590
Kirker Creek Drainage Fees	371,600	3,000	-	-	18,360	356,240
Park Dedication	217,575	2,190,792	-	58,049	-	2,350,318
RDA - Project Fund	48,640	-	-	-	-	48,640
Recycled Water Capital Maintenance	32,743	280	-	-	-	33,023
Regional Traffic Mitigation	54,820	2,500	-	-	-	57,320
Traffic Impact Fair Share	514,304	4,000	-	-	-	518,304
Traffic Mitigation	3,008,701	1,702,315	-	76,368	-	4,634,648
Subtotal, Capital Projects Funds	$ 6,279,302	$ 4,071,887	$ -	$ 134,417	$ 18,360	$ 10,198,412
Successor Agency to RDA Funds						
RDA-Tax Increment	1,039,197	60,810	380,354	389,187	32,361	1,058,813
Redevelopment Obligation Retirement Fund	-	33,359,487	-	-	33,359,487	-
Subtotal, Successor Agency to RDA Funds	$ 1,039,197	$ 33,420,297	$ 380,354	$ 389,187	$ 33,391,848	$ 1,058,813
Debt Service Funds[4]						
Assessment Districts Fund	6,121,170	327,645	-	323,076	-	6,125,739
Other Impact Fees Fund	35,020	4,600	-	-	-	39,620
Pension Obligations	3,051,559	4,479,886	-	4,351,996	-	3,179,449
RDA - Housing S/A TAB 2006A	1,572,393	44,000	725,900	718,591	-	1,623,702
RDA - TAB 1999	24,292,369	20,000	5,156,489	5,156,780	-	24,312,078
RDA- TAB 2004A	-	25,000	-	-	25,000	-
Re-Assessment District 2011-1	-	1,175,360	-	1,755,077	-	(579,717)
San Marco CFD 2009-1	-	1,366,750	-	15,000	-	1,351,750
Successor Agency to RDA - TARB 2014	-	248,000	7,700,722	7,551,722	-	397,000
Successor Agency to RDA - TARB 2016A	-	20,000	5,660,514	6,010,850	-	(330,336)
Successor Agency to RDA - TARB 2016B	-	-	-	2,000	-	(2,000)
Successor Agency to RDA - TARB 2016C	-	50,000	12,469,161	12,497,550	-	21,611
Successor to RDA - HSG S/A TARB 2016A	-	5,000	1,323,708	1,311,690	-	17,018
Vista Del Mar CFD Bond 2005	-	749,400	-	729,631	-	19,769
Subtotal, Debt Service Funds	$ 35,072,511	$ 8,515,641	$ 33,036,494	$ 40,423,963	$ 25,000	$ 36,175,683
Total, All Funds	$ 107,772,762	$ 166,056,602	$ 42,866,068	$ 158,858,506	$ 42,384,069	$ 115,452,857

[1] Represents working capital and does not include fixed assets, inventory, long-term advances or loans
[2] Does not include CERBT trust funds held by CalPERS
[3] Pension trust funds are collected and disbursed to a trustee
[4] Debt service fund balances include debt service reserves held by a trustee

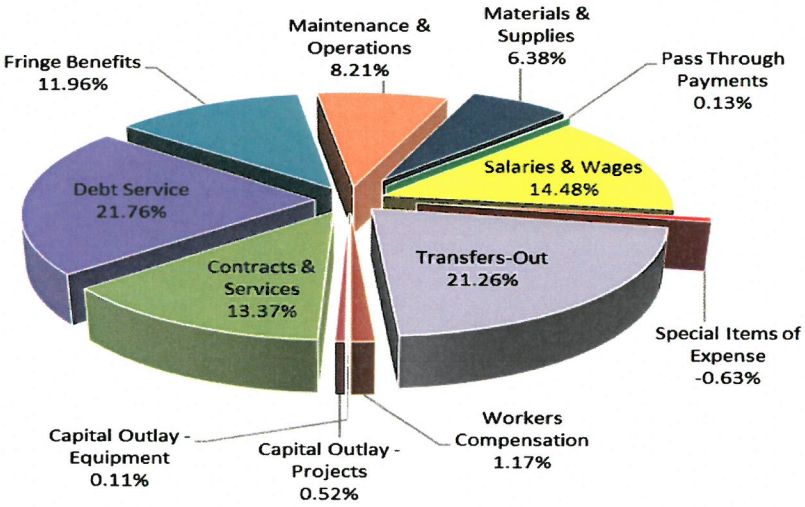
Summary of Revenues and Expenditures - All Funds
Table 2

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Revenue					
General Fund	47,819,641	47,784,654	40,624,579	(7,160,075)	-14.98
Internal Service Funds	11,944,597	12,250,528	11,950,630	(299,898)	-2.45
Enterprise Funds	43,684,807	53,803,720	42,239,299	(11,564,421)	-21.49
Special Revenue Funds	39,186,453	43,402,103	34,669,489	(8,732,614)	-20.12
Capital Projects Funds	3,068,573	10,712,806	4,071,887	(6,640,919)	-61.99
Successor Agency to RDA Funds	34,658,867	34,490,380	33,800,651	(689,729)	-2.00
Debt Service Funds	42,702,204	42,325,188	41,566,135	(759,053)	-1.79
Total, Revenues	$ 223,065,142	$ 244,769,379	$ 208,922,670	$ (35,846,709)	-14.65 %
Expenditure					
Capital Outlay - Equipment	2,156,644	3,055,533	224,500	(2,831,033)	-92.65
Capital Outlay - Projects	10,475,623	43,779,162	1,067,553	(42,711,609)	-97.56
Contracts & Services	29,482,407	32,034,706	27,257,312	(4,777,394)	-14.91
Debt Service Funds	47,562,113	44,503,331	44,349,213	(154,118)	-0.35
Fringe Benefits	21,896,376	24,172,693	24,370,548	197,855	0.82
Maintenance & Operations	14,232,967	16,510,285	16,739,621	229,336	1.39
Materials & Supplies	11,862,451	13,572,266	12,999,588	(572,678)	-4.22
Pass Through Payments	220,102	337,098	271,682	(65,416)	-19.41
Salaries & Wages	28,760,397	30,509,633	29,519,700	(989,933)	-3.24
Special Items of Expense	180,312	908,427	(1,281,237)	(2,189,664)	-241.04
Transfers-Out	44,555,374	56,015,682	43,331,069	(12,684,613)	-22.64
Workers Compensation	3,515,138	3,105,460	2,393,026	(712,434)	-22.94
Total, Expenditures	$ 214,899,904	$ 268,504,276	$ 201,242,575	$ (67,261,701)	-25.05 %

2020-21 Revenues by Fund Type



2020-21 Expenditures by Category



Revenue Source by Category and Object
Table 3

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
General Fund					
Fines & Forfeitures	575,953	703,195	478,075	(225,120)	-32.01
Franchise Fees	4,359,173	4,349,861	3,638,028	(711,833)	-16.36
Intergovernmental Revenue	4,338,132	3,941,597	3,773,503	(168,094)	-4.26
Other Revenues	2,553,415	2,013,242	1,888,303	(124,939)	-6.21
Other Taxes	7,467,748	7,671,962	6,575,712	(1,096,250)	-14.29
Permits, Licenses & Fees	1,849,673	2,826,036	2,411,092	(414,944)	-14.68
Property Taxes	3,991,209	4,193,834	4,193,834	-	-
Sales Taxes	13,680,653	13,920,943	9,744,660	(4,176,283)	-30.00
Service Fees	2,910,499	2,555,516	2,284,414	(271,102)	-10.61
Transfers-In	4,972,091	5,032,677	5,149,620	116,943	2.32
Use of Money & Property	1,121,095	575,791	487,338	(88,453)	-15.36
Subtotal, General Fund	$ 47,819,641	$ 47,784,654	$ 40,624,579	$ (7,160,075)	-14.98 %
Internal Service Funds					
Operating Expenditures	-	-	1,200,000	1,200,000	-100.00
Other Revenues	6,625,295	6,426,293	5,046,859	(1,379,434)	-21.47
Service Fees	4,757,677	5,364,235	5,343,771	(20,464)	-0.38
Transfers-In	561,625	460,000	360,000	(100,000)	-21.74
Subtotal, Internal Service Funds	$ 11,944,597	$ 12,250,528	$ 11,950,630	$ (299,898)	-2.45 %
Enterprise Funds					
Debt Service	46	27	-	(27)	-100.00
Fines & Forfeitures	14,781	23,681	-	(23,681)	-100.00
Franchise Fees	880,000	880,000	880,000	-	-
Intergovernmental Revenue	232,686	1,008,716	130,000	(878,716)	-87.11
Other Revenues	1,626,203	1,560,178	1,335,370	(224,808)	-14.41
Other Taxes	270,368	179,632	36,000	(143,632)	-79.96
Service Fees	36,996,106	36,378,568	36,643,713	265,145	0.73
Transfers-In	914,736	11,195,410	861,414	(10,333,996)	-92.31
Use of Money & Property	2,749,881	2,577,508	2,352,802	(224,706)	-8.72
Subtotal, Enterprise Funds	$ 43,684,807	$ 53,803,720	$ 42,239,299	$ (11,564,421)	-21.49 %
Special Revenue Funds					
Fines & Forfeitures	853	33,829	-	(33,829)	-100.00
Franchise Fees	153,610	160,000	120,000	(40,000)	-25.00
Intergovernmental Revenue	19,452,640	24,860,454	18,593,846	(6,266,608)	-25.21
Other Revenues	4,869,315	3,244,357	1,335,230	(1,909,127)	-58.84
Other Taxes	3,709,004	3,811,869	2,990,452	(821,417)	-21.55
Sales Taxes	127,568	128,673	109,372	(19,301)	-15.00
Service Fees	255,701	304,397	393,122	88,725	29.15
Special Assessments	6,632,137	7,132,649	7,642,117	509,468	7.14
Transfers-In	3,315,108	3,219,227	3,078,186	(141,041)	-4.38
Use of Money & Property	670,517	506,648	407,164	(99,484)	-19.64
Subtotal, Special Revenue Funds	$ 39,186,453	$ 43,402,103	$ 34,669,489	$ (8,732,614)	-20.12 %
Capital Projects Funds					
Intergovernmental Revenue	617,862	1,496,597	150,000	(1,346,597)	-89.98
Other Revenues	25,680	4,599,199	-	(4,599,199)	-100.00
Service Fees	1,511,702	2,284,112	3,872,107	1,587,995	69.52
Transfers-In	709,157	2,223,738	-	(2,223,738)	-100.00
Use of Money & Property	204,172	109,160	49,780	(59,380)	-54.40
Subtotal, Capital Projects Funds	$ 3,068,573	$ 10,712,806	$ 4,071,887	$ (6,640,919)	-61.99 %
Successor Agency to RDA Funds					
Other Revenues	670,393	533,551	355,354	(178,197)	-33.40
Property Taxes	33,515,164	33,380,507	33,004,133	(376,374)	-1.13
Transfers-In	360,147	452,703	380,354	(72,349)	-15.98
Use of Money & Property	113,163	123,619	60,810	(62,809)	-50.81
Subtotal, Successor Agency to RDA Funds	$ 34,658,867	$ 34,490,380	$ 33,800,651	$ (689,729)	-2.00 %
Debt Service Funds					
Debt Service	564,383	441,715	440,500	(1,215)	-0.28
Service Fees	4,460,819	4,503,421	4,489,886	(13,535)	-0.30
Special Assessments	3,878,894	3,874,025	3,561,805	(312,220)	-8.06
Transfers-In	33,710,099	33,431,927	33,036,494	(395,433)	-1.18
Use of Money & Property	88,009	74,100	37,450	(36,650)	-49.46
Subtotal, Debt Service Funds	$ 42,702,204	$ 42,325,188	$ 41,566,135	$ (759,053)	-1.79 %
Total, All Funds	$ 223,065,142	$ 244,769,379	$ 208,922,670	$ (35,846,709)	-14.65 %

Summary of Expenditures by Program
Table 4

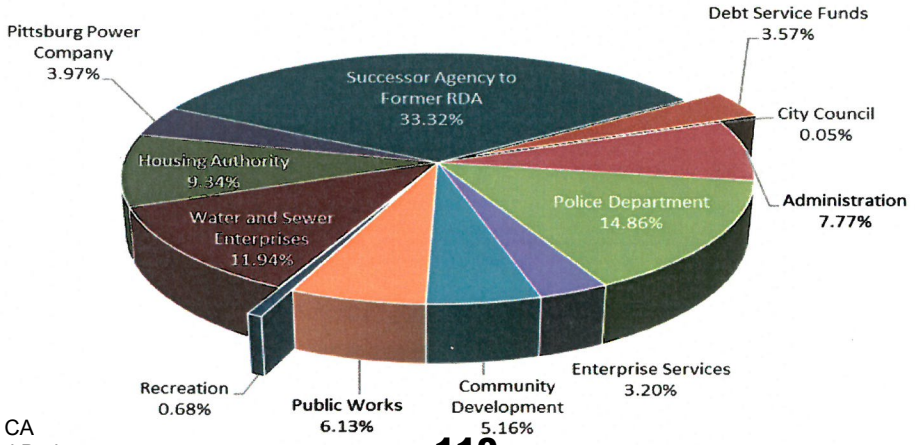
	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
City Council					
City Council	107,075	119,543	104,581	(14,962)	-12.52
Subtotal, City Council	$ 107,075	$ 119,543	$ 104,581	$ (14,962)	-12.52 %
Administration					
City Manager	229,910	252,655	172,412	(80,243)	-31.76
City Clerk	409,360	445,760	487,016	41,256	9.26
City Attorney	414,667	397,715	352,705	(45,010)	-11.32
Human Resources	1,144,148	1,288,667	1,097,427	(191,240)	-14.84
Debt service:					
Treasurer	6,331	6,331	6,223	(108)	-1.71
Finance	3,020,538	3,109,480	3,077,015	(32,465)	-1.04
General Fund - Non Departmental	4,117,513	4,875,267	2,320,213	(2,555,054)	-52.41
Emergency Operation Center	52,869	49,050	41,600	(7,450)	-15.19
Information Technology	1,020,164	1,560,741	1,439,549	(121,192)	-7.77
Employee Fringe Benefits	2,390,266	2,267,812	1,960,073	(307,739)	-13.57
Other Post-Employment Benefits (OPEB)	2,085,188	2,272,580	2,123,900	(148,680)	-6.54
Pension Trust	391,765	394,215	392,935	(1,280)	-0.32
Insurance	1,657,117	1,970,254	2,166,069	195,815	9.94
Subtotal, Administration	$ 16,939,836	$ 18,890,527	$ 15,637,137	$ (3,253,390)	-17.22 %
Police Department					
Police Services	28,347,673	29,798,510 [1]	27,462,040	(2,336,470)	-7.84
San Marco CFD	1,028,824	1,139,200 [1]	1,060,000	(79,200)	-6.95
Vista Del Mar CFD	425,690	380,800 [1]	340,700	(40,100)	-10.53
Public Safety CFD	617,678	570,100 [1]	644,000	73,900	12.96
Asset Forfeitures	40,383	15,000	-	(15,000)	-100.00
Police Grants	1,695,341	1,671,634	400,000	(1,271,634)	-76.07
Subtotal, Police Department	$ 32,155,589	$ 33,575,244	$ 29,906,740	$ (3,668,504)	-10.93 %
Enterprise Services					
Marina	1,957,826	3,029,093	2,443,564	(585,529)	-19.33
Golf Course	7,701	9,000	4,000	(5,000)	-55.56
Fire District CFD	1,835	2,232	2,028	(204)	-9.14
R/R Ave e-BART CFD	81,319	-	2,500	2,500	-100.00
Environmental Affairs	720,229	898,616	696,144	(202,472)	-22.53
Housing Rehab Loans - CDBG	147,721	120,374	10,000	(110,374)	-91.69
CDBG Entitlements	921,634	895,320	671,417	(223,903)	-25.01
CalHome Program	21,399	-	-	-	-100.00
Waterfront Operations	1,484,712	3,981,408	2,250,110	(1,731,298)	-43.48
Economic Development	498,909	349,634	366,151	16,517	4.72
Community Services Grants	-	6,000	-	(6,000)	-100.00
Subtotal, Enterprise Services	5,843,285	9,291,677	6,445,914	(2,845,763)	-0.31
Community Development					
Planning Division	1,927,810	2,066,910	1,561,108	(505,802)	-24.47
Planning Grants	194,459	74,842	-	(74,842)	-100.00
Building Division	918,194	940,850	986,102	45,252	4.81
Engineering Division	1,946,560	2,192,076	1,946,527	(245,549)	-11.20
Gas Tax	3,051,737	6,041,257	2,189,664	(3,851,593)	-63.75
Measure J Tax	1,825,210	5,881,099	695,332	(5,185,767)	-88.18
NPDES	914,992	1,470,269	1,405,268	(65,001)	-4.42
Southwest Pittsburg GHAD	788,981	703,585	615,175	(88,410)	-12.57
GHAD Administration	433,948	489,503	401,570	(87,933)	-17.96
Pittsburg CIP	308,325	3,031,555	-	(3,031,555)	-100.00
Developer Fee Fund	3,349,155	6,809,687	152,777	(6,656,910)	-97.76
Community Capital Improvements	698,122	244,124	-	(244,124)	-100.00
Code Enforcement	-	-	437,121	437,121	-100.00
Project Amenities Mgmt CFD	15,322	-	2,400	2,400	-100.00
Infrastructure Repair & Replacement	147,766	346,890	-	(346,890)	-100.00
TOTAL Community Development	16,520,581	30,292,647	10,393,044	(19,899,603)	-0.66
Public Works - Maintenance Services					
Swim Center Maint.	160,509	169,540	161,576	(7,964)	-4.70
Landscape	2,694,403	2,868,344	2,527,363	(340,981)	-11.89
Landscape - Oak Hills Assessment	35,175	37,328	36,605	(723)	-1.94

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Public Works Administration	90,322	101,014	83,476	(17,538)	-17.36
Streets	2,366,113	3,020,620	3,510,624	490,004	16.22
Street Lighting	754,709	948,009	922,821	(25,188)	-2.66
Street Trees	437,881	468,385	484,118	15,733	3.36
Concrete	39,673	57,523	59,511	1,988	3.46
Fleet Maintenance	2,633,399	2,141,325	2,045,981	(95,344)	-4.45
Building Maintenance	1,726,109	2,578,991	2,261,559	(317,432)	-12.31
Graffiti Removal Program	147,522	178,976	161,312	(17,664)	-9.87
Subtotal, Public Works - Maintenance Services	$ 11,162,281	$ 12,659,588	$ 12,327,531	$ (332,057)	-2.62 %
Recreation					
Recreation Administration	165,117	317,345	259,587	(57,758)	-18.20
Recreation Services	1,061,265	1,245,672	796,497	(449,175)	-36.06
Recreation Grants Police Department	12,740	13,324	-	(13,324)	-100.00
California Theatre	418,449	547,547	320,292	(227,255)	-41.50
Subtotal, Recreation	1,657,571	2,123,888	1,376,376	(747,512)	-0.35
Public Works - Water and Sewer Enterprises					
Water Operating	14,661,821	22,921,194	16,879,472	(6,041,722)	-26.36
Water CIP	514,706	1,995,881	32,553	(1,963,328)	-98.37
Water Facility Reserve Fee Funds	192,207	3,904,703	-	(3,904,703)	-100.00
Sewer Maintenance	2,928,533	3,185,692	3,134,636	(51,056)	-1.60
Sewer CIP	2,419,701	17,579,547	32,553	(17,546,994)	-99.81
Sewer Facility Reserve Fee Funds	82,312	943,113	-	(943,113)	-100.00
Water Bond Debt Service	3,153,260	4,861,764	3,150,300	(1,711,464)	-35.20
Sewer Bond Debt Service	805,112	803,429	805,254	1,825	0.23
Subtotal, Public Works - Water & Sewer Enterprises	$ 24,757,652	$ 56,195,323	$ 24,034,768	$ (32,160,555)	-57.23 %
Housing Authority					
Housing Authority - Section 8	17,816,667	17,603,064	18,406,848	803,784	4.57
Housing - Successor Agency	273,665	911,843	390,455	(521,388)	-57.18
Subtotal, Housing Authority	$ 18,090,332	$ 18,514,907	$ 18,797,303	$ 282,396	1.53 %
Pittsburg Power Company					
Island Energy	5,424,304	6,226,754	5,430,825	(795,929)	-12.78
Pittsburg Power	2,082,866	3,250,679	2,268,358	(982,321)	-30.22
Power Company Capital Projects	709,816	1,559,207	290,000	(1,269,207)	-81.40
Subtotal, Pittsburg Power Company	$ 8,216,986	$ 11,036,640	$ 7,989,183	$ (3,047,457)	-27.61 %
Successor Agency to Former RDA					
RDA General	33,863,178	33,854,630 [2]	33,391,848	(462,782)	-1.37
RDA Administration	312,328	1,013,744 [2]	389,187	(624,557)	-61.61
RDA Capital Projects Fund	84,446	341,881	-	(341,881)	-100.00
RDA Tax Allocation Bonds	34,467,702	31,267,745 [2]	31,243,902	(23,843)	-0.08
RDA Housing Bonds	2,030,030	2,026,328 [2]	2,030,281	3,953	0.20
Subtotal, Successor Agency to Former RDA	$ 70,757,684	$ 68,504,328	$ 67,055,218	$ (1,449,110)	-2.12 %
Debt Service Funds					
Pension Obligation Bond	4,358,225	4,479,693	4,351,996	(127,697)	-2.85
Assessment Districts	4,332,807	2,820,271	2,822,784	2,513	0.09
Subtotal, Debt Service Funds	$ 8,691,032	$ 7,299,964	$ 7,174,780	$ (125,184)	-1.71 %
Total, Uses by Program	$ 214,899,904	$ 268,504,276	$ 201,242,575	$ (67,261,701)	-25.05 %

(1) Includes transfers between Police funds in the amount of $2,430,000, therefore uses appear to be overstated by $2,430,000.

(2) Uses appear to be overstated by inclusion of transfers between Successor Agency funds to pay for debt obligations in the amount of $33,004,133.

2020-21 Expenditures by Program



Expenditures by Fund Type – All Funds

Table 5

	General	Internal Service	Enterprise	Special Revenue	Capital Projects	Debt Service	Successor Agency		Total
City Council									
City Council	104,581	-	-	-	-	-	-		104,581
Subtotal, City Council	$ 104,581	$ -	$ -	$ -	$ -	$ -	$ -		$ 104,581
Administration									
City Manager	172,412	-	-	-	-	-	-		172,412
City Clerk	487,016	-	-	-	-	-	-		487,016
City Attorney	352,705	-	-	-	-	-	-		352,705
Human Resources	1,097,427	-	-	-	-	-	-		1,097,427
Treasurer	6,223	-	-	-	-	-	-		6,223
Finance	1,378,032	-	1,698,983	-	-	-	-		3,077,015
General Fund - Non Departmental	2,320,213	-	-	-	-	-	-		2,320,213
Emergency Operation Center	-	-	-	41,600	-	-	-		41,600
Information Technology	-	1,439,549	-	-	-	-	-		1,439,549
Employee Fringe Benefits	-	1,960,073	-	-	-	-	-		1,960,073
Other Post-Employment Benefits (OPEB)	-	2,123,900	-	-	-	-	-		2,123,900
Pension Trust	-	392,935	-	-	-	-	-		392,935
Insurance	-	2,166,069	-	-	-	-	-		2,166,069
Subtotal, Administration	$ 5,814,028	$ 8,082,526	$ 1,698,983	$ 41,600	$ -	$ -	$ -		$ 15,637,137
Police Department									
Police Services	27,462,040	-	-	-	-	-	-	1	27,462,040
San Marco CFD	-	-	-	1,060,000	-	-	-	1	1,060,000
Vista Del Mar CFD	-	-	-	340,700	-	-	-	1	340,700
Public Safety CFD	-	-	-	644,000	-	-	-	1	644,000
Police Grants	-	-	-	400,000	-	-	-		400,000
Subtotal, Police Department	$ 27,462,040	$ -	$ -	$ 2,444,700	$ -	$ -	$ -		$ 29,906,740
Enterprise Services									
Marina	-	-	2,443,564	-	-	-	-		2,443,564
Golf Course	-	-	-	4,000	-	-	-		4,000
Fire District CFD	-	-	-	2,028	-	-	-		2,028
R/R Ave e-BART CFD	-	-	-	2,500	-	-	-		2,500
Environmental Affairs	-	-	-	696,144	-	-	-		696,144
Housing Rehab Loans - CDBG	-	-	-	10,000	-	-	-		10,000
CDBG Entitlements	-	-	-	671,417	-	-	-		671,417
Waterfront Operations	-	-	2,250,110	-	-	-	-		2,250,110
Economic Development	-	-	-	366,151	-	-	-		366,151
Subtotal, Enterprise Services	$ -	$ -	$ 4,693,674	$ 1,752,240	$ -	$ -	$ -		$ 6,445,914
Community Development									
Planning Division	1,401,108	-	-	160,000	-	-	-		1,561,108
Building Division	986,102	-	-	-	-	-	-		986,102
Engineering Division	1,946,527	-	-	-	-	-	-		1,946,527
Gas Tax	-	-	-	2,189,664	-	-	-		2,189,664
Measure J Tax	-	-	-	695,332	-	-	-		695,332
NPDES	-	-	-	1,405,268	-	-	-		1,405,268
Southwest Pittsburg GHAD	-	-	-	615,175	-	-	-	2	615,175
GHAD Administration	-	-	-	401,570	-	-	-	2	401,570
Developer Fee Fund	-	-	-	-	152,777	-	-		152,777
Code Enforcement	437,121	-	-	-	-	-	-		437,121
Project Amenities Mgmt CFD	-	-	-	2,400	-	-	-		2,400
Subtotal, Community Development	$ 4,770,858	$ -	$ -	$ 5,469,409	$ 152,777	$ -	$ -		$ 10,393,044

	General	Internal Service	Enterprise	Special Revenue	Capital Projects	Debt Service	Successor Agency	Total
Public Works - Maintenance Services								
Swim Center Maint.	161,576	-	-	-	-	-	-	161,576
Landscape	-	-	-	2,527,363	-	-	-	2,527,363
Landscape - Oak Hills Assessment	-	-	-	36,605	-	-	-	36,605
Park Maintenance CFD	-	-	-	72,585	-	-	-	72,585
Public Works Administration	83,476	-	-	-	-	-	-	83,476
Streets	3,510,624	-	-	-	-	-	-	3,510,624
Street Lighting	-	-	-	922,821	-	-	-	922,821
Street Trees	-	-	-	484,118	-	-	-	484,118
Concrete	-	-	-	59,511	-	-	-	59,511
Fleet Maintenance	-	2,045,981	-	-	-	-	-	2,045,981
Building Maintenance	-	2,261,559	-	-	-	-	-	2,261,559
Graffiti Removal Program	161,312	-	-	-	-	-	-	161,312
Subtotal, Public Works - Maintenance Services	$ 3,916,988	$ 4,307,540	$ -	$ 4,103,003	$ -	$ -	$ -	$ 12,327,531
Recreation								
Recreation Administration	259,587	-	-	-	-	-	-	259,587
Recreation Services	796,497	-	-	-	-	-	-	796,497
California Theatre	-	-	-	320,292	-	-	-	320,292
Subtotal, Recreation	$ 1,056,084	$ -	$ -	$ 320,292	$ -	$ -	$ -	$ 1,376,376
Public Works - Water and Sewer								
Water Operating	-	-	16,879,472	-	-	-	-	16,879,472
Water CIP	-	-	32,553	-	-	-	-	32,553
Sewer Maintenance	-	-	3,134,636	-	-	-	-	3,134,636
Sewer CIP	-	-	32,553	-	-	-	-	32,553
Water Bond Debt Service	-	-	3,150,300	-	-	-	-	3,150,300
Sewer Bond Debt Service	-	-	805,254	-	-	-	-	805,254
Subtotal, Public Works - Water & Sewer	$ -	$ -	$ 24,034,768	$ -	$ -	$ -	$ -	$ 24,034,768
Housing Authority								
Housing Authority - Section 8	-	-	-	18,406,848	-	-	-	18,406,848
Housing - Successor Agency	-	-	-	390,455	-	-	-	390,455
Subtotal, Housing Authority	$ -	$ -	$ -	$ 18,797,303	$ -	$ -	$ -	$ 18,797,303
Pittsburg Power Company								
Island Energy	-	-	5,430,825	-	-	-	-	5,430,825
Pittsburg Power	-	-	2,268,358	-	-	-	-	2,268,358
Power Company Capital Projects	-	-	290,000	-	-	-	-	290,000
Subtotal, Pittsburg Power Company	$ -	$ -	$ 7,989,183	$ -	$ -	$ -	$ -	$ 7,989,183
Successor Agency to Former RDA								
RDA General	-	-	-	-	-	-	33,391,848 [3]	33,391,848
RDA Administration	-	-	-	-	-	-	389,187	389,187
RDA Tax Allocation Bonds	-	-	-	-	-	31,243,902	- [3]	31,243,902
RDA Housing Bonds	-	-	-	-	-	2,030,281	-	2,030,281
Subtotal, Successor Agency to Former RDA	$ -	$ -	$ -	$ -	$ -	$ 33,274,183	$ 33,781,035	$ 67,055,218
Debt Service Funds								
Pension Obligation Bond	-	-	-	-	-	4,351,996	-	4,351,996
Assessment Districts	-	-	-	-	-	2,822,784	-	2,822,784
Subtotal, Debt Service Funds	$ -	$ -	$ -	$ -	$ -	$ 7,174,780	$ -	$ 7,174,780
Total Expenditures	$ 43,124,579	$ 12,390,066	$ 38,416,608	$ 32,928,547	$ 152,777	$ 40,448,963	$ 33,781,035	$ 201,242,575

(1) Includes transfers between Police funds in the amount of $2,430,000, therefore uses appear to be overstated by $2,430,000.

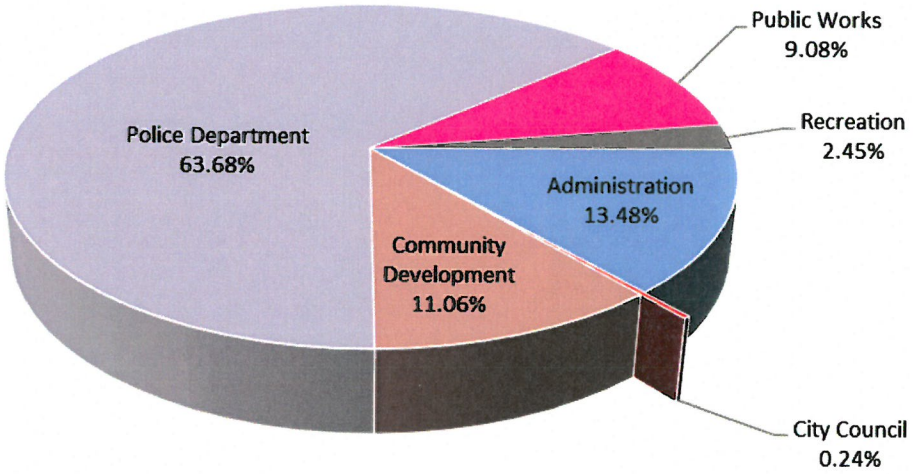
(2) Includes transfers between funds for the administration of the GHAD program in the amount of $401,570, therefore uses appear to be overstated by $401,570.

(3) Includes transfers between funds in the Successor Agnecy program budet to pay for the debt obligation in the amount of $33,004,133, therefore uses appear to be overstated by $33,004,153.

General Fund Revenues and Expenditures
Table 6

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Revenues					
Fines & Forfeitures	575,953	703,195	478,075	(225,120)	-32.01
Franchise Fees	4,359,173	4,349,861	3,638,028	(711,833)	-16.36
Intergovernmental Revenue	4,338,132	3,941,597	3,773,503	(168,094)	-4.26
Other Revenues	2,553,415	2,013,242	1,888,303	(124,939)	-6.21
Other Taxes	7,467,748	7,671,962	6,575,712	(1,096,250)	-14.29
Permits, Licenses & Fees	1,849,673	2,826,036	2,411,092	(414,944)	-14.68
Property Taxes	3,991,209	4,193,834	4,193,834	-	-
Sales Taxes	13,680,653	13,920,943	9,744,660	(4,176,283)	-30.00
Service Fees	2,910,499	2,555,516	2,284,414	(271,102)	-10.61
Transfers-In	4,972,091	5,032,677	5,149,620	116,943	2.32
Use of Money & Property	1,121,095	575,791	487,338	(88,453)	-15.36
Total, General Fund Revenues	$ 47,819,641	$ 47,784,654	$ 40,624,579	$ (7,160,075)	-14.98 %
Expenditures					
Administration	7,851,214	8,787,779	5,814,028	(2,973,751)	-33.84
City Council	107,075	119,543	104,581	(14,962)	-12.52
Community Development	4,736,828	4,832,572	4,770,858	(61,714)	-1.28
Police Department	28,347,673	29,798,510	27,462,040	(2,336,470)	-7.84
Public Works	2,764,466	3,470,150	3,916,988	446,838	12.88
Recreation	1,226,382	1,563,017	1,056,084	(506,933)	-32.43
Total, General Fund Expenditures	$ 45,033,638	$ 48,571,571	$ 43,124,579	$ (5,446,992)	-11.21 %

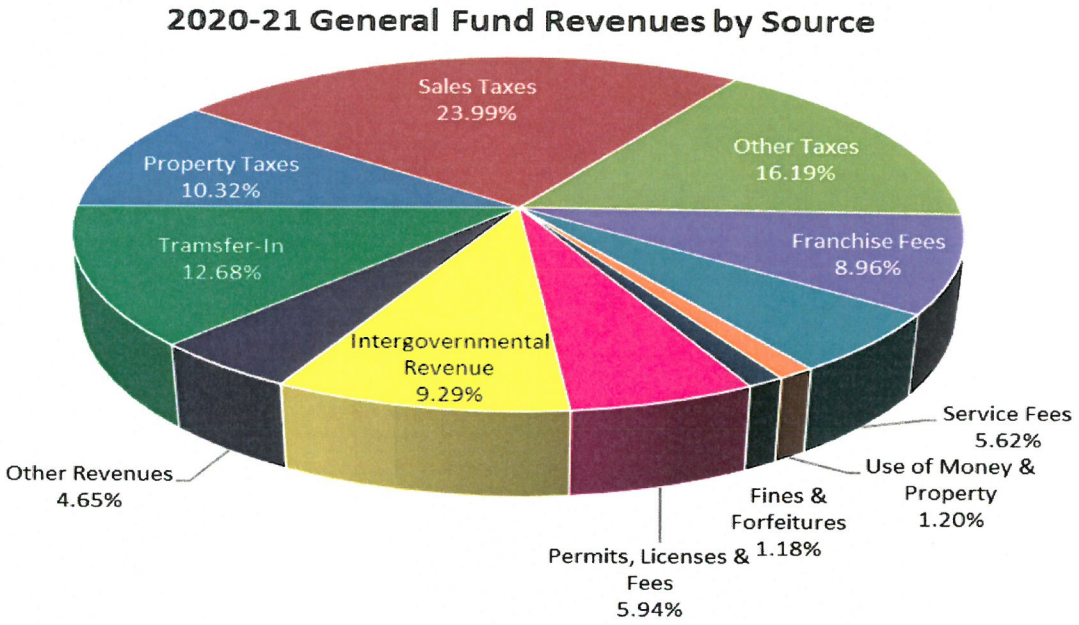
2020-21 General Fund Expenditures by Department



General Fund Revenues
Table 7

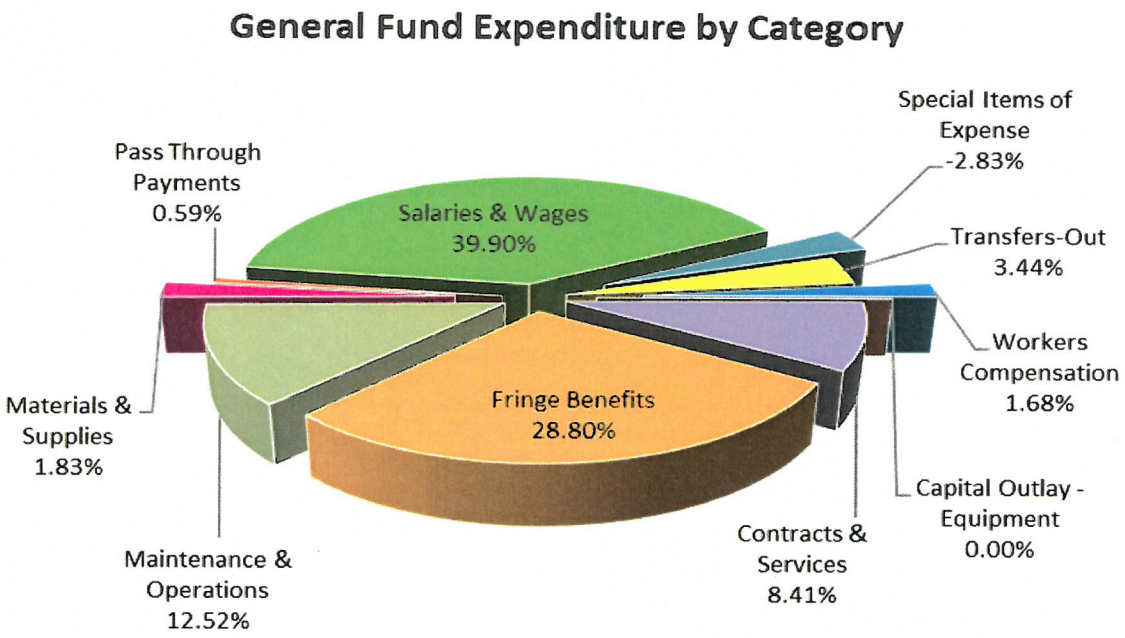
	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Property Taxes					
Homeowners Tax Relief	77,578	78,000	78,000	-	-
Prior Year Taxes	(18,098)	(17,468)	(17,468)	-	-
Secured Property Taxes	2,991,282	3,118,409	3,118,409	-	-
Supplemental Taxes	293,819	400,000	400,000	-	-
Unitary Taxes	319,457	288,736	288,736	-	-
Unsecured Property Taxes	327,171	326,157	326,157	-	-
Subtotal, Property Taxes	$ 3,991,209	$ 4,193,834	$ 4,193,834	$ -	0.00 %
Sales Taxes					
Sales & Use Taxes	9,169,399	9,331,000	6,531,700	(2,799,300)	-30.00
Sales Taxes - Increase	4,511,254	4,589,943	3,212,960	(1,376,983)	-30.00
Subtotal, Sales Taxes	$ 13,680,653	$ 13,920,943	$ 9,744,660	$ (4,176,283)	-30.00 %
Other Taxes					
Business License Tax	595,278	550,000	490,000	(60,000)	-10.91
Motor Vehicle Tax	5,152,948	5,346,962	5,346,962	-	-
Other Taxes	238,671	260,000	200,000	(60,000)	-23.08
Public Safety - Prop 172 Sales Tax	638,246	640,000	320,000	(320,000)	-50.00
Transient Occupancy Taxes	842,605	875,000	218,750	(656,250)	-75.00
Subtotal, Other Taxes	$ 7,467,748	$ 7,671,962	$ 6,575,712	$ (1,096,250)	-14.29 %
Franchise Fees					
Calpine	17,900	18,000	18,000	-	-
Comcast Broadband	675,156	670,000	650,000	(20,000)	-2.99
Franchise Fees - Other	92,869	92,000	90,000	(2,000)	-2.17
PG&E	613,595	591,000	559,000	(32,000)	-5.41
Pittsburg Disposal	1,989,596	1,980,000	1,813,000	(167,000)	-8.43
RCTS	970,057	998,861	508,028	(490,833)	-49.14
Subtotal, Franchise Fees	$ 4,359,173	$ 4,349,861	$ 3,638,028	$ (711,833)	-16.36 %
Service Fees					
Building Service Fees	246,428	260,387	241,882	(18,505)	-7.11
Engineering Service Fees	20,689	4,506	516	(3,990)	-88.55
Other Reimbursements	553,375	345,000	300,000	(45,000)	-13.04
Other Service Fees	633,745	648,097	659,100	11,003	1.70
Planning Service Fees	409,017	218,950	167,700	(51,250)	-23.41
Police Service Fees	556,287	551,836	546,216	(5,620)	-1.02
Public Works Service Fees	267,213	279,000	276,000	(3,000)	-1.08
Recreation Entrance Fees	137,933	160,500	60,000	(100,500)	-62.62
Recreation Service Fees	72,394	69,100	18,000	(51,100)	-73.95
Recreation Sports Fees	13,418	18,140	15,000	(3,140)	-17.31
Subtotal, Service Fees	$ 2,910,499	$ 2,555,516	$ 2,284,414	$ (271,102)	-10.61 %
Use of Money & Property					
Investment Earnings	780,641	250,000	250,000	-	-
Rental Income	330,951	325,791	237,338	(88,453)	-27.15
Sale of Property	9,503	-	-	-	-100.00
Subtotal, Use of Money & Property	$ 1,121,095	$ 575,791	$ 487,338	$ (88,453)	-15.36 %
Fines & Forfeitures					
Abandoned Vehicle Abatement	51,909	51,909	15,000	(36,909)	-71.10
Booking Fees	6,304	2,000	1,000	(1,000)	-50.00
Code Enforcement Fines	97,876	86,775	1,000	(85,775)	-98.85
Fines and forfeitures	13,436	2,500	63,075	60,575	2,423.00
Police Fines	148,129	143,011	72,000	(71,011)	-49.65
Police Forfeitures	1,532	2,000	1,000	(1,000)	-50.00
POST Reimbursements	23,756	65,000	75,000	10,000	15.38
Vehicle Code Fines	233,011	350,000	250,000	(100,000)	-28.57
Subtotal, Fines & Forfeitures	$ 575,953	$ 703,195	$ 478,075	$ (225,120)	-32.01 %
Permits, Licenses & Fees					
Building Fees	111,328	283,800	187,400	(96,400)	-33.97
Building Permits	673,345	1,464,250	1,016,500	(447,750)	-30.58
Business License Fees	156,883	129,500	94,400	(35,100)	-27.10
Engineering Fees	691,607	651,405	762,351	110,946	17.03
Other Fees	10,257	10,261	10,261	-	-

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
Other Permits	5,882	9,100	5,000	,100)	-45.05
Permits, licenses and fees	-	-	7,500	7,500	-100.00
Planning & Zoning	181,897	238,100	290,980	52,880	22.21
Planning Service Fees	10,000	31,000	30,000	(1,000)	-3.23
Police Fees	8,474	8,620	6,700	(1,920)	-22.27
Subtotal, Permits, Licenses & Fees	$ 1,849,673	$ 2,826,036	$ 2,411,092	$ (414,944)	-14.68 %
Intergovernmental Revenue					
Grants	180,892	186,649	148,649	(38,000)	-20.36
Intergovernmental revenues	1,406,450	1,060,000	1,060,000	-	-
Other Reimbursements	462,943	454,149	444,149	(10,000)	-2.20
RDA AB-1290/City Pass Through	701,934	590,000	590,000	-	-
School Resource Officer Reimbursement	515,101	535,705	535,705	-	-
State Mandated Costs	71,794	65,094	30,000	(35,094)	-53.91
Tipping Fee	999,018	1,050,000	965,000	(85,000)	-8.10
Subtotal, Intergovernmental Revenue	$ 4,338,132	$ 3,941,597	$ 3,773,503	$ (168,094)	-4.26 %
Other Revenues					
Administrative Overhead	1,839,903	1,763,520	1,639,303	(124,217)	-7.04
Donations	19,227	1,792	-	(1,792)	-100.00
Other	106,202	20,295	6,000	(14,295)	-70.44
Other Reimbursements	588,083	227,635	218,000	(9,635)	-4.23
Planning Service Fees	-	-	25,000	25,000	-100.00
Subtotal, Other Revenues	$ 2,553,415	$ 2,013,242	$ 1,888,303	$ (124,939)	-6.21 %
Transfers-In					
Transfers-In	4,972,091	5,032,677	5,149,620	116,943	2.32
Subtotal, Transfers-In	$ 4,972,091	$ 5,032,677	$ 5,149,620	$ 116,943	2.32 %
Total, General Fund Revenues	$ 47,819,641	$ 47,784,654	$ 40,624,579	$ (7,160,075)	-14.98 %



General Fund Expenditures by Category
Table 8

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
General Fund					
Capital Outlay - Equipment	319,193	513,510	-	(513,510)	-100.00
Contracts & Services	4,657,460	4,431,949	3,845,146	(586,803)	-13.24
Fringe Benefits	12,465,681	13,573,117	13,163,508	(409,609)	-3.02
Maintenance & Operations	5,289,813	6,057,019	5,721,969	(335,050)	-5.53
Materials & Supplies	707,429	935,005	835,885	(99,120)	-10.60
Pass Through Payments	315,137	337,098	271,682	(65,416)	-19.41
Salaries & Wages	18,279,396	18,921,360	18,240,830	(680,530)	-3.60
Special Items of Expense	70,040	239,135	(1,293,737)	(1,532,872)	-641.01
Transfers-Out	1,762,164	2,514,668	1,572,936	(941,732)	-37.45
Workers Compensation	1,167,325	1,048,710	766,360	(282,350)	-26.92
Total, General Fund Expenditures	$ 45,033,638	$ 48,571,571	$ 43,124,579	$ (5,446,992)	-11.21 %



FY 2020-21 AUTHORIZED FULL TIME EMPLOYEE POSITIONS

FY 2020-21 Adopted Base	Title of Position	Salary
1.00	City Manager	Contract
1.00	City Attorney	Contract
1.00	Chief of Police	15,022 - 18,991
1.00	Assistant City Manager	14,744 - 18,815
2.00	Police Captain	12,730 - 16,247
1.00	Director of Community Development	12,608 - 15,936
1.00	Director of Community Services	12,608 - 15,936
1.00	Director of Finance	12,608 - 15,936
1.00	Director of Human Resources	12,608 - 15,936
1.00	City Engineer	11,455 - 13,923
1.00	Power Company Manager	11,455 - 13,923
1.00	Assistant Director of Public Works	11,195 - 13,608
6.00	Police Lieutenant	11,097 - 14,163
1.00	Assistant Director of Economic Development & Recreation	10,700 - 13,004
1.00	Lead Public Works Superintendent	10,685 - 12,987
1.00	Assistant to the City Manager	10,278 - 12,492
1.00	Director of Records & Council Services	10,278 - 12,492
1.00	Environmental Affairs Manager	10,272 - 12,486
1.00	Planning Manager	10,272 - 12,486
1.00	Water Plant Superintendent	9,692 - 11,781
2.00	Public Works Superintendent	9,230 - 11,219
1.00	Administrative Officer	9,137 - 11,107
3.00	Sr. Civil Engineer	9,137 - 11,107
1.00	Information Technology Manager	8,985 - 10,921
3.00	Finance Division Manager	8,985 - 10,921
1.00	Housing Manager	8,985 - 10,921
1.00	Utility Supervisor	8,755 - 10,643
1.00	Water Plant Supervisor	8,755 - 10,643
1.00	Building Inspection Supervisor	8,755 - 10,643
10.00	Police Sergeant	8,599 - 10,975
2.00	Senior Planner	8,326 - 10,120
1.00	Compliance Principal	8,261 - 10,041
1.00	Harbormaster	8,261 - 10,041
1.00	Police Services Administrator	8,261 - 10,041
2.00	Sr. Administrative Analyst	7,809 - 9,491
1.00	Sr. Information Technology Analyst	7,809 - 9,491
1.00	Sr. Human Resources Analyst	7,809 - 9,491
4.00	Utility Technician	7,711 - 9,373
3.00	Civil Engineer II	7,519 - 9,140
1.00	Water Quality Analyst II	7,462 - 9,070
1.00	GIS Analyst	7,328 - 8,907
1.00	Sr. Combination Building Inspector	7,328 - 8,907
1.00	Revenue Operations Supervisor	7,238 - 8,798
1.00	Financial Analyst	7,083 - 8,609
5.00	Water Plant Operator	7,071 - 8,595
1.00	Water Instrument / Maintenance Technician I	7,040 - 8,558
1.00	Water Maintenance Mechanic I	7,040 - 8,558
1.00	Information Technology Analyst II	7,037 - 8,553
2.00	Lead Electrical Technician	6,959 - 8,459
1.00	Administrative Analyst II	6,746 - 8,199

FY 2020-21 AUTHORIZED FULL TIME EMPLOYEE POSITIONS

FY 2020-21 Adopted Base	Title of Position	Salary		
1.00	Crime Analyst	6,746	-	8,199
1.00	Environmental Health Specialist II	6,746	-	8,199
1.00	Human Resources Analyst	6,746	-	8,199
2.00	Recreation Supervisor	6,603	-	8,026
1.00	Equipment Shop Supervisor	6,601	-	8,024
6.00	Public Works Supervisor	6,601	-	8,024
1.00	Police Records Supervisor	6,590	-	8,010
1.00	Combination Building Inspector	6,522	-	7,926
2.00	Civil Engineer I	6,494	-	7,894
1.00	Accountant II	6,312	-	7,672
3.00	Engineering Technician II	6,304	-	7,662
2.00	Assistant Planner	6,212	-	7,551
67.00	Police Officer	6,053	-	8,944
2.00	Utility Lineworker	6,011	-	7,307
1.00	Information Technology Analyst I	6,011	-	7,307
1.00	Lead Community Services Specialist	6,001	-	7,294
1.00	Property and Evidence Coordinator	5,999	-	7,292
1.00	Administrative Analyst I	5,826	-	7,081
1.00	Administrative Coordinator	5,639	-	6,854
2.00	Accountant I	5,639	-	6,854
1.00	Deputy City Clerk	5,590	-	6,796
1.00	Executive Assistant to the Chief of Police	5,590	-	6,796
2.00	Human Resources Specialist	5,590	-	6,796
1.00	Payroll Specialist	5,590	-	6,796
8.00	Maintenance Lead Worker	5,558	-	6,756
2.00	Community Outreach Coordinator	5,500	-	6,685
3.00	Administrative Specialist	5,324	-	6,472
2.00	Equipment Mechanic	5,310	-	6,455
3.00	Permit Technician	5,253	-	6,386
1.00	Police Evidence Technician	5,253	-	6,386
8.00	Community Services Specialist	5,184	-	6,301
1.00	Recreation Coordinator	5,055	-	6,145
4.00	Accounting Technician	4,981	-	6,055
4.00	Housing Specialist	4,898	-	5,954
1.00	Electrical Apprentice	4,801	-	5,836
15.00	Maintenance Worker II	4,801	-	5,836
1.00	Water Plant Apprentice Operator	4,801	-	5,836
4.00	Police Records Clerk (Part 2 of 2)	4,512	-	5,485
5.00	Administrative Assistant (Part 2 of 2)	4,297	-	5,224
2.00	Account Clerk (Part 2 of 2)	4,266	-	5,185
24.00	Maintenance Worker I	4,148	-	5,042
2.00	Sweeper Operator	4,148	-	5,042
4.00	Police Records Clerk (Part 1 of 2)	3,898	-	4,739
4.00	Account Clerk (Part 1 of 2)	3,719	-	4,520
2.00	Administrative Assistant (Part 1 of 2)	3,711	-	4,512
3.00	Maintenance Assistant	3,372	-	4,099
3.00	Office Assistant	3,372	-	4,099
291.00	**City Wide Total**			

FY 2020 - 21 AUTHORIZED FULL TIME EMPLOYEE ALLOCATIONS

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Administration			
City Manager	0.50	0.95	0.40
City Clerk	1.40	1.40	1.70
City Attorney	2.30	1.00	1.20
Human Resources	5.00	5.00	5.00
Finance/Accounting	8.95	8.95	7.45
Finance/Utility Billing	7.55	8.50	9.15
Information/Communication Systems	0.00	5.00	5.00
Community Development			
Planning	4.33	5.99	5.66
Building	5.48	5.14	6.31
Code Enforcement	0.00	0.00	3.00
Engineering	11.98	12.71	12.37
NPDES Administration & Outreach	1.26	1.21	1.21
Southwest Pittsburg GHAD II	1.45	1.50	1.60
Local Traffic Mitigation Fee Fund	0.10	0.10	0.10
Enterprise Services			
Solid Waste	1.50	1.50	1.50
Economic Development	0.45	0.95	1.15
CDBG Entitlements	0.55	0.55	0.40
Waterfront Operations	4.75	3.75	3.85
Marina	6.05	6.80	6.80
Police Department			
Police - Admin & Support Services	7.00	7.00	7.00
Police - Operations Bureau	72.00	70.00	70.00
Police - Investigations	14.80	13.80	13.80
Police - Support Services	16.00	19.00	16.00
Police - Family Justice Center	0.20	0.20	0.20
Recreation & Parks			
Recreation - Admin	0.75	1.70	1.10
Recreation - Sports	1.15	1.15	1.15
Recreation - Senior Center	2.00	2.00	2.00
Citywide Landscape	8.65	9.65	10.65
Park Maintenance CFD 2007-1	0.25	0.25	0.25

FY 2020 - 21 AUTHORIZED FULL TIME EMPLOYEE ALLOCATIONS

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Public Works - Maintenance Services			
Graffiti Removal Program	1.15	1.20	1.20
Public Works/Streets	13.05	12.75	13.35
Citywide Street Lighting	1.30	1.30	1.30
Citywide Street Trees	2.50	2.50	2.50
Citywide Concrete Program	0.10	0.10	0.10
NPDES - Maintenance/Trash & Illicit	2.65	2.90	3.90
Fleet Maintenance	3.55	3.55	3.50
Building Maintenance	4.25	5.45	6.80
Public Works - Water and Sewer Enterprises			
Water Operating	32.60	32.60	30.65
Sewer Maintenance	8.40	9.90	9.00
Housing Authority			
Housing Authority - Section 8	6.65	6.65	6.65
RDA Housing - Administration	0.20	0.20	0.20
Pittsburg Power Company			
Island Energy	10.25	11.50	11.60
Pittsburg Power	1.85	2.55	2.85
Successor Agency to Former Redevelopment Agency			
RDA Administration	1.10	1.10	1.40
Citywide Totals:	**276.00**	**290.00**	**291.00**

CHANGES TO FY 2019-20 AMENDED BASE POSITIONS

Additions:	**Department**
Apprentice Water Plant Operator	Public Works
Combination Building Inspector	Building

Reclassifications:	
Administrative Assistant to Account Clerk	Island Energy
Combination Building Inspector to Senior Combination Bldg. Insp.	Building
Electrical Technician to Lead Electrical Technician x 2	Public Works
Maintenance Assistant to Maintenance Worker I x2	Public Works
Maintenance Worker I to Maintenance Worker II	Public Works
Maintenance Worker II to Maintenance Lead Worker	Public Works

Unfunded:	
Permit Technician	Building
Water Plant Operator	Public Works

CHANGES FOR FY 2020-21 ADOPTED BASE POSITIONS

Additions:	**Department**
Maintenance Assistant	NPDES
Maintenance Worker I	Marina
Senior Administrative Analyst	City Clerk

Reclassifications:	
Police Sergeant to Police Lieutenant	Police

Unfunded:	
Accounting Technician	Finance
Lead Marina Service Worker	Marina

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➢ CITY COUNCIL

MAYOR KILLINGS

VICE MAYOR CRAFT

COUNCIL MEMBER WHITE

COUNCIL MEMBER SCALES-PRESTON

COUNCIL MEMBER BANALES

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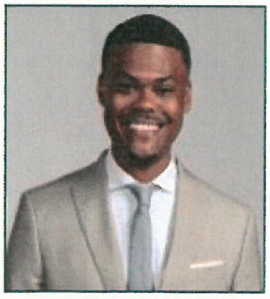
➢CITY COUNCIL

Overview

The City of Pittsburg operates under a council manager form of government and derives its authority from both the California constitution and laws enacted by the state legislature. All legislative power is held by the publicly elected, five member City Council, which consists of the Mayor and four Council Members. All Council Members have equal authority. The Mayor, however, has the additional responsibility of presiding over the City Council meetings, signing official documents and performing ceremonial functions. City Council Members are elected at large in November and hold office for four years. The Mayor is selected among the Council Members and serves for a one-year term.

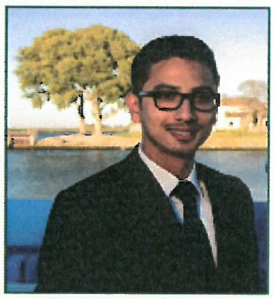
Mayor
Jelani Killings

Vice Mayor
Merl Craft



Council Member
Holland Barret White

Council Member
Shanelle Scales-Preston



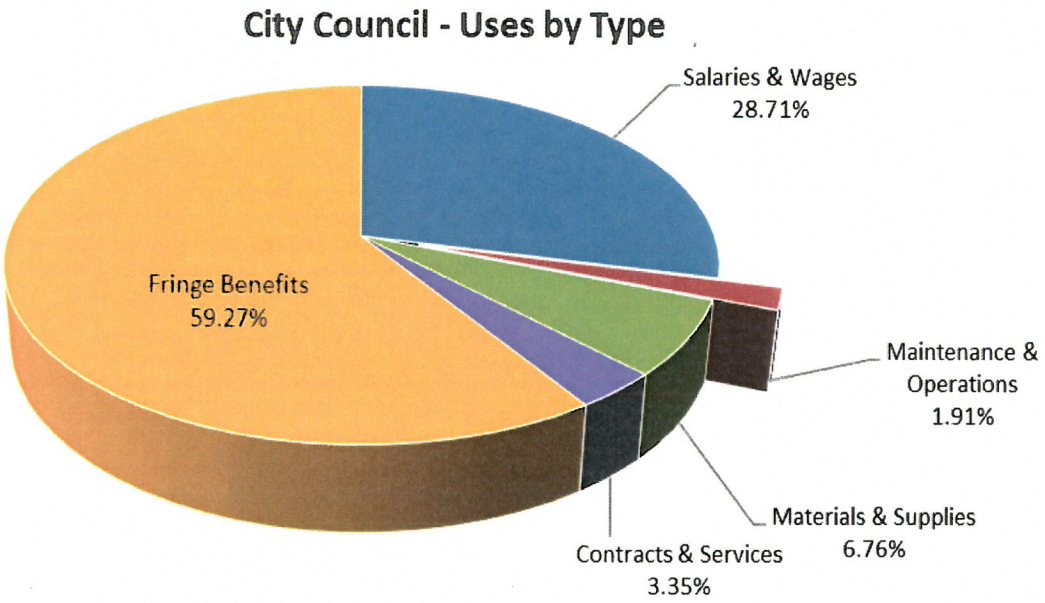
Council Member
Juan Antonio Banales

Service Levels

- Appoint the City Manager and City Attorney to implement policy
- Meet at least once a month, encouraging public comment
- Represent the community on a variety of outside agencies' boards

Detailed Program Budget
City Council

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	-	-	-	-	-
USES - OPERATING EXPENDITURES					
Salaries & Wages	30,462	30,231	30,030	(201)	-0.66
Maintenance & Operations	1,895	2,001	2,000	(1)	-0.05
Materials & Supplies	5,560	12,500	7,070	(5,430)	-43.44
Contracts & Services	23,932	13,500	3,500	(10,000)	-74.07
Fringe Benefits	45,226	61,311	61,981	670	1.09
TOTAL USES - OPERATING EXPENDITURES	$ 107,075	$ 119,543	$ 104,581	$ (14,962)	-12.52 %
TOTAL USES	**$ 107,075**	**$ 119,543**	**$ 104,581**	**$ (14,962)**	**-12.52 %**
USES BY PROGRAM RECAP					
City Council	107,075	119,543	104,581	(14,962)	-12.52
TOTAL USES BY PROGRAM RECAP	**$ 107,075**	**$ 119,543**	**$ 104,581**	**$ (14,962)**	**-12.52 %**



➢ ADMINISTRATION

CITY MANAGER'S OFFICE

CITY TREASURER

CITY CLERK/RECORDS/COUNCIL SERVICES

CITY ATTORNEY

FINANCE

HUMAN RESOURCES

INFORMATION & COMMUNICATION SERVICES

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➢ ADMINISTRATION – CITY MANAGER

Overview

The City Manager and City Manager's Office (CMO) provide daily direction and leadership in the administration of City operations and to departments in the execution of the City Council's goals and priorities. The City Manager provides information to the City Council; makes recommendations on policy and legislative issues, as well as strategies to address current and future needs of the community; recommends the annual Operating Budget and fiscal health of the City; and guides the preparation and presentation of City Council and subcommittee meeting agendas and reports. The City Manager also serves as the Director of Emergency Operations, and Executive Director of the Pittsburg Arts and Community Foundation and Pittsburg Power Company, respectively.

As the City continues to respond to the impacts of the COVID-19 pandemic, the CMO will facilitate and implement a coordinated City response and recovery effort, including working with departments to identify changing community needs and strategic responses.

In carrying out the direction and vision of the City Council, the City Manager ensures that City services are available equitably to the entire community, and that residents have access to information regarding City policies, programs, and services. The CMO is also tasked with researching, developing, and implementing various long-range projects and initiatives to serve the interests of Pittsburg.

Service Levels

- Recommend projects, programs, and initiatives that maintain the long-term fiscal health of the City while continuing to provide services to the public in a way that is responsive to community needs and interests
- Promote and facilitate cooperative and constructive interaction and communication among the City, local and regional agencies, service providers, and community organizations to ensure delivery of comprehensive, coordinated and high-quality services to Pittsburg residents
- Coordinate the City's COVID-19 response and recovery effort to ensure the diverse needs of the community are addressed
- Recommend the annual Operating Budget and Capital Improvement Program (CIP) budget

- As the City's financial situation resulting from COVID-19 evolves, the City Manager will recommend any necessary adjustments
- Coordinate and integrate City services to ensure effective, efficient and responsive service delivery

➢ADMINISTRATION - TREASURER

Overview

The elected City Treasurer is responsible for auditing and examining all investments made by the City of Pittsburg authorized personnel. Such audits may be performed as deemed necessary and subsequently reported to the City Council.

Nancy Parent
City Treasurer

Service Levels

- Review and approve all quarterly investment reports including cash reserves and bond proceeds to ensure compliance with state law and the City's investment policy

➢ADMINISTRATION - CITY CLERK/RECORDS AND COUNCIL SERVICES

Overview

The City Clerk serves as the Clerk of the City Council and Secretary to all other Agencies within the City. The City Clerk is also the City's elections official, the filing officer for the Political Reform Act of 1974 regulations, the official custodian of the City's vital records and legislative history and administrator of the City's records management program. The City Clerk is responsible for production and publication of all Council/Agency agendas; attends the meetings, records and prepares minutes; conducts the City's elections; ensures public access to, authenticates and preserves public records; ensures compliance with legal noticing requirements for all meetings; coordinates recruitment, interview and appointment of the City's commissions and maintains the City's Municipal Code. The City Clerk is an elected position.

Alice Evenson
Pittsburg City Clerk

Service Levels

- Provides support to the City Council in all aspects of City operations, to assist policy-making while ensuring the availability of information to all citizens
- Recruits candidates for the City's Commissions, and posts Local Appointive List in accordance with the Maddy Act
- Oversees and maintains the City's records management system and retention schedules, incorporating all local, state, and federal guidelines
- Responsible for the production and publication of agendas and minutes for the City Council and other bodies
- Administers City elections and ensures compliance with all applicable codes
- Maintains conflict of interest, financial disclosure records, and campaign statement filings submitted by public officials in accordance with the Political Reform Act of 1974
- Administers the oath of office to newly elected Council Members and appointed commissioners

Goals

Citywide Goal 5 – Increase Efficiency of City Operations and Services

- ✓ Partner with CCTV to install and begin closed captioning for broadcast of meetings
- ✓ Work with the IT Department to develop an RFP for upgrades to the Council Chamber audio system. RFP to be complete in fall, with project to begin in spring, 2021
- ✓ Assess video quality and potential improvement to video services for all meetings
- ✓ Stay abreast of social media rules and regulations to make sure we are compliant
- ✓ Review process for recruitment of Commission vacancies
- ✓ Research and analyze resources for open data and technology projects that improve city service delivery

Accomplishments

- ✓ Assembled, published and processed 42 City Council and Planning Commission Meeting Agendas
- ✓ Processed 226 Resolutions, 9 Ordinances, 10 Minute Order Actions, 7 various reports submitted to Council for approval
- ✓ Responded to 237 Public Records Requests
- ✓ 7 Commission vacancies were filled

➢ADMINISTRATION – CITY ATTORNEY

Overview

The City Council established and filled the in-house position of City Attorney in 2018. The City Attorney provides legal advice to staff on a broad range of matters, reviews contracts, and represents the City in certain litigation and non-litigation matters.

Service Levels

- Provides legal services citywide
- Attends all City Council meetings, and commission or board meetings as needed
- Monitors outside counsel usage and expenditures

Goals

Provide thorough and timely legal advice to minimize legal risk to the City

- ✓ Advise Staff regarding litigation risk reduction
- ✓ Advise City Council and City Manager of legal risks associated with policy options and Council actions
- ✓ Provide drafting and negotiation assistance for complex transactions

Provide legal information and training on laws

- ✓ Provide semi-annual workshops regarding hot-button legislation that may impact the City
- ✓ Help identify new laws that significantly affect operations, major projects, or have budgetary implications, and help present an overview of legislation
- ✓ Hold workshops with the Planning Commission regarding findings required for land use entitlements, and laws concerning conditions of project approvals
- ✓ Review agenda items prior to going to Council
- ✓ Provide information to City Council members on conflicts of interest and land use

➢ADMINISTRATION – FINANCE

Overview

The Finance Department is responsible for accounting operations, payroll, utility billing, budget, financial reporting, debt issuance and management, risk management programs and investments for all the City departments and agencies within the framework of City policies and procedures.

Service Levels

- Provide administration, accounting, fiscal management, and support services to the City
- Manage Citywide budget development
- Provide payroll servicing for the City
- Administer the financial provisions of all debt, bond, tax sharing and other contractual agreements
- Provide billing services and effective collection of business license taxes, assessment district taxes, sewer and water charges, and miscellaneous revenues
- Maintain up-to-date accounting and finance policy and procedure manuals
- Maintain a high level of professionalism and integrity in all the City's financial practices and procedures
- Monitor and report the City's fiscal condition semi-annually
- Administer the City's risk management programs

Goals

F-1 – Establish financial planning models, reporting and controls to help manage short- and long-term business strategies of the City, including but not limited to investments, cash management, internal risk management, municipal finance, auditing and accounting for the City's financial affairs and the Fiscal Sustainability Ordinance.

- ✓ Produce and present to the City Council the projected fund balance spreadsheet to be presented to the Finance Subcommittee for each budget and mid-year budget review or as requested based upon changing conditions in the economy, long term, the projected fund balance spreadsheet will help the City reduce its use of fund balances to 0%, leaving the minimum of 30% for the funds subject to the City's Fiscal Sustainability Ordinance, without the use of property to achieve the 30%

- ✓ Produce and present to the City Council the quarterly investment report to the City Council showing the City is following the cash flow requirements of State law, long term, a more proactive strategy to guide investments will lead to a .10 basis return higher than benchmark
- ✓ Produce and present to the City Council the Risk Management Log by fiscal year, showing active litigation for both Liability and Workers Compensation Claims, the litigated cases will be updated quarterly for the City Attorney to review and report to the City Council, long term, the use of the Risk Management Log will reduce the number and duration of active litigation cases by 2%

Accomplishments

- ✓ Worked with Council and City departments to submit a budget consistent with the City's Fiscal Sustainability Ordinance
- ✓ Maintained bond ratings while increasing the City's overall credit rating
- ✓ Created Section 115 Trust for CalPERS pension obligations
- ✓ Updated Cost Allocation Plan/Comprehensive User Fee Study

The following are indicators of the types and volume of activities occurring within this program:

Activity Measure	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Estimate	FY 20-21 Projected
Business Licenses Issued	3,547	3,627	3,720	3,700
Utility Bills Generated	223,869	225,284	228,023	230,030
Credit Rating Increases	2	1	1	0
Online/Automatic Payments Processed	100,413	120,550	127,256	134,000

➢ADMINISTRATION – HUMAN RESOURCES

Overview

The Human Resources Department supports the City of Pittsburg by providing comprehensive and timely human resources services. We have the responsibility for developing and implementing innovative strategies and programs that enhance the work experience for our employees. Our objective is to attract, develop, motivate and retain the best-qualified employees whose diversity and skills contribute to and sustain the City of Pittsburg as a quality organization.

Service Levels

- Maintain all department records, including employee personnel files
- Provide information and support to employees regarding recruitment, salary and benefit information, policies and procedures, and other human resources issues
- Administer the City's personnel merit system, employee benefits, employee relations and equal employment opportunity programs
- Administer City's risk management programs including workers' compensation and employment liability
- Provide diverse and skilled applicant pools, classification and compensation administration, labor relations, human resources management tools; policies and procedures, and other support to City departments
- Represent the City Council and City Manager on all employee relations matters with representatives of recognized employee organizations
- Assure that the City has fair and equitable policies and procedures that are uniformly interpreted and implemented
- Assure that all recruitment, hiring, placements, transfers and promotions are made on the basis of individual qualifications for the position

Goals

Citywide Goal 5 - Increase Efficiency of City Operations and Services

- ✓ HR-1: Ensure that employees are provided with a work environment that encourages growth, development, and engagement and fosters retention through quality organizational training programs
  - Facilitate an internal learning program to provide relevant training and development opportunities for City staff

- ✓ HR-2: Promote the City as an attractive employer to secure highly qualified applicants for vacancies and retain those employees
  - Conduct biannual market analysis of salaries and benefits with comparable public agencies to proactively address issues of inequity for internal alignments of compensation
  - Approach each recruitment with a custom plan of outreach and advertisement designed to target skilled candidates that reflect the diversity of our community
  - Facilitate an employee benefits outreach program designed to ensure that employees are aware of the City benefits
- ✓ HR-3: Develop an enhanced employee recognition program that would encourage front line staff to produce and implement innovative ideas and solutions to increase productivity, efficiency, quality of life, or economic development within the City
  - Work with the Finance Subcommittee to identify possible funding sources

Performance Measurements

Activity Measure		FY 18/19 Actuals	FY 19/20 Estimates	FY 20/21 Goals
Recruitment & Selection	Number of regular open & promotional recruitments conducted	27	35	25
	Number of regular vacancies filled	40	43	30
	Number of new hires passed probation	38	42	29
	Number of probational new hires not passed probation	2	1	1

Activity Measure		FY 18/19 Actuals	FY 19/20 Estimates	FY 20/21 Goals
	Average number of calendar days from requisition to eligibility list	36	43	40
Classification & Compensation	Number of classification and/or compensation studies conducted	11	6	5
	Number of new/revised classifications and/or compensation adjustments approved by City Council	10	17	10
	Average number of days from department's request to HR's recommendation	50	60	45
Employee Benefits	Number of employees contributing pre-tax dollars to section 125 elected benefit plans	53	92	97
	Number of employees contributing pre-tax dollars to deferred compensation benefit plans	239	230	235
	Number of one-on-one meetings scheduled with deferred comp representative	58	60	65
Workers' Compensation, Safety & Wellness	Number of injury incidents requiring medical attention beyond first aid	28	17	15
	Number of safety courses completed through Targeted Solutions online classes	24	26	25
	• Number of times employees participated	1128	1122	1125
	Number of safety trainings offered	5	2	2
	• Number of employees participated	138	61	50
	Number of wellness events offered	5	5	5
	• Number of employees participated	230	226	235
Employee Training & Development	No. of staff development trainings offered	14	15	12
	• No. of employees participated	117	131	140

Activity Measure		FY 18/19 Actuals	FY 19/20 Estimates	FY 20/21 Goals
	No. of workplace harassment compliance trainings offered*	7	8	8
	• No. of employees participated	144	225	350

**Preventing workplace harassment compliance training of all regular City staff is required every two years.*

Accomplishments

- ✓ Initiated negotiations with all bargaining groups
- ✓ Convened employee engagement committee
- ✓ Proactively addressed succession planning, identified training opportunities to prepare staff for potential promotions
- ✓ Increased engagement on social media to include job preview videos, spotlight employees and various City Departments
- ✓ Filled numerous positions within 45 days
- ✓ Updated City personnel rules
- ✓ Initiated exploration of employee and manager self-services web portals

➢ ADMINISTRATION – INFORMATION/COMMUNICATIONS SYSTEMS

Overview

The Information and Communications Systems Department centrally manages the operation, maintenance and replacement of the citywide network infrastructure, telephone, computer equipment and other hardware and software needs. This activity falls under the Internal Service Fund relative to the management of information technology planning and technical support of the hardware and software required for citywide operations.

Service Levels

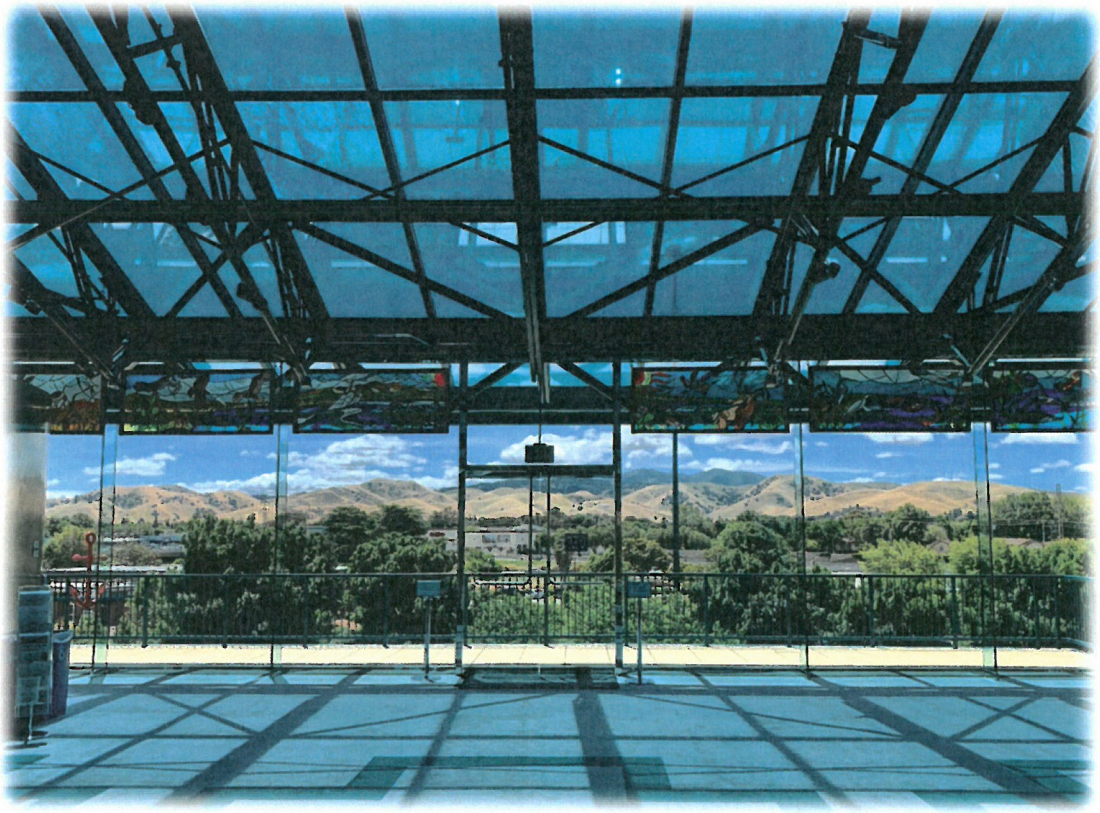
- Maintain the Citywide Network System in a reliable and consistent manner
- Provide hardware support to sustain the City's information technology systems including servers, network devices, specialized appliances, etc.
- Provide equipment support for personal computers, laptops and all other associated peripheral equipment
- Provide software support to sustain the City's local and wide area networks including electronic mail, remote access to City computers at offsite locations, Internet access, mobile access to City information technology systems and the City website
- Provide operational support for the City's VoIP telephony system. Maintain and manage the various application systems being used by the City in a reliable and consistent manner

Accomplishments

- ✓ Deployment of an exclusive Comcast Internet line for Police to access Evidence.com
- ✓ Implemented HD and 16:9 broadcasting of Council Meetings on Internet
- ✓ Continuous enhancement of the GIS platform for the staff by adding more layers
- ✓ Introduction of latest imagery (Jan 2020) from the County for the internal GIS system
- ✓ Replacement of 25 desktop computers
- ✓ Upgrade of Video Surveillance System platform for the Police

- ✓ Upgrade of the data link between City Hall and CorpYard to support higher data transfer
- ✓ Upgrade of the Voting systems in the Council Chambers
- ✓ Implementation of the Peregrine project for the Police
- ✓ VoIP phone circuits moved from analog to digital technology
- ✓ Upgrading city computers to Windows 10 platform
- ✓ Water Utility module implemented on the City Works platform
- ✓ Conceptual design of the City website finalized
- ✓ Virtual Council meetings launched during the COVID shutdown
- ✓ Remote access provided to the authorized City staff to enable them to work from home

Activity Measure	FY 18/19 Actual	FY 19/20 Estimate	FY 20/21 Budget
High Priority Tech Projects Completed	15	15	15
Tech Service Requests Completed	1,325	1,500	1,600



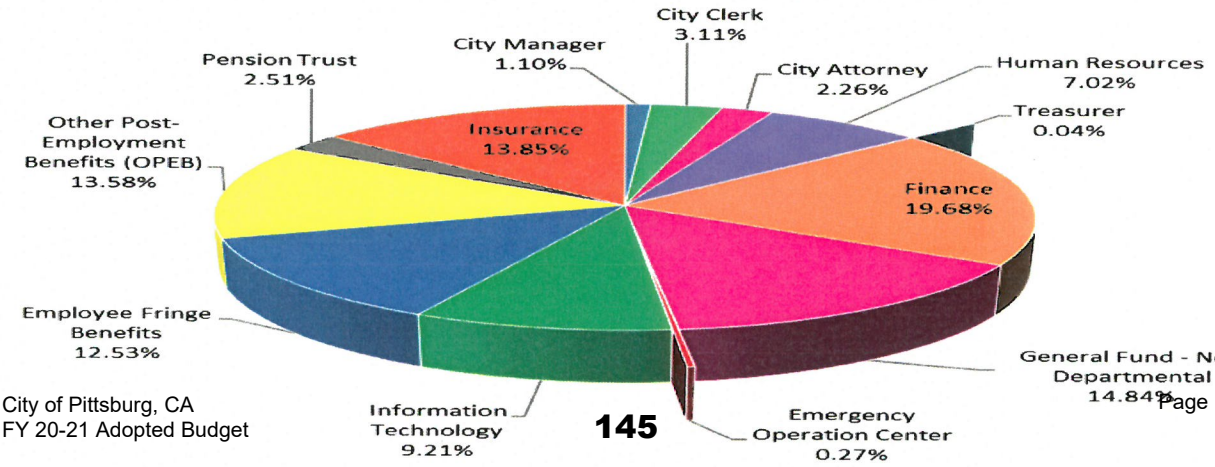
FY 2020 - 21 FULL TIME PERSONNEL ALLOCATIONS
Administration

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
City Manager	0.50	0.95	0.40
City Clerk	1.40	1.40	1.70
City Attorney	2.30	1.00	1.20
Finance/Accounting	8.95	8.95	7.45
Finance/Utility Billing	7.55	8.50	9.15
Human Resources	5.00	5.00	5.00
Information/Communication Systems	0.00	5.00	5.00
TOTAL:	**25.70**	**30.80**	**29.90**

Detailed Program Budget
Administration

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	25.7	30.8	29.9	-0.9	-2.92%
SOURCES OF REVENUE					
General Fund	29,736,043	29,220,904	24,791,123	(4,429,781)	-15.16
Enterprise Funds	833,729	875,321	846,414	(28,907)	-3.30
Internal Service Funds	8,041,873	8,089,645	7,916,267	(173,378)	-2.14
Special Revenue Funds	250,560	55,124	55,075	(49)	-0.09
TOTAL SOURCES OF REVENUE	**$ 38,862,205**	**$ 38,240,994**	**$ 33,608,879**	**$ (4,632,115)**	**-12.11 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	2,305,289	2,680,058	2,734,811	54,753	2.04
Maintenance & Operations	3,388,856	4,113,209	4,197,745	84,536	2.06
Workers Compensation	1,818,692	1,617,935	1,272,969	(344,966)	-21.32
Materials & Supplies	262,980	354,110	239,830	(114,280)	-32.27
Pass Through Payments	315,137	337,098	271,682	(65,416)	-19.41
Contracts & Services	2,746,074	2,651,640	2,100,615	(551,025)	-20.78
Fringe Benefits	4,362,061	5,016,128	5,133,286	117,158	2.34
TOTAL USES - OPERATING EXPENDITURES	$ 15,199,089	$ 16,770,178	$ 15,950,938	$ (819,240)	-4.89 %
USES - OTHER EXPENDITURES					
Special Items of Expense	44,534	204,935	(1,316,737)	(1,521,672)	-742.51
TOTAL USES - OTHER EXPENDITURES	$ 44,534	$ 204,935	$ (1,316,737)	$ (1,521,672)	-742.51 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	14,049	46,836	20,000	(26,836)	-57.30
TOTAL USES - CAPITAL EXPENDITURES	$ 14,049	$ 46,836	$ 20,000	$ (26,836)	-57.30 %
USES - TRANSFERS-OUT					
Transfers-Out	1,682,164	1,868,578	982,936	(885,642)	-47.40
TOTAL USES - TRANSFERS-OUT	$ 1,682,164	$ 1,868,578	$ 982,936	$ (885,642)	-47.40 %
TOTAL USES	**$ 16,939,836**	**$ 18,890,527**	**$ 15,637,137**	**$ (3,253,390)**	**-17.22 %**
USES BY PROGRAM RECAP					
City Manager	229,910	252,655	172,412	(80,243)	-31.76
City Clerk	409,360	445,760	487,016	41,256	9.26
City Attorney	414,667	397,715	352,705	(45,010)	-11.32
Human Resources	1,144,148	1,288,667	1,097,427	(191,240)	-14.84
Treasurer	6,331	6,331	6,223	(108)	-1.71
Finance	3,020,538	3,109,480	3,077,015	(32,465)	-1.04
General Fund - Non Departmental	4,117,513	4,875,267	2,320,213	(2,555,054)	-52.41
Emergency Operation Center	52,869	49,050	41,600	(7,450)	-15.19
Information Technology	1,020,164	1,560,741	1,439,549	(121,192)	-7.77
Employee Fringe Benefits	2,390,266	2,267,812	1,960,073	(307,739)	-13.57
Other Post-Employment Benefits (OPEB)	2,085,188	2,272,580	2,123,900	(148,680)	-6.54
Pension Trust	391,765	394,215	392,935	(1,280)	-0.32
Insurance	1,657,117	1,970,254	2,166,069	195,815	9.94
TOTAL USES BY PROGRAM RECAP	**$ 16,939,836**	**$ 18,890,527**	**$ 15,637,137**	**$ (3,253,390)**	**-17.22 %**

Administration - Uses by Division



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➢ COMMUNITY DEVELOPMENT

BUILDING

CODE ENFORCEMENT

ENGINEERING

PLANNING

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➢ COMMUNITY DEVELOPMENT – BUILDING

Overview

The Building Division is responsible for enforcing the California Building and Construction Codes as enacted by the California State Building Standards Commission. These codes apply to nearly all forms and levels of construction throughout the City. The Building Division is responsible for managing the construction permit process; including relaying general information and regulating plan submittal, plan review, permit issuance, inspection and document retention.

The Building Division also administers the City's Residential Rental Inspection Program, which includes identification and registration of residential rental properties, inspections, and issuance of correction notices and citations when necessary.

Service Levels

- Next day construction inspection services
- Provide both general information and technical guidance for all types of construction projects within the City both personally and online
- Actively investigate citizen complaints regarding municipal code violations

Accomplishments

- ✓ City Council adopted new California Building Codes which took effect January 1
- ✓ Completed update of Preferential Residential Parking Permit program in Oak Hills area (near Pittsburg-Bay Point BART) with extensive community outreach. Issued 310 Parking Permits to Oak Hills residents
- ✓ Nearly 4,000 units currently registered in Residential Rental Inspection Program. Enrolled more than 130 additional rental units and completed approximately 200 rental inspections in response to complaints

The following are indicators of the types and volume of activities occurring within this program:

Activity Measure	FY 18-19	FY 19-20	FY 20-21 Projected
Solar Energy Permits Issued within 24 hours of submittal (residential) and within 30 days for commercial	300	400	400
New Single-Family Home Permits Issued	150	120	120

➢ COMMUNITY DEVELOPMENT – CODE ENFORCEMENT

Overview

The Code Enforcement Division is responsible for enforcing the City's Municipal Code as adopted by the City Council, from overgrown weeds to vehicle abatements to trash and debris in public view, and much more. The Code Enforcement Division plays a key role in helping maintain public safety and enhancing quality of life for Pittsburg residents.

The Code Enforcement Division receives complaints and requests from residents mainly through a dedicated mobile and web application, GoCities. The Division conducts inspections and issues correction notices and citations when necessary.

Previously, the Code Enforcement Division was housed within the Pittsburg Police Department. For the upcoming 2020-2021 Fiscal Year, the Division will transition to become a part of Community Development, with a renewed focus on proactive enforcement and enhancing the quality of life.

Service Levels

- Responses to all service requests within 10 business days
- Actively investigate citizen complaints regarding municipal code violations

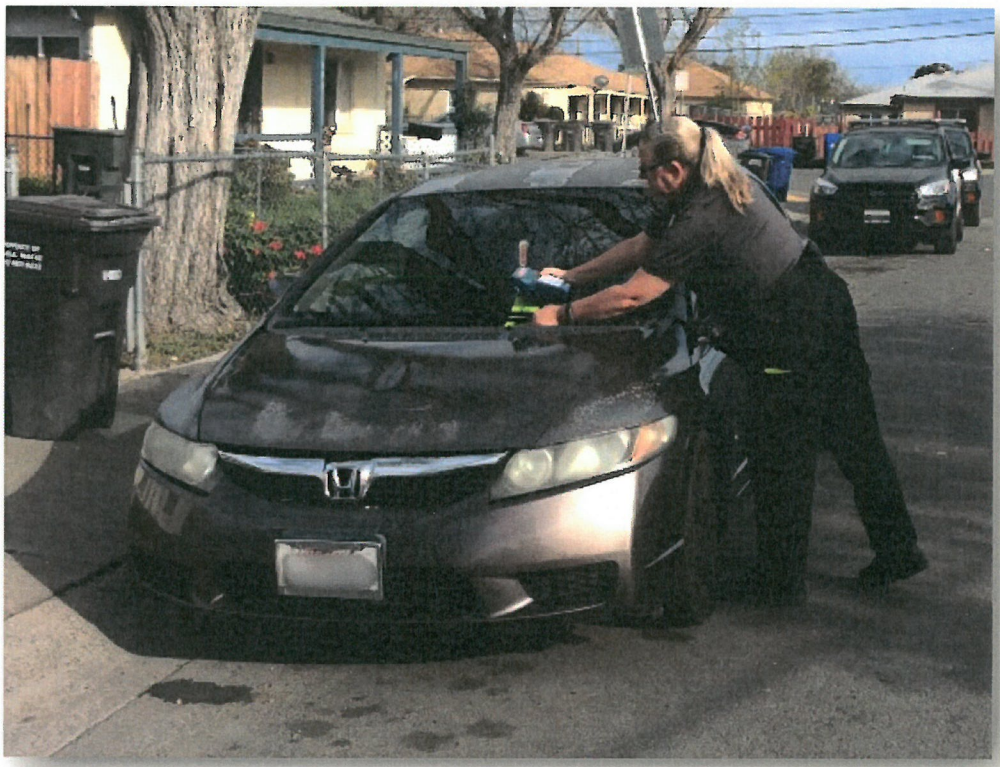
Accomplishments

- ✓ A total of 1,387 citizen complaints were completed and closed out
- ✓ 86% of closed cases were a result of voluntary compliance with correction notices that were issued
- ✓ The Division completed 2,569 investigations during the fiscal year

The following are indicators of the types and volume of activities occurring within this program:

Activity Measure	FY 18-19	FY 19-20	FY 20-21 Projected
Total number of closed and completed citizen complaints	1,935	1,329	600*

*Beginning in FY 20-21, the Code Enforcement Division will no longer address parking violations, the largest share of citizen requests for service. These requests will be handled by the Pittsburg Police Department, freeing up Code Enforcement for pro-active enforcement activities that improve the quality of life in the City.



➢ COMMUNITY DEVELOPMENT - ENGINEERING

Overview

The Engineering Division provides skilled and professional staff to assure that City-owned facilities such as streets, storm drain systems, water distribution networks, sewer collection facilities, parks, and similar improvements are constructed where needed and that the improvements are built to meet appropriate standards.

Service Levels

- Manage the design and construction of City projects
- Assure that development projects (residential and commercial) meet City requirements
- Manage traffic related issues and improvements such as signal timing
- Process and issue the permits for encroachments within the public right-of-way, site grading, parking permits, and wide load permits
- Maintain records of the constructed improvements and the description of properties and easements within the City
- Serve as the City's Stormwater National Pollutant Discharge Elimination System (NPDES) manager to ensure compliance with the City's Stormwater permit
- Provide staff to manage and support the Southwest Pittsburg Geological Hazard Abatement District II

Goals

CD-2- Ensure the provision of safe and reliable public facilities and infrastructure through the long-range planning and completion of Capital Improvement Program (CIP) Projects

- ✓ Compete for federal, state, county and private foundation grants to support capital projects, facility enhancements, and long-range planning, and minimize general fund spending, by leveraging local funds and existing efforts such as the Capital Improvement Program and General Plan update. Grants and other funding will total $700,000 per year.

- ✓ Seek out innovative techniques to reduce costs and extend the reach of scheduled capital projects for Pavement Management, Street Maintenance, Street Lighting and Traffic Signal Modifications where possible, to extend the useful life and improve safety and efficiency of City roadways. Currently, 17.3 miles of roadway along designated truck routes is in need of pavement maintenance or repair that can extend its useful life by 7 to 15 years.

- ✓ Identify solutions to help reduce traffic delays along State Route 4 and major arterials during commute hours, such as the effectiveness and feasibility of adaptive traffic signals for the City's major corridors.
- ✓ Identify and carry out projects for traffic calming and improved safety for pedestrians and cyclists and develop a strategy to educate parents, students and other residents on street safety to reduce total bicycle and pedestrian accidents and injuries. Seek to reduce total bicycle and pedestrian accidents by 50 percent.

Accomplishments

- ✓ Completed West Leland Pavement Improvements Project (SB 1 funded)
- ✓ Replaced Raw Waterline at City's Water Treatment Plant
- ✓ Completed San Marco Bicycle/Pedestrian Trail project
- ✓ Relocated water line on East 14th Street
- ✓ Completed Maintenance Dredging at Pittsburg Marina Basin II

Existing Capital Projects Scheduled for Completion in FY 2020-2021

Project Name	Scheduled Completion
Annual Park Sign Replacement (4 locations)	Fall 2020
Range Road Sidewalk Improvements	Winter 2020
Montezuma Pump Station Replacement	Winter 2020
2020/2021 Street Maintenance Project (Highland Meadows)	Winter 2020
SB1 West Leland Road / Loveridge Road Pavement Rehabilitation	Winter 2020
Stoneman Avenue Pedestrian Improvements	Spring 2021
West Leland Road/Loveridge Road Rehabilitation Phase II	Spring 2021
Sewer/Waterline Replacement Project (Sunset Park)	Spring 2021
2020/21 Traffic Calming - Speed Humps on Heatherwood Drive	Spring 2021
West Leland Road Safety Improvements	Spring 2021

➢ COMMUNITY DEVELOPMENT – PLANNING

Overview

The Planning Division facilitates new development's compliance with the City's development regulations and guidelines, California Environmental Quality Act (CEQA) and other applicable state, federal, and local regulations. Specifically, the Planning Division is responsible for development, maintenance, and implementation of the City's General Plan; development and administration of Pittsburg Municipal Code Title 18 (Zoning) and Title 19 (Signs) of the Pittsburg Municipal Code; co-administration of Title 17 (Subdivisions); administration of the East Contra Costa County Habitat Conservation Plan (HCP); and preparation and coordination of CEQA documents for the City.

Service Levels

- Provides inter-departmental coordination for processing applications for private development within city limits, through Planning Commission and City Council
- Provides oversight and direction in the implementation and maintenance of the City's General Plan, Zoning Ordinance and other planning-related documents

- Serves as a resource for coordination and preparation of CEQA documents for both public and private developments within the City
- Serves as staff support to the Planning Commission and Historic Resources Commission, ensuring timely processing and distribution of public notices, agendas, staff reports, minutes and resolutions
- Represents the City and participates in regional planning activities, such as the East Contra Costa County Habitat Conservation Plan, meetings of the Contra Costa County Planning Directors, meetings with staff of Local Agency Formation Commission (LAFCO) and Bay Point Municipal Advisory Commission, as needed
- Receives and responds to complaints of Zoning and Sign ordinance violations, and assists in enforcement of other municipal code provisions

- Accepts, processes, analyzes and evaluates planning applications for conformance with the City of Pittsburg General Plan, Zoning Ordinance, CEQA, Subdivision Ordinance, Sign Ordinance and other state, federal and local planning regulations
- Provides feedback to other, surrounding jurisdictions regarding planning applications that have potential to impact the Pittsburg community

Goals

Community Development (CD) Goal 1 –Complete long-range planning efforts to establish a road map for development and land use in the future and identify funding sources to support future planning and construction projects.

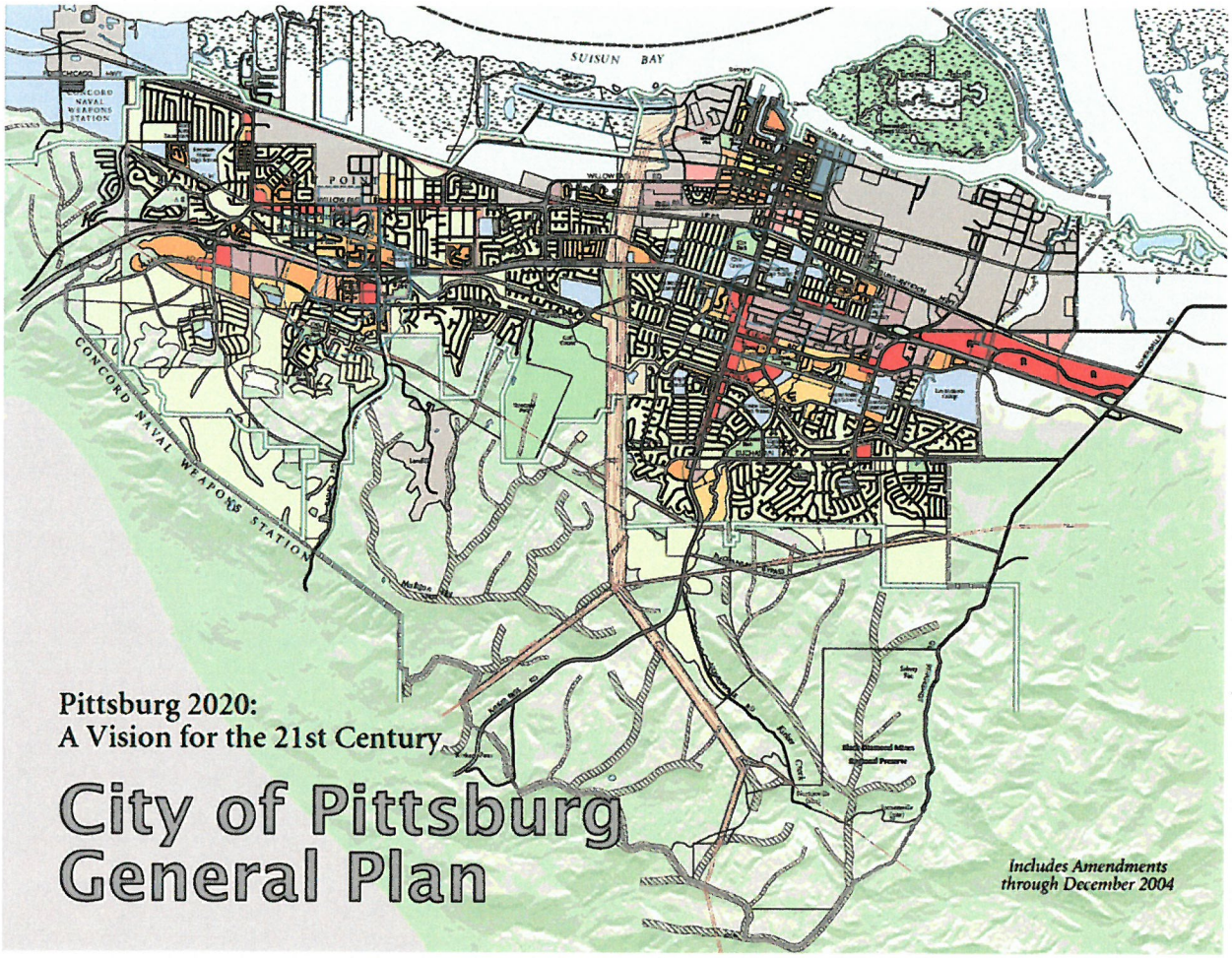
- ✓ Completion of the Comprehensive General Plan Update which is currently underway.
- ✓ Initiation of SB 2 Planning grant funded projects, including the creation of objective design standards for new residential projects.

CD Goal 3 – Create more transparency, predictability, and efficiency for new development proposals.

- ✓ Continuation of SB 2 Planning grant funded projects, including update of the Accessory Dwelling Unit (ADU) ordinance and development of prototype plans for ADU's to help incentivize creation within existing residential neighborhoods.
- ✓ Continuation of SB 2 Planning grant funded projects, including General Plan methodology switch from Level of Service (LOS) analysis for traffic and transportation related impacts, to a Vehicle Miles Traveled (VMT) standard.

Accomplishments

- ✓ Planning revenues projected to exceed revenue forecasts
- ✓ "Pittsburg Moves" active transportation plan is on track for completion/adoption by the end of the fiscal year
- ✓ First phase of Comprehensive General Plan Update completed.


SUISUN BAY
CONCORD NAVAL WEAPONS STATION
Pittsburg 2020:
A Vision for the 21st Century
City of Pittsburg
General Plan
Includes Amendments
through December 2004

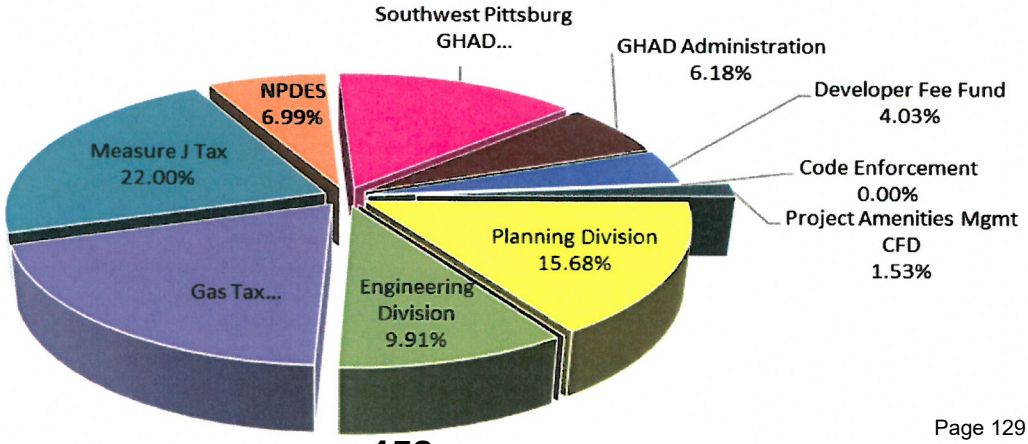
FY 2020 - 21 FULL TIME PERSONNEL ALLOCATIONS
Community Development

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Building	5.48	5.14	6.31
Code Enforcement	0.00	0.00	3.00
Engineering	11.98	12.71	12.37
Local Traffic Mitigation Fee Fund	0.10	0.10	0.10
NPDES Administration & Outreach	1.26	1.21	1.21
Planning	4.33	5.99	5.66
Southwest Pittsburg GHAD II	1.45	1.50	1.60
TOTAL:	**24.60**	**26.65**	**30.25**

Detailed Program Budget
Community Development

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	24.60	26.65	30.25	3.60-	13.51%
SOURCES OF REVENUE					
General Fund	5,350,767	5,835,969	5,455,293	(380,676)	-6.52
Capital Projects Funds	3,051,304	10,370,365	4,071,607	(6,298,758)	-60.74
Special Revenue Funds	7,836,214	13,594,885	5,893,546	(7,701,339)	-56.65
TOTAL SOURCES OF REVENUE	**$ 16,238,285**	**$ 29,801,219**	**$ 15,420,446**	**$ (14,380,773)**	**-48.26 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	2,511,369	2,910,500	2,762,813	(147,687)	-5.07
Maintenance & Operations	832,114	1,094,547	729,530	(365,017)	-33.35
Workers Compensation	164,477	145,704	131,569	(14,135)	-9.70
Materials & Supplies	75,140	154,890	127,640	(27,250)	-17.59
Contracts & Services	1,525,847	1,785,920	809,511	(976,409)	-54.67
Fringe Benefits	1,834,588	2,068,198	2,250,634	182,436	8.82
TOTAL USES - OPERATING EXPENDITURES	$ 6,943,535	$ 8,159,759	$ 6,811,697	$ (1,348,062)	-16.52 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	31,935	79,000	-	(79,000)	-100.00
Capital Outlay - Projects	5,997,327	18,163,127	1,027,553	(17,135,574)	-94.34
TOTAL USES - CAPITAL EXPENDITURES	$ 6,029,262	$ 18,242,127	$ 1,027,553	$ (17,214,574)	-94.37 %
USES - TRANSFERS-OUT					
Transfers-Out	3,547,784	3,890,761	2,553,794	(1,336,967)	-34.36
TOTAL USES - TRANSFERS-OUT	$ 3,547,784	$ 3,890,761	$ 2,553,794	$ (1,336,967)	-34.36 %
TOTAL USES	**$ 16,520,581**	**$ 30,292,647**	**$ 10,393,044**	**$ (19,899,603)**	**-65.69 %**
USES BY PROGRAM RECAP					
Planning Division	1,927,810	2,066,910	1,561,108	(505,802)	-24.47
Planning Grants	194,459	74,842	-	(74,842)	-100.00
Building Division	918,194	940,850	986,102	45,252	4.81
Engineering Division	1,946,560	2,192,076	1,946,527	(245,549)	-11.20
Gas Tax	3,051,737	6,041,257	2,189,664	(3,851,593)	-63.75
Measure J Tax	1,825,210	5,881,099	695,332	(5,185,767)	-88.18
NPDES	914,992	1,470,269	1,405,268	(65,001)	-4.42
Southwest Pittsburg GHAD	788,981	703,585	615,175	(88,410)	-12.57
GHAD Administration	433,948	489,503	401,570	(87,933)	-17.96
Pittsburg CIP	308,325	3,031,555	-	(3,031,555)	-100.00
Developer Fee Fund	3,349,155	6,809,687	152,777	(6,656,910)	-97.76
Community Capital Improvements	698,122	244,124	-	(244,124)	-100.00
Code Enforcement	-	-	437,121	437,121	-100.00
Project Amenities Mgmt CFD	15,322	-	2,400	2,400	-100.00
Infrastructure Repair & Replacement	147,766	346,890	-	(346,890)	-100.00
TOTAL USES BY PROGRAM RECAP	**$ 16,520,581**	**$ 30,292,647**	**$ 10,393,044**	**$ (19,899,603)**	**-65.69 %**

Community Development - Uses by Division



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➢ ENTERPRISE SERVICES

COMMUNITY DEVELOPMENT BLOCK GRANT

ECONOMIC DEVELOPMENT

ENVIRONMENTAL AFFAIRS

MARINA OPERATIONS

WATERFRONT OPERATIONS

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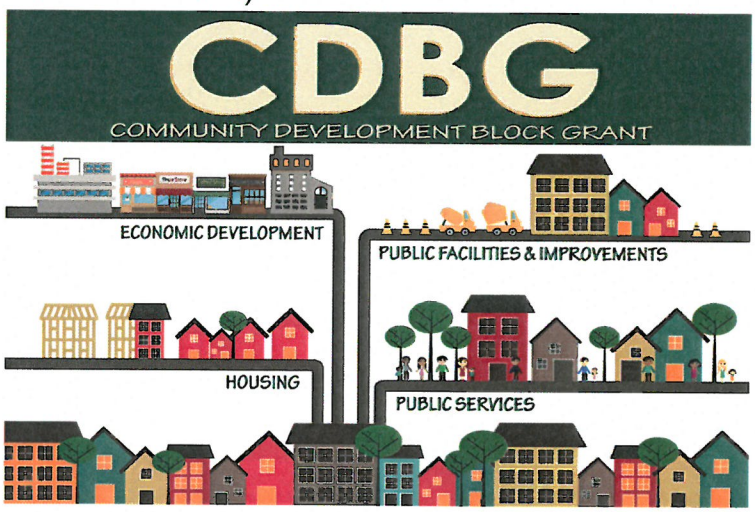
ENTERPRISE SERVICES – COMMUNITY DEVELOPMENT BLOCK GRANT

Overview

The City of Pittsburg (City) Community Development Block Grant (CDBG) Program receives its annual funding from the United States Department of Housing and Urban Development (HUD). Through Pittsburg's citizen participation process, programs and projects are identified and implemented in accordance with the goals and objectives of the Five Year Consolidated Plan. The various activities funded by CDBG must meet one of HUD's national objectives: 1) Benefit low and moderate income population; 2) Aid in prevention or elimination of slums or blight; and 3) Urgent need (i.e. damage due to natural disasters).



For FY 2020-21, the City will receive $609,112 from HUD. Along with $4,217 in program income and $35,000 of unallocated funds from prior years, the total CDBG funding for FY 2020-21 is $648,329.

Service Levels

- The City funds programs and projects that benefit the residents of Pittsburg. The funded activities include public services (youth, health and homeless services), economic development, code enforcement, infrastructure (ADA ramps and sidewalk replacement) and the housing rehabilitation loan program.

Goals

✓ CS-1: Provide services and housing opportunities that improve the quality of life

for Pittsburg residents

Related City Goal: Improve the quality of life for all Pittsburg residents.

Related City Goal: Improve public facilities and infrastructure and increase beautification of City maintained areas.

Related City Goal: Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses

- Fund programs and services that help create a more livable, better functioning, and attractive community.
- Improve declining neighborhoods by addressing property conditions that contribute to blight.
- Improve access to public transportation, schools, businesses, and other community facilities for the mobility impaired or physically challenged persons through installing curb ramps in targeted areas.
- Fund job training and placement programs.
- Fund programs that assist micro-enterprises which result in job creation.
- Fund the Housing Rehabilitation Loan Program.

FY 2019-20 Accomplishments through the first half of the fiscal year

- ✓ CDBG funded job training and placement programs that resulted in 13 residents being trained and 2 being placed with employer partners while 4 residents received assistance with growing their business.
- ✓ Installed 44 ADA ramps.

- ✓ CDBG funded code enforcement efforts to address the decline in targeted neighborhoods. 1,212 properties received code violations and 600 were corrected by the homeowner.
- ✓ Allocated approximately $96,000 to a variety of supportive services including assistance for youth, seniors, victims of abuse, the medically uninsured and the homeless population.
- ✓ Allocated funds to the housing rehabilitation loan program to provide low-interest loans to 2 income qualified Pittsburg homeowners for the purpose of improving their property and preserving the affordable housing stock in the community.

Activity Measure	FY 18/19	FY 19/20 Estimate	FY 20/21 Projected
Public Services: Number of Low to Moderate Income Residents Served	2076	2557	1599
*Non-Public Services: % of Funding Utilization *Includes Area Benefit Programs and People Services	89% of Non-Public Services Budget	100% of Non-Public Services Budget	100% of Non-Public Services Budget

➢ ENTERPRISE SERVICES – ECONOMIC DEVELOPMENT

Overview

The Economic Development Department is responsible for building strong partnerships with local business and non-profit organizations. Its mission is to retain existing businesses and help them grow and become sustainable, while attracting new businesses that will expand employment opportunities for Pittsburg residents. In doing so, the City will expand the local sales and property tax base, while maintaining a positive balance between growth, social equity, and the economy.

As a result of COVID-19, many existing businesses will be reevaluating their processes and responding to the financial and operational impacts of the pandemic. The Economic Development Department will play a key role in helping businesses identify resources that allow them to modify operations, acquire new skills or employees, and plan for future impacts.

Service Levels

- Promote business success by connecting business owners to services, resources, and information on funding opportunities
- Provide economic information to support job creation and business with a focus on the City's shopping districts
- Identify and address issues affecting business operations, and help businesses identify new technologies and operational measures to increase productivity
- Partner with educational institutions to scale-up workforce and prepare prospective employees with 21st century job skills
- Serve as a liaison between brokers and businesses for business retention, expansion, and site selection assistance

Goals

✓ Develop an Economic Development Plan to guide the City for the next 5-10 years

- The development of the Plan will be a collaborative effort with staff, City Council, community leaders, educators, and businesses providing feedback

- As part of the Economic Development Plan, staff will identify strategies for promoting these amenities and attracting new businesses
- Research potential development of a program to complement Future Build that would focus on tech-centered skills, such as coding
- The Economic Development Plan should include strategies to help businesses plan for unforeseen events and include actions that may be undertaken to help businesses affected by COVID-19 retool and rebuild

✓ Foster a business climate that is competitive with other cities in the region while supporting existing businesses and attracting new businesses

- Support and retain existing businesses by identifying and addressing issues affecting business operations
- Hold 1-on-1 meetings with businesses to solicit feedback, and identify assistance programs and resources that allow for existing small businesses and startups to grow
- Enhance the vitality and aesthetic value of existing shopping centers
- Allow businesses to better communicate with staff within multiple departments and provide ongoing updates from the City's Economic Development team

✓ Identify trends in employment needs and skill development in order to scale up workforce and prepare residents for job opportunities

- Partner with educational institutions, local and regional business advocacy groups, and local businesses to identify target skill and education needs
- Invest in programs that train youth, young adults, seniors, English language learners, reentry, and other populations in local industries, strengthening both the community and the local economy

✓ Identify strategies for bringing additional commercial and job opportunities to underutilized areas of the City

- Identify areas of the City that are equipped to serve businesses in their current state and establish programs, policies, and strategies that will support and/or streamline privately funded redevelopment and allow for flexibility in uses

- Promote availability of existing vacant/underutilized land and building spaces for targeted uses, and establish a list with size, zoning, ownership, broker representation, and contact information
- Continue to gather additional information on businesses within the City

Accomplishments

- ✓ Held 1-on-1 meetings with 8 of the 10 largest sales tax generators and met with over 30 small biz operators
- ✓ Put small businesses in contact with funding and employment resources
- ✓ Established the Pittsburg Educational Attainment Partnership between the City of Pittsburg and Los Medanos College to help build a more robust and skilled workforce
- ✓ Collaborated to rezone 12 ac. west of Bailey Road for commercial development, including CEQA analysis to streamline development of a grocery store in this area
- ✓ Adopted Fee Reduction Pilot Program
- ✓ Created outreach materials to help guide small biz startups or expansions
- ✓ Partnered with SiFi Networks to bring Citywide fiber to Pittsburg

✓ Worked with provider to bring ice rink to Downtown

Activity Measure	FY 18/19 Actual	FY 19/20 Estimate*	FY 20/21 Projected
Small/Mid-Size Business Retention Visits	25	20	30
Large Employer Retention Visits	10	8	10

*The City has not been able to visit businesses since March 16 due to COVID-19.

➢ENVIRONMENTAL SERVICES – SOLID WASTE DIVISION

Environmental Services Department focuses on environmental programs, services, infrastructure and development for residents, businesses and the community at large. The Environmental Services Department encompasses the Solid Waste Division, Waterfront Operations and Development Division, and Pittsburg Marina.

SOLID WASTE DIVISION

Overview

The Solid Waste Division encompasses the following responsibilities: solid waste/recycling for the community, schools and businesses; Local Enforcement Agency (LEA) for enforcement and permitting of solid waste facilities; stormwater outreach, education, and compliance; sustainability/climate change; energy efficiency for City buildings and street lighting; cable/wireless communications, community TV/broadcasting and franchises; environmental compliance and safety; Emergency Operation Center support; and other environmental programs.

Pittsburg LivinGreen

Service Levels

Solid Waste/Recycling/Local Enforcement Agency:

- Oversee City's compliance with State-mandated AB 939 solid waste reduction programs and annual reporting
- Manage and oversee the City's solid waste franchise agreements and mitigation fees
- Implement programs and grants for commercial recycling, construction and demolition disposal reduction, e-waste
- Promote and implement programs for residents and small businesses to manage household hazardous waste through the Delta Household Hazardous Waste Collection Facility

- Implement mandated state programs such as commercial recycling and organic (green/wood/food) recycling

  - Provide recycling programs to schools, businesses and government offices
  - School Outreach: Challenge of the Classes – Pittsburg High School, Recycling and Pollution Prevention – Jr. High Schools
  - Conduct required monthly/quarterly inspections of solid waste facilities (transfer stations, landfills, chipping and grinding operations, composting operations)
- Investigate and provide enforcement on illegal dumping activities
- Solid Waste Facility permitting, review, implementations associated with CEQA review requirements

Stormwater Outreach, Education, and Compliance:

- Responsible for the implementation and compliance with portions of the Municipal Regional Stormwater permit
- Promote Integrated Pest Management (IPM) concepts and pesticide alternatives
- Participate in watershed management education and activities in local schools

Delta Waters Education Program @ Dow Wetlands

- Trash reduction education and implementation: Plastic Bag Ordinance, Polystyrene Ordinance, Creek Cleanups; Civic Pride Day, Adopt a Spot
- School program outreach: Delta Waters Education, Kids for the Bay

Sustainability / Climate Change Energy Efficiency:

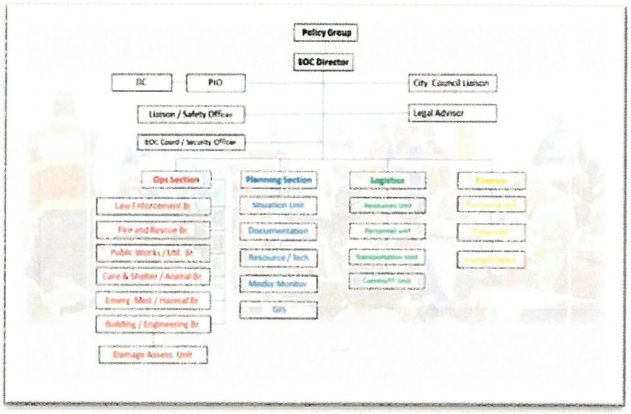
- Manage the City's Greenhouse Gas Inventory by collecting data, assess and reevaluate data to create a Climate Action Plan to reduce City's carbon footprint
- Oversee and manage PG&E's franchise

- Install Light Emitting Diode (LED) within City owned streetlights system and park system

- Monitor and audit City facilities and parks for energy efficiency and implement reduction measures
- Education and Program Outreach: Green Footprint Festival, Sustainable Contra Costa Workshops and Advisor, Pittsburg Unified School District Sustainability Committee, Beacon Award

Environmental & Other Programs:

- Emergency Operation Center coordination, programs, training
- Supporting Idle Free Program throughout Pittsburg Unified School District
- Oversight of air monitoring station
- Federal Communication Commission licensing
- Neighborhood Improvement Team meetings



Environmental Compliance and Safety:

- Hazardous materials inspection and compliance of City facilities for various agencies
- Provide annual required safety training, policies, and medical testing (respiratory / hearing) for Public Works and Maintenance personnel
- Required reporting and oversight of regulations

Cable and Wireless Communications:

- Oversee the City's Cable / Public Education and Government (PEG) and Wireless Franchises

- Manage the Memorandum of Understanding (MOU) with Contra Costa Television (CCTV) and the City's Public Education and Government (PEG) programming on Delta TV - Channel 24

- Promote production of programing for Delta TV with show sponsorship, government programing, sports broadcasting, and youth education

Accomplishments

- ✓ Established Curbside Pilot Program to address National Sword recycling crisis
- ✓ Partnered with Mt Diablo Resource Recovery to provide ECO Hero recycling / litter education program to 5 elementary schools – 3000 students
- ✓ 198 participants at Civic Pride Day and had 374 attendees at the Green Footprint Festival
- ✓ Emergency Operations Center
  - Four staff members attended CSTI Earthquake Training
  - Completed Debris Management Plan
- ✓ Received, reviewed and submitted to CalRecycle 5-Acre expansion for The Recycling Center and Transfer Station
- ✓ Completed a CALEPA investigation for complaint
- ✓ Conducted investigation and achieved compliance with three apartment complexes for refuse violations
- ✓ Conducted water quality analysis assessing locations for 'Fishing with a Cop' program for Police Department
- ✓ Keller Canyon Landfill – Front cell of landfill in permanent closure phase

Solid Waste Goals:

✓ Develop municipal and community programs that emphasize sustainable and environmentally positive operations

Related City Goals:

- *Increase efficiency of City operations and services through technology and streamlined processes*
- *Improve the quality of life for all Pittsburg residents*

Strategies:

- Develop a sustainability action plan to coincide with the General Plan Update (GPU) that identifies sustainable programs and opportunities for the City and community to reduce greenhouse gas (GHG) emissions which will provide a clean, safe and healthy lifestyle for Pittsburg homes and businesses
- Establish strategies within the action plan that will help to streamline the CEQA review process and provide a qualified GHG reduction plan in accordance with CEQA Guidelines Section 15183.5

Performance Measures:

- The City will seek to reduce its municipal emissions by 18% (est. 3,520 metric tons of carbon dioxide equivalent (CO_2E) emissions) compared to existing conditions and develop strategies and policies that will help reduce community emissions by 44% (est. 428,563 metric tons CO_2E emissions)compared to existing conditions consistent with the State of California's SB32 targets for the year 2030
- The City will seek consistency with State of California statutory requirements and improve CEQA review to properly assess and mitigate GHG impacts when assessing large project development

✓ Advocate on behalf of residents legal and public health issues concerning Keller Canyon Landfill

Related City Goal:

- *Improve the quality of life for all Pittsburg residents*

Strategies:

- Review potential pilot program for adding air monitoring stations for the community surrounding Keller Canyon Landfill with Bay Area Air Quality Management District (BAAQMD) to ensure compliance with air permit conditions and health protection of community

- Monitor Land Use Permit and other legal requirements to ensure the safety of the community is prioritized such as closing front cell, visibility issues conditions, and disposal of materials from military facilities
- Review guidelines for reestablishing the Local Advisory Committee for overseeing and advising on community issues related to impacts from Keller Canyon Landfill

The following are indicators of the types and volume of activities occurring within this program.

Activity Measure	FY 18/19	FY 19/20	FY 20/21 Projected
City Hall Energy Savings - Percentage *	7%	10%	20%
Facility Lighting Upgrades - Marina lights converted**	26	35	27
Civic Pride Day Litter Clean-Ups Participants	198	Cancelled COVID	250
EOC Preparedness - Staff Trainings - CSTI	3	4	4-5

* City Hall HVAC/Chiller replaced Sept 2017

** Marina lights – 100 light pole fixtures needing to be converted in parking areas

➢ ENTERPRISE SERVICES - MARINA

Overview

The George Lowy Marina, also known as the Pittsburg Marina (Marina), is located between the Sacramento and San Joaquin rivers. The Marina has 575 berths, occupies approximately 38 acres, and includes both a motorized and non-motorized public launch ramp, as well as an ADA-accessible kayak launch ramp. The Marina vicinity also includes the Pittsburg Yacht Club, scenic waterfront parks, the "Marina Green" event space, several restaurants, and a privately-owned marine repair yard.

The Marina has a standing reputation as affordable, welcoming, and picturesque. The Marina will continue to be focusing on modernization and efficiency in fiscal year 2020-21 to enhance its reputation, recreation opportunities offered, fiscal sustainability, and each customer's experience.

Service Levels

- Fueling facilities provide clean diesel and other premium fuels
- Free sewage pump-out at the fuel docks
- Overnight guest berthing
- Walking distance to restaurants, parks, and California Theatre
- Covered guest boater congregation area
- Long-term berthing with premium covered docks and open docks
- Restroom and laundry facilities for present live-aboard berthing
- Kayak and stand-up paddle board rentals
- Boat launch area with local bait shop
- Staffing 7-days a week
- Free Wi-fi

Accomplishments

- ✓ Marina 10-year dredge permit issued
- ✓ Completed dredging 2/3rds of Basin 2 – George Lowy Basin
- ✓ New Marina Newsletter with articles and updates – Quarterly
- ✓ Updated Master Fee Schedule with updated fee for services
- ✓ Created new occupancy assessment of Marina
- ✓ Completed updated Spill Prevention Counter Control Plan and inspection by US EPA and County HAZMAT

Marina Goals

✓ Modernize Marina operations for staff and customer use to increase efficiencies, increase moorage occupancy rate, and improve safety and security.

Related City Goals:

- Improve public facilities and infrastructure and increase beautification of City maintained areas.
- Increase efficiency of City operations and services through technology and streamlined processes.

Strategies:

- Contract with new operating software system to manage moorage customers more efficiently and provide better customer service with on-line services platform
- Contract to install new gate system software and infrastructure to manage access efficiently and securely, establish new camera system and update cameras, and install new LED lighting on promenade and on all docks to improve visibility, monitoring, tracking, safety, and security throughout the Marina as well as add additional cameras

Performance Measures:

- New operating software will create enhanced customer service to allow the Marina to increase service an additional 50 customers monthly from approximately 370 Marina customers served in person; reduce wait times by 1 day from the 2- 3 days presently; and potentially decrease vacancy rates

- Increasing safety and security in and around the Marina will reduce calls for service by at least one call to Police dispatch per month; increase Marina occupancy by 5%; and increase visitors within the Marina area by 50 - 100 visitors per month
- Enhanced gate and camera security will help with the enforcement of the Marina rules and regulations and monitoring of liveaboard activity, overnight guest activity, parking lot vehicle activity, guest and vendor activity as well as provide better video footage

Activity Measure	FY 18/19	FY 19/20	FY 20/21 Projected
Update Marina Fees	6%	3.5% CPI	0%[1]
Non-motorized Watercraft Rentals	34	37	50[2]
Marina occupancy assessments conducted	1 (Preliminary Assessment)	2	3
Funds contributed to Marina Dredge CIP	$160,000	$50,000	$40,000
Cubic yards of Marina Dredged (485,000 total)	1 Permit obtained0 Cubic yards dredged	1 Permit Issued 25,000 cubic yards dredged	10,000 cubic yards dredged
Host Gatherings for Slip Holders	4	1	2

[1] Due to COVID and City Moratorium, no increase to be applied

[2] Program delayed due to COVID

➢ ENVIRONMENTAL SERVICES – WATERFRONT DEVELOPMENT

Overview

The Waterfront Operations and Development Division (Waterfront) is responsible for overseeing compliance with Senate Bill 551 (SB551) which granted tidelands and submerged Public Trust Lands (Trust Lands) to the City of Pittsburg (City). Under SB551, the Waterfront strives to bring widespread public benefit to the area by providing events and activities at the waterfront. In addition, it provides services for existing and prospective Trust Lands tenants including assistance with leasing and development, property inspections, and marketing and promotion of waterfront properties. The Waterfront is also a one-stop shop for Trust Lands lease applications and development services to prospective tenants and new businesses.

Service Levels

- Manage existing Trust Lands leases, negotiate expired leases, and identify un-leased areas for which leases are required
- Implement the 2017 Trust Lands Use Plan, draft 5-year Trust Lands Utilization Reports Plans, and submit annual Statements of Revenues and Expenditures as required by SB551 to guide Waterfront development
- Ensure that the use of granted Trust Lands is in accord with the Public Trust Doctrine
- Solicit new development and tenants that will benefit maritime and local commerce
- Manage federal, state, and local permits related to dredging and similar operations
- Work with State Lands Commission and a survey consultant to survey granted Trust Lands, existing lease areas, proposed lease areas, and historic high tide line
- Brand and market the Pittsburg Waterfront

- Communicate with the community regarding waterfront development and activities
- Maintain communication with the California State Lands Commission and other federal, state, and local permitting agencies
- Seek and manage grants for preservation, environmental sustainability, and development
- Design and execute capital projects that implement the Trust Lands Use Plan and enhance the Trust Lands in a manner consistent with the Public Trust Doctrine for purposes of commerce, navigation, fisheries, recreation, and other public trust purposes

Accomplishments

- ✓ Executed first Commercial Waterfront Lease for a Bait Shop bringing in $8,520 in FY20 revenue
- ✓ Received an $800,000 EPA Brownfield Multipurpose Grant for assessment, remediation, and revitalization planning of brownfields
- ✓ Increased annual Pittsburg Fishing Derby participation by 23% from 2018 (76 anglers)
- ✓ 37 kayak and stand-up paddle board rentals in FY 2020
- ✓ Performed 2 environmental assessments on 2 underused brownfield sites (1.85 acres), prepared 4 sites for additional environmental assessments (5.2 acres), and completed a plan for environmentally responsible development (Soil Management Plan) of one brownfield site (2 acres)

Waterfront Goals

✓ Create and execute a Revitalization Plan for properties in Pittsburg with US EPA Grant funding to enhance public enjoyment and reduce existing environmental contamination of the waterfront and opportunities for economic development in alignment with the General and Trust Lands Use Plans.

Related City Goals:

- Increase efficiency of City operations and services through technology and streamlined processes.
- Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.

Strategies

- ✓ Conduct market and environmental assessments on brownfields, as well as stakeholder outreach, to determine greatest and practically attainable uses of sites and regions and build in flexible land use regulations that allow for innovation and streamlining
- ✓ Provide new and enhanced existing public recreational opportunities on underutilized brownfield sites

Performance Measures

- ✓ The City will seek to plan commercial, industrial, or residential revitalization for up to 550 acres of its approximately 1,400 acres of brownfields and underutilized sites

- ✓ The City will seek to increase its open space acreage by 10% through revitalization of portions of its 500 acres of brownfields that have been identified as open space

Activity Measure	FY 18/19	FY 19/20	FY 20/21 Projected
Execute recreational Trust Lands leases for noncompliant users.	1 new lease	1 new lease	3 new leases
Funds contributed to Marina Dredge CIP	$367,000	$50,000	$50,000
Annual Fishing Derby Participants	59	76	100
Host Waterfront Events	8	8	6
Delta Board Meeting Competitors	28 (actual)	0*	30

*Postponed due to COVID-19

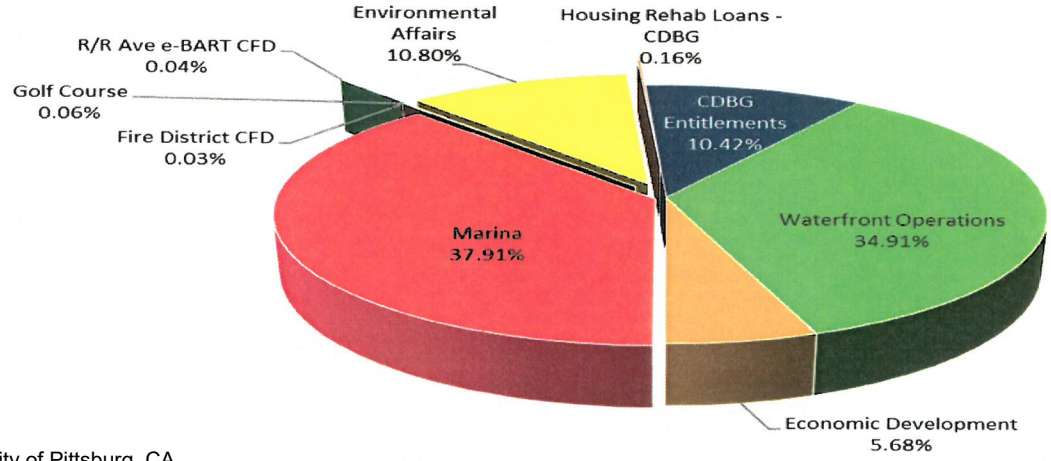
FY 2020 - 21 FUNDED POSITION ALLOCATIONS
Enterprise Services

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
CDBG Entitlements	0.55	0.55	0.40
Economic Development	0.45	0.95	1.15
Solid Waste	1.50	1.50	1.50
Marina	6.05	6.80	6.80
Waterfront Operations	4.75	3.75	3.85
TOTAL:	**13.30**	**13.55**	**13.70**

Detailed Program Budget
Enterprise Services

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	13.30	13.55	13.70	0.15	1.11%
SOURCES OF REVENUE					
Enterprise Funds	3,838,948	5,411,893	3,990,812	(1,421,081)	-26.26
Special Revenue Funds	2,755,678	3,477,626	2,837,608	(640,018)	-18.40
TOTAL SOURCES OF REVENUE	**$ 6,594,626**	**$ 8,889,519**	**$ 6,828,420**	**$ (2,061,099)**	**-23.19 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	1,104,257	1,126,792	1,183,532	56,740	5.04
Maintenance & Operations	660,671	713,768	1,042,309	328,541	46.03
Workers Compensation	71,799	55,521	48,367	(7,154)	-12.89
Materials & Supplies	616,572	943,990	444,425	(499,565)	-52.92
Pass Through Payments	(95,035)	-	-	-	-100.00
Contracts & Services	1,829,544	2,921,259	1,500,290	(1,420,969)	-48.64
Fringe Benefits	782,620	834,942	863,132	28,190	3.38
TOTAL USES - OPERATING EXPENDITURES	$ 4,970,428	$ 6,596,272	$ 5,082,055	$ (1,514,217)	-22.96 %
USES - OTHER EXPENDITURES					
Special Items of Expense	110,272	113,292	12,500	(100,792)	-88.97
TOTAL USES - OTHER EXPENDITURES	$ 110,272	$ 113,292	$ 12,500	$ (100,792)	-88.97 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	44,699	85,000	75,000	(10,000)	-11.76
Capital Outlay - Projects	2,908	1,466,627	40,000	(1,426,627)	-97.27
TOTAL USES - CAPITAL EXPENDITURES	$ 47,607	$ 1,551,627	$ 115,000	$ (1,436,627)	-92.59 %
USES - TRANSFERS-OUT					
Transfers-Out	714,978	1,030,486	1,236,359	205,873	19.98
TOTAL USES - TRANSFERS-OUT	$ 714,978	$ 1,030,486	$ 1,236,359	$ 205,873	19.98 %
TOTAL USES	**$ 5,843,285**	**$ 9,291,677**	**$ 6,445,914**	**$ (2,845,763)**	**-30.63 %**
USES BY PROGRAM RECAP					
Marina	1,957,826	3,029,093	2,443,564	(585,529)	-19.33
Golf Course	7,701	9,000	4,000	(5,000)	-55.56
Fire District CFD	1,835	2,232	2,028	(204)	-9.14
R/R Ave e-BART CFD	81,319	-	2,500	2,500	-100.00
Environmental Affairs	720,229	898,616	696,144	(202,472)	-22.53
Housing Rehab Loans - CDBG	147,721	120,374	10,000	(110,374)	-91.69
CDBG Entitlements	921,634	895,320	671,417	(223,903)	-25.01
CalHome Program	21,399	-	-	-	-100.00
Waterfront Operations	1,484,712	3,981,408	2,250,110	(1,731,298)	-43.48
Economic Development	498,909	349,634	366,151	16,517	4.72
Community Services Grants	-	6,000	-	(6,000)	-100.00
TOTAL USES BY PROGRAM RECAP	**$ 5,843,285**	**$ 9,291,677**	**$ 6,445,914**	**$ (2,845,763)**	**-30.63 %**

Enterprise Services - Uses by Division



➢ HOUSING AUTHORITY

HOUSING AUTHORITY – SECTION 8

HOUSING – SUCCESSOR AGENCY

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➢ HOUSING AUTHORITY

Overview

The Housing Authority of the City of Pittsburg (Housing Authority) provides rental subsidy to low income households to the extent of the maximum budget authority received from the United States Department of Housing and Urban Development (HUD) and awarded through an Annual Contributions Contract. The number of households assisted is based on funding and expenses. Rental assistance is granted in the form of a Housing Choice Voucher (Voucher or HCV) which families utilize to rent a unit of their choice. Factors determining program expenses include the number of Vouchers awarded, the average housing assistance payment, fair market rents established by HUD and administrative costs. Based on these factors, the Housing Authority's allocation is to assist 1,133 households, which include previously homeless Veterans.

Service Levels

- Develop program policies, guidelines, and procedures in accordance with federal regulations and state and local laws
- Prepare and submit mandatory HUD reports, including but not limited to the Five-Year Plan, Annual Plan, monthly Voucher Management System reports, monthly transmission of Family Reports and Administrative Plan revisions
- Maintain the balance of service deliverables within the federal grant for the HCV-Section 8 program which includes assistance for Veterans under the Veterans Affairs Supportive Housing (VASH) program and continue to collaborate with the Veterans Affair Department to fully utilize leasing under this program
- Respond to landlords and clients on issues, concern and/or complaints as they relate to the program services including HUD, group advocates and legal aid

Goals

CS 1- Provide services and housing opportunities that improve the quality of life for Pittsburg residents.

- ✓ Provide housing to as many families as possible with the funding received from HUD through the Section 8 program, and encourage property owners to participate in the Section 8 program so that there is a sufficient inventory of housing available to meet all types of needs
- ✓ House 10 persons or families per year from the waiting list, pending HUD funding

Accomplishments

- ✓ The Housing Authority was awarded a Certificate of Recognition from HUD for being a "High Performer" Housing Authority for 2019-20 and has been a high performer since 2007
- ✓ The Housing Authority successfully upgraded its client software to enhance efficiency of its operations and prepare for future technological innovations
- ✓ The Housing Authority successfully obtained increased subsidies for the program to protect families from future reductions in funding
- ✓ Homeownership participation increased, with one additional family a becoming homeowner: thereby increasing total home ownership to 14
- ✓ The Housing Authority were awarded 10 additional VASH Vouchers, increasing subsidies for the program to assist veteran families

Activity Measure	FY 18/19	FY 19/20	FY 20/21 Projected
Landlord Summits	1	1	Virtual
Rental Units Participating	995	956	893
Veterans Assisted Vouchers	170	175	185

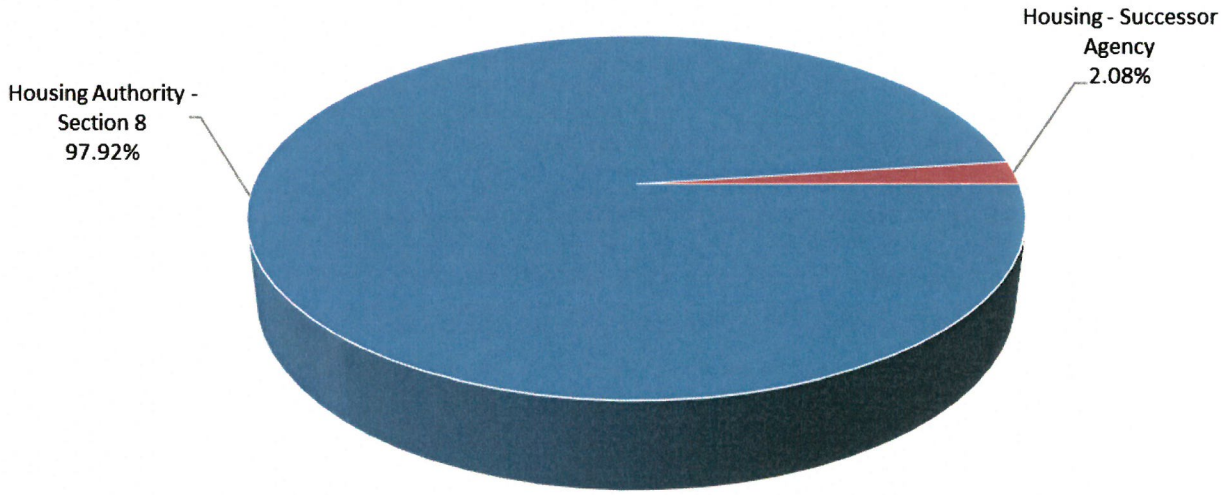
FY 2020 - 21 FUNDED POSITION ALLOCATIONS
Housing Authority

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Housing Authority - Section 8	6.65	6.65	6.65
RDA Housing - Administration	0.20	0.20	0.20
TOTAL:	**6.85**	**6.85**	**6.85**

Detailed Program Budget
Housing Authority

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	6.85	6.85	6.85	-	-
SOURCES OF REVENUE					
Special Revenue Funds	20,141,826	17,920,880	18,795,028	874,148	4.88
TOTAL SOURCES OF REVENUE	**$ 20,141,826**	**$ 17,920,880**	**$ 18,795,028**	**$ 874,148**	**4.88 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	525,286	488,198	544,223	56,025	11.48
Maintenance & Operations	295,374	345,971	359,188	13,217	3.82
Workers Compensation	34,241	25,246	22,253	(2,993)	-11.86
Materials & Supplies	21,545	25,628	18,680	(6,948)	-27.11
Contracts & Services	16,785,749	16,713,853	17,384,471	670,618	4.01
Fringe Benefits	408,945	396,769	449,246	52,477	13.23
TOTAL USES - OPERATING EXPENDITURES	$ 18,071,140	$ 17,995,665	$ 18,778,061	$ 782,396	4.35 %
USES - OTHER EXPENDITURES					
Special Items of Expense	-	500,000	-	(500,000)	-100.00
TOTAL USES - OTHER EXPENDITURES	$ -	$ 500,000	$ -	$ (500,000)	-100.00 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	47	-	-	-	-100.00
TOTAL USES - CAPITAL EXPENDITURES	$ 47	$ -	$ -	$ -	0.00 %
USES - TRANSFERS-OUT					
Transfers-Out	19,145	19,242	19,242	-	-
TOTAL USES - TRANSFERS-OUT	$ 19,145	$ 19,242	$ 19,242	$ -	0.00 %
TOTAL USES	**$ 18,090,332**	**$ 18,514,907**	**$ 18,797,303**	**$ 282,396**	**1.53 %**
USES BY PROGRAM RECAP					
Housing Authority - Section 8	17,816,667	17,603,064	18,406,848	803,784	4.57
Housing - Successor Agency	273,665	911,843	390,455	(521,388)	-57.18
TOTAL USES BY PROGRAM RECAP	**$ 18,090,332**	**$ 18,514,907**	**$ 18,797,303**	**$ 282,396**	**1.53 %**

Housing Authority - Uses by Division



➢ PITTSBURG POWER COMPANY

PITTSBURG POWER COMPANY

ISLAND ENERGY

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➢ PITTSBURG POWER COMPANY

Overview

Pittsburg Power Company ("PPC") is a Joint Powers Authority of the City of Pittsburg. PPC is defined as a Publicly Owned Utility ("POU"), a municipal utility as formed and defined under the California Constitution.

PPC operates and does business in two (2) separate locations:

1. Within the City of Pittsburg, developing revenue streams for the City of Pittsburg while working to retain existing businesses and attract new business developments. PPC has partnered with private enterprise to develop over $2 billion of energy and industrial projects in Pittsburg since its creation in 1996.

2. PPC manages the electric distribution and natural gas utility systems on Mare Island, Vallejo. PPC acquired the electric and gas utility distribution franchise from the US Navy in 1997. Since inception, PPC has performed these utility distribution services on Mare Island under the common name "Island Energy".

Currently, PPC is advancing several local energy and other projects currently in the developmental stage. In addition, PPC staff continues to support the evaluation of renewable and alternative energy projects to lower City of Pittsburg's annual electricity costs.

Service Levels

- Develop opportunities between the City, the community, businesses, and industries on potential business interest in energy development projects
- Review new business opportunities that become available to PPC through legislative changes and/or technical advances in the gas and electric industry
- Collaborate between and with various power and related energy agencies, regulatory groups and other public and private organizations.
- Continue providing effective electric and gas utility services to Mare Island commercial and residential customers.

Goals

CS-3: Seek and develop energy opportunities and provide reliable service at competitive prices

Related City Goal: Improve public facilities and infrastructure and increase beautification of City maintained areas.

Related City Goal: Continue economic development through strategic partnerships, promotion of diversified housing, and the retention and growth of new and existing businesses.

Develop a strategy and financial plan for serving new and existing electric load through Pittsburg Power Company within and adjacent to the City of Pittsburg.

PPC, via Island Energy, currently serves 21 GWH of annual electric load on Mare Island. By acquiring transmission and distribution assets within the City limits, PPC could potentially serve an additional 40 GWH/year (or more) of electric load at rates 2-3% below that of PG&E.

Accomplishments

✓ PPC Utility Operations-Island Energy

- Zero Crew Lost-time Accidents.
- Public Safety: New Fencing, facility lighting and security upgrades.
- Achieved High System Reliability: Four (4) key system backbone upgrades made, one (1) isolated customer outage.
- Economic Management: Load-loss reduction, significant revenue (metering) management improvements.
- Work Management: System Electrical single-lines completed, new work order process, safety protocols in place, facility upgrades completed.

Activity Measure	FY 18-19	FY 19-20	FY 20-21
CIP – Reliability	2	6	0
CIP – Regulatory	0	0	1
Customer Projects (Commercial)	2	4	2
Safety (Lost Time Accidents)	0	0	0

✓ PPC City of Pittsburg Operation

- The Future Build program, sponsored by PPC, admitted 46 students, 25 of whom graduated in November 2019 and 21 are still enrolled. The graduation rate for those completing in November was 100% and an employment rate of 60%, with graduates earning an average of $18.13 per hour. In person instruction for the 21 still enrolled was suspended due to the Shelter in Place Order and replaced to the extent possible with online learning. There is approximately 5 weeks of in-person instruction remaining before the 21 trainees can be certified as Future Build graduates.

Activity Measure	FY 19-20 Admitted	FY 19-20 Graduates	FY 19-20 % of Graduates
Future Build Graduates	46	25	60

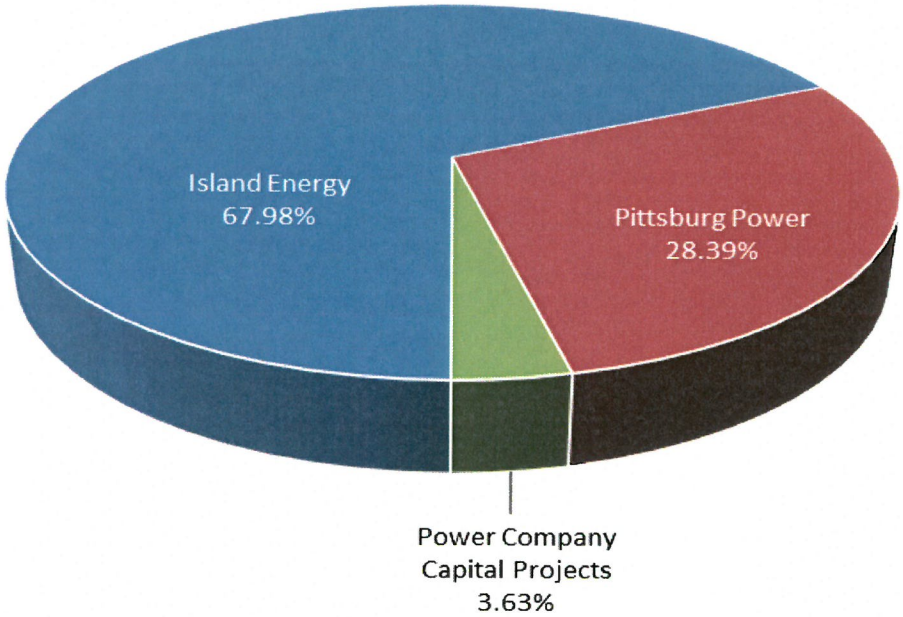
FY 2020 - 21 FULL TIME PERSONNEL ALLOCATIONS
Pittsburg Power Company

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Island Energy	10.25	11.50	11.60
Pittsburg Power	1.85	2.55	2.85
TOTAL:	**12.10**	**14.05**	**14.45**

Detailed Program Budget
Pittsburg Power Company

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	12.10	14.05	14.45	0.40	2.85%
SOURCES OF REVENUE					
Enterprise Funds	9,570,085	9,235,455	8,442,465	(792,990)	-8.59
TOTAL SOURCES OF REVENUE	**$ 9,570,085**	**$ 9,235,455**	**$ 8,442,465**	**$ (792,990)**	**-8.59 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	1,312,668	1,675,250	1,698,224	22,974	1.37
Maintenance & Operations	757,357	723,768	947,790	224,022	30.95
Workers Compensation	85,015	81,589	69,071	(12,518)	-15.34
Materials & Supplies	2,221,681	2,141,870	1,999,210	(142,660)	-6.66
Contracts & Services	1,498,243	2,318,846	1,368,642	(950,204)	-40.98
Fringe Benefits	803,143	1,020,813	1,092,507	71,694	7.02
TOTAL USES - OPERATING EXPENDITURES	$ 6,678,107	$ 7,962,136	$ 7,175,444	$ (786,692)	-9.88 %
USES - OTHER EXPENDITURES					
Special Items of Expense	-	51,000	-	(51,000)	-100.00
TOTAL USES - OTHER EXPENDITURES	$ -	$ 51,000	$ -	$ (51,000)	-100.00 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	346,258	639,193	-	(639,193)	-100.00
Capital Outlay - Projects	433,803	1,625,322	-	(1,625,322)	-100.00
TOTAL USES - CAPITAL EXPENDITURES	$ 780,061	$ 2,264,515	$ -	$ (2,264,515)	-100.00 %
USES - TRANSFERS-OUT					
Transfers-Out	758,818	758,989	813,739	54,750	7.21
TOTAL USES - TRANSFERS-OUT	$ 758,818	$ 758,989	$ 813,739	$ 54,750	7.21 %
TOTAL USES	**$ 8,216,986**	**$ 11,036,640**	**$ 7,989,183**	**$ (3,047,457)**	**-27.61 %**
USES BY PROGRAM RECAP					
Island Energy	5,424,304	6,226,754	5,430,825	(795,929)	-12.78
Pittsburg Power	2,082,866	3,250,679	2,268,358	(982,321)	-30.22
Power Company Capital Projects	709,816	1,559,207	290,000	(1,269,207)	-81.40
TOTAL USES BY PROGRAM RECAP	**$ 8,216,986**	**$ 11,036,640**	**$ 7,989,183**	**$ (3,047,457)**	**-27.61 %**

Pittsburg Power Company - Uses by Division



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➢ POLICE DEPARTMENT

OPERATIONS BUREAU

INVESTIGATIONS

SUPPORT SERVICES

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➢ POLICE DEPARTMENT

Overview

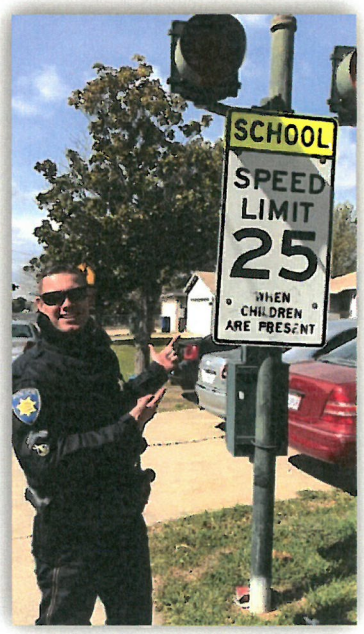
The protection of life and property is the Police Department's highest priority. To this end, the Department is committed to forging an alliance with the residents served by providing police services that are fair, professional, and respectful of the dignity of all individuals.

The Operations Bureau is responsible for the management of the Patrol Division and the Traffic Unit. The Patrol Division represents the largest component of the Police Department.

The Support Services Bureau is responsible for the management of the Investigations Division, Property/Evidence Division, Code Enforcement Division, Records Division, School Resource Officer Program, and the Gang/Vice Team. The Support Services Bureau also provides in-service training and certified courses to ensure compliance with Peace Officer Standards and Training (POST) and applicable educational mandates for all sworn and civilian police personnel.

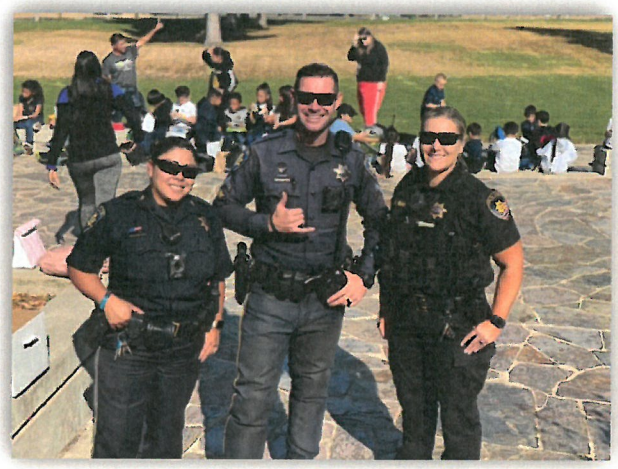
Service Levels

Operations Bureau:



- Serve in the critical capacity of first responder for approximately 80,000 calls-for-service annually
- Identify and develop solutions to community problems utilizing an array of government and community resources
- Provide proactive enforcement of the State's DUI and boating while intoxicated laws, including patrol saturation and sobriety checkpoints, to ensure the highest level of roadway and waterway safety
- Reduce traffic collisions and promote safe driving, traffic officers concentrate their efforts on regions within City that receive traffic complaints and where analysis of collision data identifies problem areas

- Serve the community in the capacity of School Resource Officers and Canine Officers, School Resource Officers operate in close partnership with the Pittsburg Unified School District, while Canine Officers are available for response to missing or lost persons, narcotic searches, firearm and explosive searches, felony suspect searches and various officer safety concerns



Support Services Bureau:

- Responsible for investigating the more complex and time-consuming criminal cases as well as thoroughly preparing cases for prosecution
- Provide security and control of seized, recovered, and evidentiary property as well as abandoned and lost and found property in the custody of the Police Department
- Serve as the central repository for all police reports, citations, and related police records

- Handle requests for public information regarding crime reports, auto accidents, restraining orders, arrests, etc.

GOALS:

Citywide Goal – Prioritize public safety, health, and welfare in the City Budget and when reviewing projects

- Establish proactive crime reduction strategies and utilize available data to identify priority enforcement areas

  - ✓ Evaluate the deployment of officers in the community on a monthly basis to optimize police presence in areas identified as higher-crime areas through available data, including theft, burglary, robbery and all violent crime

  - ✓ Identify and combat violent crime involving gang activity through specialized enforcement

  - ✓ Provide internal and external education of human trafficking and related crimes, provide officers with advanced training on identifying victims of human trafficking to include training from the School Resource Officers within the schools to educate student on indicators and methods criminals use to lure young people

  - ✓ Continue to develop a pilot program to reduce big box commercial shrinkage, protect the viability of multiple large businesses in the City; create a more enjoyable and safe shopping experience

- Develop a strategic plan to evaluate Police Department operations, guide department activities, and utilize technology to improve overall efficiency

  - ✓ Identify youth-oriented programs that seek to address at risk youth and provide intervention as necessary

  - ✓ Prepare an overall organizational Succession Plan that will provide direction on ensuring personnel is ready to lead the Department in the future. This will improve officer retention and allow the City to maintain experienced personnel

  - ✓ Utilize an independent auditor to provide an unbiased review of Department programs and make recommendations on program modifications that will enhance success, long term program enhancements will be gauged on crime reduction success, community engagement, or voluntary compliance, as applicable

  - ✓ Implement employee wellness mobile application to allow for resources related to the overall health and welfare of staff

- ✓ Explore technology for officers that would reduce the time required for report writing thus allowing officers to remain focused on crime prevention

Citywide Goal: Improve the quality of life for all Pittsburg residents

- ✓ Foster collaboration, coordination, and partnerships throughout the community
- ✓ Develop additional venues for forums to promote communication with groups in the community allowing for direct feedback, keep communication consistent by frequently checking-in with various groups in the community, these groups include the school districts, faith-based groups, and non-governmental organizations that provide services in the community
- ✓ Provide information and allow for feedback on all social media platforms; place enhanced emphasis on utilizing social media for educational programs and community interaction
- ✓ Develop partnerships for community-led messaging that seeks to reduce crime and violence throughout the City, explore all technology that allows for community interaction and evaluating the services provided by the department

The following are indicators of the types and volume of activities occurring within this program:

Activity Measure	Calendar Year 2017	Calendar Year 2018	Calendar Year 2019	Change from 2018
OPERATIONS BUREAU				
Calls for Service	80,631	80,133	87,517	9.21%
Arrests	3,329	2,808	4,127	46.97%
Traffic Citations	5,428	4,461	10,468	134.66%
Guns Recovered	156	238	158	-33.61%
Total Part I Crime*	30.6	29.4	29.3	-0.34%
Total Violent Crime*	4.9	5.8	6.2	6.90%
SUPPORT SERVICES BUREAU				
Public Records Act Requests	19	61	78	27.87%
PRA – Police Report Requests	2,852	3,384	3,293	-2.69%

** Per 1,000 residents (Part I Crime includes murder, rape, robbery, aggravated assault, burglary, larceny vehicle theft and arson, Violent Crime includes, murder, rape, robbery and aggravated assault)*

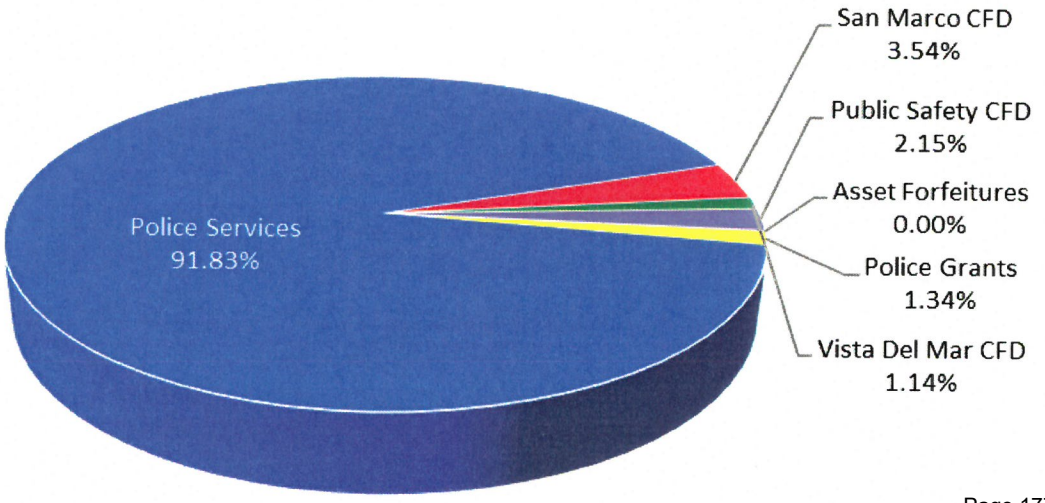
FY 2020 - 21 FULL TIME PERSONNEL ALLOCATIONS
Police Department

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Police - Admin & Support Services	7.00	7.00	7.00
Police - Family Justice Center	0.20	0.20	0.20
Police - Investigations	14.80	13.80	13.80
Police - Operations Bureau	72.00	70.00	70.00
Police - Support Services	16.00	19.00	16.00
TOTAL:	**110.00**	**110.00**	**107.00**

Detailed Program Budget
Police Department

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	110	110	107	-3.00	-2.73%
SOURCES OF REVENUE					
General Fund	9,801,733	9,736,398	7,767,525	(1,968,873)	-20.22
Special Revenue Funds	3,470,989	3,481,605	2,566,700	(914,905)	-26.28
TOTAL SOURCES OF REVENUE	**$ 13,272,722**	**$ 13,218,003**	**$ 10,334,225**	**$ (2,883,778)**	**-21.82 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	13,287,841	13,550,349	12,583,442	(966,907)	-7.14
Maintenance & Operations	2,418,694	2,746,716	2,584,041	(162,675)	-5.92
Workers Compensation	844,899	753,525	530,908	(222,617)	-29.54
Materials & Supplies	299,116	397,693	331,300	(66,393)	-16.69
Contracts & Services	3,584,909	2,417,084	2,326,827	(90,257)	-3.73
Fringe Benefits	8,800,463	9,530,934	9,120,222	(410,712)	-4.31
TOTAL USES - OPERATING EXPENDITURES	$ 29,235,922	$ 29,396,301	$ 27,476,740	$ (1,919,561)	-6.53 %
USES - OTHER EXPENDITURES					
Special Items of Expense	4,363	5,000	-	(5,000)	-100.00
TOTAL USES - OTHER EXPENDITURES	$ 4,363	$ 5,000	$ -	$ (5,000)	-100.00 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	664,751	1,879,255	-	(1,879,255)	-100.00
TOTAL USES - CAPITAL EXPENDITURES	$ 664,751	$ 1,879,255	$ -	$ (1,879,255)	-100.00 %
USES - TRANSFERS-OUT					
Transfers-Out	2,250,553	2,294,688	2,430,000	135,312	5.90
TOTAL USES - TRANSFERS-OUT	$ 2,250,553	$ 2,294,688	$ 2,430,000	$ 135,312	5.90 %
TOTAL USES	**$ 32,155,589**	**$ 33,575,244**	**$ 29,906,740**	**$ (3,668,504)**	**-10.93 %**
USES BY PROGRAM RECAP					
Police Services	28,347,673	29,798,510	27,462,040	(2,336,470)	-7.84
San Marco CFD	1,028,824	1,139,200	1,060,000	(79,200)	-6.95
Vista Del Mar CFD	425,690	380,800	340,700	(40,100)	-10.53
Public Safety CFD	617,678	570,100	644,000	73,900	12.96
Asset Forfeitures	40,383	15,000	-	(15,000)	-100.00
Police Grants	1,695,341	1,671,634	400,000	(1,271,634)	-76.07
TOTAL USES BY PROGRAM RECAP	**$ 32,155,589**	**$ 33,575,244**	**$ 29,906,740**	**$ (3,668,504)**	**-10.93 %**

Police Departement - Uses by Division



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➢ PUBLIC WORKS – MAINTENANCE SERVICES

CITYWIDE STREET LIGHTING

CITYWIDE STREET & CONCRETE MAINTENANCE

CITYWIDE STREET TREES

GRAFFITI REMOVAL

CITYWIDE LANDSCAPE & PARK MAINTENANCE

BUILDING MAINTENANCE

FLEET MAINTENANCE

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➢ PUBLIC WORKS - MAINTENANCE SERVICES

Overview

The Public Works Department is responsible for the operation and/or maintenance of City facilities and infrastructure. The Public Works Maintenance Services Department maintains within the limits of respective budgets all City streets, storm drains, landscaping, Park facilities and City-owned buildings.

Service Levels

Administration:

- Provide planning, direction, personnel, and training to the maintenance and operations divisions of the Public Works Department
- Review new projects related to utilities, streets, landscape, parks, traffic signals, and storm drain facilities

Citywide Street Lighting:

- Perform Citywide monthly nighttime street light inspections to identify inoperative or malfunctioning lights including inspections of City owned parking lots and facilities
- Replace City owned light poles damaged by vehicular accidents
- Prepare and forward to PG&E a list of non-operable PG&E maintained streetlights requiring repair, and monitor these streetlights for compliance
- Construct and install a limited number of new streetlight poles in areas that do not have efficient lighting in order to resolve customer complaints pertaining to City rights-of-way, parking lots and streets including the use of solar powered street lights to reduce electrical power consumption and operating costs
- Repair underground electrical conductors and replace conductors stolen by thieves taking the wire for scrap/recycling value

Concrete:

- Mark any sidewalk lifts in orange paint and schedule the repairs of damaged sidewalks, curbs, and gutters based on the severity of damage and its potential for contributing to personal injury as budget allows

- Work with the Engineering Department to educate the public on the responsibility for curb, gutter, and sidewalk damage not caused by city street trees and notify private property owners to repair damaged sidewalk fronting on their property when damage is not street tree or utility related

Street Trees:

- Provide oversight and direction to tree service companies performing work for the City of Pittsburg
- Deploy one tree crew to respond to service calls for large trees and to dedicate the second crew to various neighborhoods for a concentrated impact on one area
- Respond to tree failure emergencies due to storms, vehicle accidents, etc.

Graffiti Removal:

- Inspect and respond to graffiti incidents both private and public throughout the City with most graffiti removed within 24 hours
- Work with Code Enforcement to log and identify serial taggers for future recovery of costs associated with Graffiti Removal and to help in prosecution

Citywide Landscape and Parks:

- Responsible for the grounds care of municipal landscaping which includes 152 acres of parks, 67 acres of medians, 17.5 acres of right-of-ways and 13 acres of facilities
- Maintain grounds, picnic areas, ball fields and facilities at each of the 26 parks within the City

Swim Center Maintenance:

- Maintain the pool, associated equipment, and facilities according to State standards

Accomplishments

- ✓ Converted 2,000 lineal feet of old, leaking galvanized irrigation pipe to PVC pipe at City Park Davi Fields, providing a more efficient watering system
- ✓ Installed 600 feet of asphalt pedestrian path in City Park to provide easier pedestrian access in the park
- ✓ Replaced two baseball field backstops in Davi Fields
- ✓ Removed turf, replaced damaged irrigation, and installed drought tolerant landscaping in medians along Meadows Avenue

- ✓ Used approximately $300,000 of funds for homeless cleanup throughout the city over the course of 12+ months

Goals

PW-1: Improve maintenance and operational efficiency throughout the park system by implementing a Citywide Landscape Plan

***Related City Goal**: Increase efficiency of City operations and services through technology and streamlined processes.*

***Related City Goal**: Improve the quality of life for all Pittsburg residents.*

✓ Create and present to City Council a Citywide Landscape Plan that will detail park facilities, landscape, lighting, cameras, signage and maintenance, long term, the Landscape Plan will be utilized to help increase efficiency of staff and resources within the Citywide Park System

➢ PUBLIC WORKS – BUILDING MAINTENANCE

Overview

Building Maintenance sustains and/or oversees maintenance and service contracts for all or part of 23 City-owned buildings. Building Maintenance is charged with exploring avenues to reduce cost while providing enhanced user functionality and greater community access. User charges to respective departments provide the revenues to support the Building Maintenance function; these charges are described as "Building – Allocated Costs".

Service Levels

Inspection:

- Inspect janitorial service performed at four sites per the contracted scope of work, meet with the janitorial service site manager regarding complaints, and provide/coordinate required staffing for other City sites
- Inspect the maintenance and repairs of elevators at the Civic Center, California Theatre and Plaza Marina as performed by contractor, schedule the annual permit inspection with the State of California and maintain respective records
- Perform Heating, Ventilation and Air Conditioning (HVAC) controls and maintenance contract scheduling, authorize major repair work not performed under contract, and maintain required maintenance records, oversee contractor inspection, maintenance and repairs for all City sites

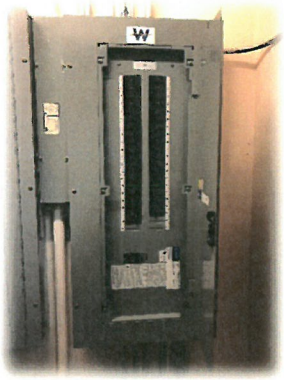
Maintenance:

- Maintain the fire alarm monitoring system at the Civic Center, Plaza Marina, California Theatre and Senior Center to meet State regulatory requirements, schedule/contract quarterly contractor inspection, inspect all repairs and maintain required records
- Maintain the security monitoring system and system support for eight locations, including the Civic Center and the Senior Center, and schedule respective inspections

- Contract required repairs to fire sprinkler system, schedule the annual inspection for re-certification and fire extinguisher service for the Civic Center, Senior Center and other facilities
- Provide monthly pest control service at City facilities
- Schedule annual testing for certification and maintenance of Fire/Roll-down doors at the Civic Center
- Provide general building maintenance services including the removal of recyclable materials, janitorial outside of contract scope, work area modification, roofing, moving of furniture, routine electrical repairs and upgrades, after hours and weekend building access, building security system and key control, set-up of meeting rooms, set up and maintenance of the Civic Center lobby area and Council Chambers for various events, plumbing repair and maintenance, vector control, minor painting and roof repairs
- Assist other departments with respective property management, projects, and building maintenance needs

Accomplishments

✓ Upgraded deficient electrical subpanels and panel at City Hall to provide efficient power to the buildings and server rooms.



Building Maintenance Responsibility	
Number of City-Owned Buildings Maintained	23
Approx Cumulative Square Footage of City Buildings	146,500
Number of Fire Alarm Monitoring Systems Maintained	4
Number of Security Alarm Monitoring Systems Maintained	8

➢ PUBLIC WORKS – FLEET MAINTENANCE

Overview

Fleet Maintenance is responsible for the maintenance of over 258 vehicles and pieces of equipment. This includes 29 police patrol cars, 16 sedans, 5 motorcycles, 47 heavy-duty trucks and construction equipment, and 94 light-duty and medium-duty trucks, vans and SUVs, and other pieces of equipment (compressors, mowers, train, carousel, etc.).

Fleet Maintenance prepares and implements a preventative maintenance schedule for all City-owned vehicles. This division also prepares recommendations for replacement of vehicles based upon maintenance history and reliability, and subsequently prepares specifications for bids. User charges to respective departments provide the revenues which support the Fleet Maintenance function; these charges are described as "Fleet Maintenance Allocated Costs".

Service Levels

- Ensure vehicle service turn-around time is four hours or less 90% of the time
- Service Police vehicles every six weeks
- Service light trucks and cars every three months or 5,000 miles
- Service heavy equipment (backhoes, Vac-Con, etc.) every 200 hours
- Complete a weekly inspection of amusement rides at Small World Park during the operational season

Fleet Maintenance Responsibility	
Number of Police Patrol Cars	29
Routine Service for Patrol Cars Approx. 7 times per year)	203
Number of Police Motorcycles	5
Number of City Sedans, Light-Duty and Medium-Duty Trucks and Vans	110
Routine Service for Sedans, Light-Duty and Medium Duty Trucks and Vans (3 times per year)	330
Heavy-Duty Trucks and Other Heavy Equipment	47
Routine Service for Heavy-Duty Trucks and Other Heavy Equipment (2 times per year)	94
Miscellaneous Equipment (i.e. compressors, mowers, amusement park rides)	66

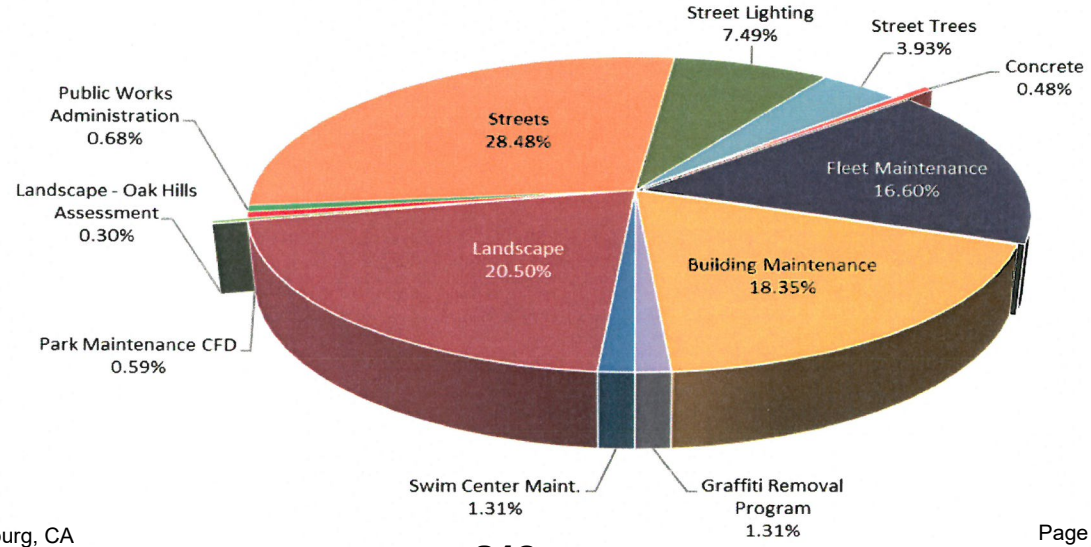
FY 2020 - 21 FULL TIME PERSONNEL ALLOCATIONS
Public Works - Maintenance Services

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Building Maintenance	4.25	5.45	6.80
Citywide Concrete Program	0.10	0.10	0.10
Citywide Landscape	8.65	9.65	10.65
Citywide Street Lighting	1.30	1.30	1.30
Citywide Street Trees	2.50	2.50	2.50
Fleet Maintenance	3.55	3.55	3.50
Graffiti Removal Program	1.15	1.20	1.20
NPDES - Storm Drain Clean-Up	2.65	2.90	3.90
Park Maintenance CFD 2007-1	0.25	0.25	0.25
Public Works/Streets	13.05	12.75	13.35
TOTAL:	**37.45**	**39.65**	**43.55**

Detailed Program Budget
Public Works – Maintenance Services

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	37.45	39.65	43.55	3.90	9.84%
SOURCES OF REVENUE					
General Fund	1,958,268	1,999,016	1,980,140	(18,876)	-0.94
Internal Service Funds	3,902,724	4,160,883	4,034,363	(126,520)	-3.04
Special Revenue Funds	4,250,927	4,368,195	4,206,202	(161,993)	-3.71
TOTAL SOURCES OF REVENUE	**$ 10,111,919**	**$ 10,528,094**	**$ 10,220,705**	**$ (307,389)**	**-2.92 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	3,070,962	3,050,781	3,474,021	423,240	13.87
Maintenance & Operations	2,746,248	3,103,265	3,349,578	246,313	7.94
Workers Compensation	198,506	168,025	130,051	(37,974)	-22.60
Materials & Supplies	1,231,994	1,355,177	1,338,200	(16,977)	-1.25
Contracts & Services	764,942	1,460,711	1,003,172	(457,539)	-31.32
Fringe Benefits	1,990,112	2,091,264	2,340,644	249,380	11.92
TOTAL USES - OPERATING EXPENDITURES	$ 10,002,764	$ 11,229,223	$ 11,635,666	$ 406,443	3.62 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	1,024,960	198,000	59,500	(138,500)	-69.95
TOTAL USES - CAPITAL EXPENDITURES	$ 1,024,960	$ 198,000	$ 59,500	$ (138,500)	-69.95 %
USES - TRANSFERS-OUT					
Transfers-Out	134,557	1,232,365	632,365	(600,000)	-48.69
TOTAL USES - TRANSFERS-OUT	$ 134,557	$ 1,232,365	$ 632,365	$ (600,000)	-48.69 %
TOTAL USES	**$ 11,162,281**	**$ 12,659,588**	**$ 12,327,531**	**$ (332,057)**	**-2.62 %**
USES BY PROGRAM RECAP					
Swim Center Maint.	160,509	169,540	161,576	(7,964)	-4.70
Landscape	2,694,403	2,868,344	2,527,363	(340,981)	-11.89
Landscape - Oak Hills Assessment	35,175	37,328	36,605	(723)	-1.94
Park Maintenance CFD	76,466	89,533	72,585	(16,948)	-18.93
Public Works Administration	90,322	101,014	83,476	(17,538)	-17.36
Streets	2,366,113	3,020,620	3,510,624	490,004	16.22
Street Lighting	754,709	948,009	922,821	(25,188)	-2.66
Street Trees	437,881	468,385	484,118	15,733	3.36
Concrete	39,673	57,523	59,511	1,988	3.46
Fleet Maintenance	2,633,399	2,141,325	2,045,981	(95,344)	-4.45
Building Maintenance	1,726,109	2,578,991	2,261,559	(317,432)	-12.31
Graffiti Removal Program	147,522	178,976	161,312	(17,664)	-9.87
TOTAL USES BY PROGRAM RECAP	**$ 11,162,281**	**$ 12,659,588**	**$ 12,327,531**	**$ (332,057)**	**-2.62 %**

Public Works Maintenance Services - Uses by Division



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➢ PUBLIC WORKS – WATER AND SEWER SYSTEM ENTERPRISES

WATER LINES

WATER TREATMENT PLANT

SEWER MAINTENANCE

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➢ PUBLIC WORKS – WATER AND SEWER SYSTEM ENTERPRISES – WATER

Overview

The Water Distribution Maintenance Division is responsible for the repair and maintenance of the water distribution system needed to meet all State of California Department of Public Health's water distribution system regulations.

The Water Treatment Plant provides management, operation and maintenance of the City's thirty-two million gallon per day water treatment plant, eight distribution reservoirs, nine pumping stations and two wells to reliably provide adequate supplies of highest quality drinking water that meets or exceeds all Federal and State requirements.

Service Levels

Water Lines:

- Maintain and perform scheduled and emergency repairs on approximately 228 miles of water mains, 6,000 isolation valves, 18,817 customer service lines and meters, and 1,850 fire hydrants to maintain system reliability
- Manage Hydrant Flushing/Valve Exercising Program, Backflow Prevention Program (State Mandated): Provide record keeping, enforcement, repairs, testing and installations of 1,262 backflow prevention devices
- Provide monthly water meter reading for customer billing, meter replacement and repairs, service turn-on/shut-off, and respond to customer service complaints and service emergencies
- Continue to install Automatic Meter Reading System at a rate of about 1,300 meters per year

Water Treatment Plant:

- Operate the Water Treatment Plant, adjusting water production to meet system demand and maintain adequate system pressure
- Test water on a regular basis to ensure that the water produced meets or exceeds all Federal and State standards

- Utilize the SCADA (Supervisory Control and Data Acquisition) system to monitor the distribution system, reservoirs, pumping stations and wells; and adjust the chemical feed system to maintain optimum water quality
- Provide for the maintenance and repair of the water treatment plant, two wells, eight reservoirs and nine pumping stations that include 27 vertical turbine pumps and motors with capacities to 6,000 gallons per minute

Goals

PW-2: Complete Annual Water Loss Audit of the water treatment and distribution system to identify areas of loss in the system.

Related City Goal: *Increase efficiency of City operations and services through technology and streamlined processes*

- ✓ Conduct meter accuracy tests annually on 2 Master Production meters at the Water Treatment Plant and 8 of the large water meters in the distribution system to locate and mitigate water losses, providing customers with an efficient an effective water distribution system and safe drinking water
- ✓ Initiate and implement a customer meter accuracy testing program of 1%-2% of the small and large water meters in the water distribution system

Accomplishments

- ✓ Completed ninth year of the program to install Automatic Meter Reading System to improve accuracy and efficiency of meter reading, converted over 1,300 meters to AMR System, achieving approximately 88% of the meter inventory conversion
- ✓ Volumetric accuracy testing of the two Master Supply Meters at the Water Treatment Plant

Old Meter

New Meter

Water Maintenance Responsibility	
Water Distribution System (in miles)	228
Fire Hydrants	1,850
Water Isolation Valves	6,000
Water Meter Conversions to Automatic System Completed (1,500 annual goal)	13,500
Water Customer Service Lines and Meters	18,817

➢ PUBLIC WORKS – WATER AND SEWER SYSTEM ENTERPRISES – SEWER

Overview

Sewer Maintenance is responsible for the maintenance and repair of 176 miles of sewer mains, two sewer lift stations and 17,000 sewer laterals (80 miles) within the City of Pittsburg rights-of-way.

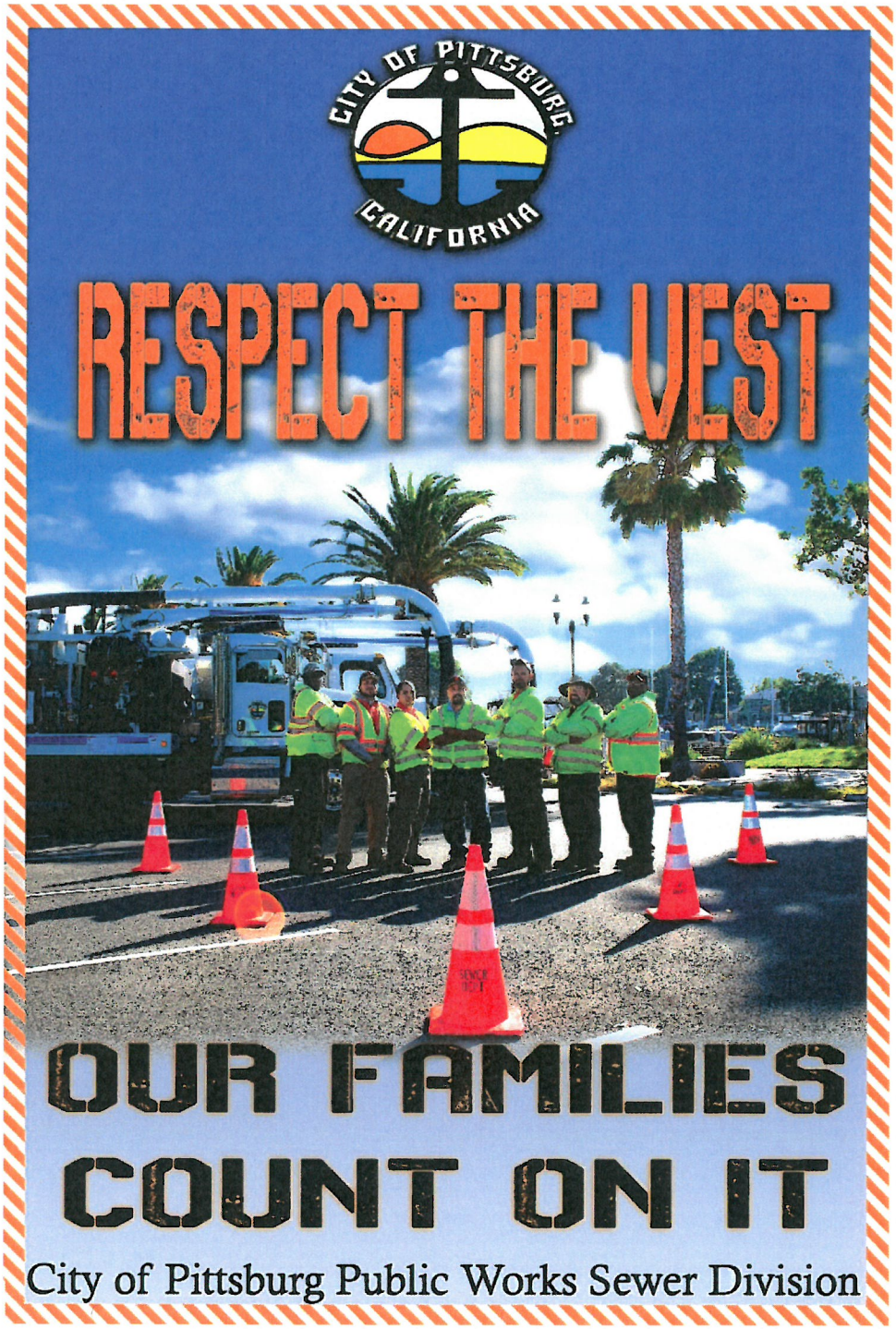
Service Levels

- Provide cleaning for 154 miles of sewer mains and manholes in the sewer system
- Rotate through four maintenance zones each year as part of a comprehensive Preventative Maintenance Program (PMP), routine work includes root cutting and video inspections of main lines and laterals, efficiently pinpoint problems and chronic areas using CCTV truck
- Provide preventative cleaning for 18 miles of problem sewer lines that have been identified with chronic or regularly reoccurring problems, chronic sewer line problems result in increased operating costs, but this added maintenance on weekly, monthly or quarterly basis is intended to prevent overflows until these lines can be replaced as part of a Capital Improvement Program project
- The City has responsibility for repairs and/or replacement for sewer laterals within the City's right-of-way (lower laterals), city staff responds to lateral blockages and conducts video inspections and schedules repair or replacement if problem is in the lower lateral

Accomplishments

✓ Evaluated approximately 110,000 linear feet of sewer and storm drain lines with the CCTV truck to identify mainline problems, confirm new installations/replacements, and identify overflows and pipe deficiencies before they become issues

Sewer Maintenance Responsibility	
Sewer Main Collection System (in miles)	178
Sewer Lateral Service Lines	18,780
Annual Sanitary Sewer and Storm Drain Maintenance Inspection Goal (in linear feet)	38,000



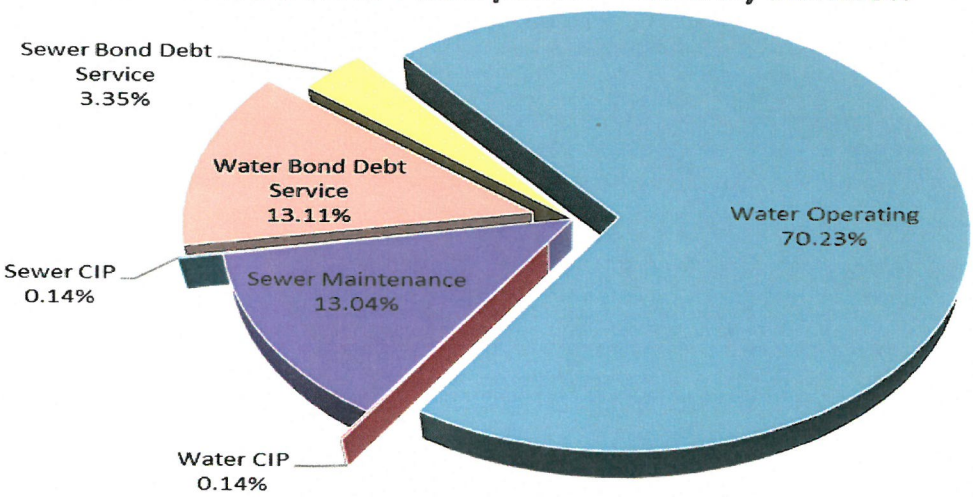
FY 2020 - 21 FULL TIME PERSONNEL ALLOCATIONS
Public Works - Water and Sewer Systems Enterprises

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Water Operating	32.60	32.60	30.65
Sewer Maintenance	8.40	9.90	9.00
TOTAL:	**41.00**	**42.50**	**39.65**

Detailed Program Budget
Public Works – Water and Sewer Enterprises

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	41.00	42.50	39.65	-2.85	-6.71%
SOURCES OF REVENUE					
Capital Projects Funds	578	560	280	(280)	-50.00
Debt Service	194,644	28,000	14,000	(14,000)	-50.00
Enterprise Funds	29,442,045	38,281,051	28,959,608	(9,321,443)	-24.35
TOTAL SOURCES OF REVENUE	**$ 29,637,267**	**$ 38,309,611**	**$ 28,973,888**	**$ (9,335,723)**	**-24.37 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	3,853,201	4,033,250	3,876,414	(156,836)	-3.89
Maintenance & Operations	2,745,167	3,101,128	3,076,767	(24,361)	-0.79
Workers Compensation	248,477	209,473	159,480	(49,993)	-23.87
Materials & Supplies	7,068,250	8,119,808	8,457,995	338,187	4.16
Contracts & Services	279,260	568,856	462,800	(106,056)	-18.64
Fringe Benefits	2,584,471	2,801,171	2,729,972	(71,199)	-2.54
TOTAL USES - OPERATING EXPENDITURES	$ 16,778,826	$ 18,833,686	$ 18,763,428	$ (70,258)	-0.37 %
USES - OTHER EXPENDITURES					
Debt Service	3,958,372	3,971,193	3,955,554	(15,639)	-0.39
TOTAL USES - OTHER EXPENDITURES	$ 3,958,372	$ 3,971,193	$ 3,955,554	$ (15,639)	-0.39 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	29,683	128,249	70,000	(58,249)	-45.42
Capital Outlay - Projects	2,527,737	22,232,342	-	(22,232,342)	-100.00
TOTAL USES - CAPITAL EXPENDITURES	$ 2,557,420	$ 22,360,591	$ 70,000	$ (22,290,591)	-99.69 %
USES - TRANSFERS-OUT					
Transfers-Out	1,463,034	11,029,853	1,245,786	(9,784,067)	-88.71
TOTAL USES - TRANSFERS-OUT	$ 1,463,034	$ 11,029,853	$ 1,245,786	$ (9,784,067)	-88.71 %
TOTAL USES	**$ 24,757,652**	**$ 56,195,323**	**$ 24,034,768**	**$ (32,160,555)**	**-57.23 %**
USES BY PROGRAM RECAP					
Water Operating	14,661,821	22,921,194	16,879,472	(6,041,722)	-26.36
Water CIP	514,706	1,995,881	32,553	(1,963,328)	-98.37
Water Facility Reserve Fee Funds	192,207	3,904,703	-	(3,904,703)	-100.00
Sewer Maintenance	2,928,533	3,185,692	3,134,636	(51,056)	-1.60
Sewer CIP	2,419,701	17,579,547	32,553	(17,546,994)	-99.81
Sewer Facility Reserve Fee Funds	82,312	943,113	-	(943,113)	-100.00
Water Bond Debt Service	3,153,260	4,861,764	3,150,300	(1,711,464)	-35.20
Sewer Bond Debt Service	805,112	803,429	805,254	1,825	0.23
TOTAL USES BY PROGRAM RECAP	**$ 24,757,652**	**$ 56,195,323**	**$ 24,034,768**	**$ (32,160,555)**	**-57.23 %**

Water and Sewer Enterprises - Uses by Division



➢ RECREATION PROGRAMS

ADMINISTRATION

AQUATICS

SENIOR CENTER

SMALL WORLD PARK

CALIFORNIA THEATER

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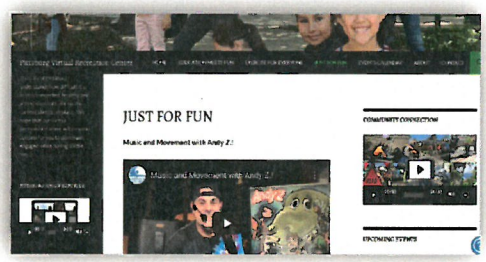
➢ RECREATION

Overview

The Recreation Department historically presents programs and services including aquatics, senior services, youth sports, and the seasonal operation of Small World Children's Amusement Park. These programs and services enhance the quality of life for all age groups of residents in the City of Pittsburg. Administration of programs helps to support City development, encourage community image, and promote social interaction and a positive sense of community.

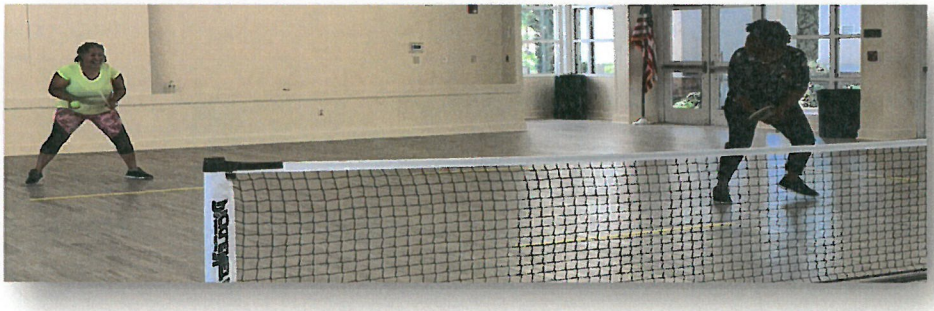
The Recreation Department has had to make changes to our services and how we offer those services in the midst of the Contra Costa County Shelter in Place Orders due to the Coronavirus Pandemic (COVID-19).

For Fiscal Year 2020-21, residents will see a reduction in many of our traditional services such as, sports, classes, programs, and events. However, there will be an increase in new virtual services, personal development, and overall wellness. Reduced services are expected to return for residents in the Spring of 2021.



New programs for 2020-21 will include recreational sports programs for both youth and adults in late spring of 2021, increased focus on community art projects, and a Virtual Recreation Center for programs, classes, activities and more.

The Senior Center Division is responsible for the successful administration, programming, and operation of the Senior Center. Pittsburg residents, age fifty and older are provided with activities that improve their quality of life. The mission of the staff is to keep participants active and informed. This is accomplished through partnerships with Pittsburg Adult Education, Contra Costa County, AARP, John Muir Health, Senior Legal Services, Senior Outreach Services and the CC Café.



Small World Children's Amusement Park looks to operate on a reduced schedule in late summer 2020 with full operation resuming in late spring 2021. Buchanan Swim Center located in Buchanan Park will open to the public in the summer of 2020 but looks to resume operation in the late spring 2021.

Service Levels

Administration:

- Provide direction, planning, and administration for all recreation services programs, activities, and community events

Senior Center:

- Provide various activities and programs for our residents ages 50+ year at the Senior Center each year which includes exercise programs, financial counseling, crafts, special excursions, health management, social events, and substantial focus on meals and wellness

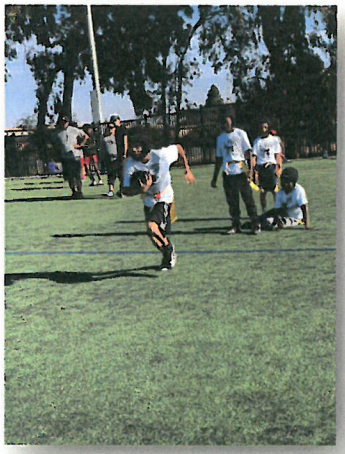
Goals

✓ Provide high quality recreational programs and services throughout the community that provide fun, educational, accessible and safe environments for people of all ages and abilities

✓ Foster collaboration, coordination, and partnerships throughout the community

✓ Employ an ongoing system of organizational evaluation

Accomplishments



✓ Provided for new and expanded youth programs
- Youth Flag Football
- Junior Kings Basketball
- Multi-Media Internship
- Pittsburg Summer Youth Corps
- Kumon Summer Math Skills Program

✓ Continued programs and activities for Pittsburg Seniors

- ✓ Celebrated 65th Anniversary of Decommissioning of Camp Stoneman
- ✓ Enhancements to Pittsburg Senior Center and Small World Park for safety and security
- ✓ Completed first basketball court mural in California Seasons
- ✓ Provided for a holiday ice rink in Old Town
- ✓ Partnered with Food Crew for Eats and Beats Food Truck event at Ray Giacomelli Park
- ✓ Re-opened the 2nd floor counter to the public
- ✓ Expanded party area at Buchanan Swim Center
- ✓ Upgraded security and camera system at Buchanan Swim Center

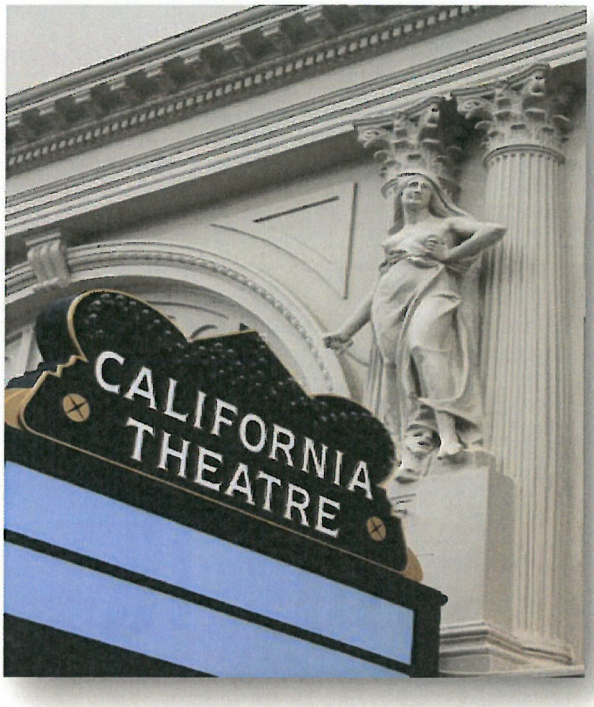
The following are indicators of the types and volume of activities occurring within this program.

Activity Measures	FY 18/19 Actual	FY 19/20 Estimate	FY 20/21 Projected
Aquatic Center Gate Attendance	10,034	5,340	*5,500**
Small World Park Gate Attendance	12,365	14,208	*7,000**
Senior Center Nutrition/Exercise Class Participants	13,260	12,000	*6,000**
Community Events Hosted**	33	43	*15**
Community Events Hosted in Collaboration with other City Departments and Organizations	17	16	*5**

**Numbers reduced due to COVID-19 Shelter In Place*
***Does not include Farmer's Market*

➢ CALIFORNIA THEATRE

Overview

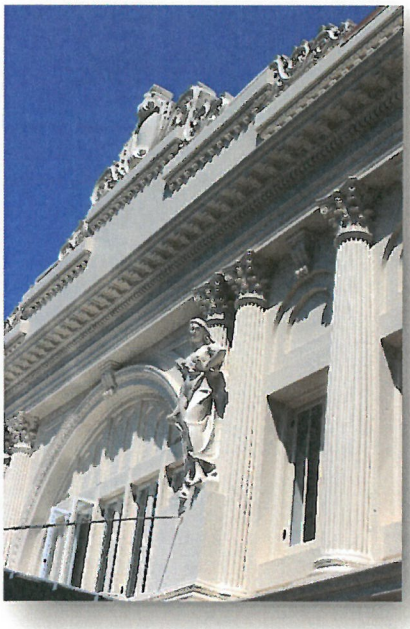


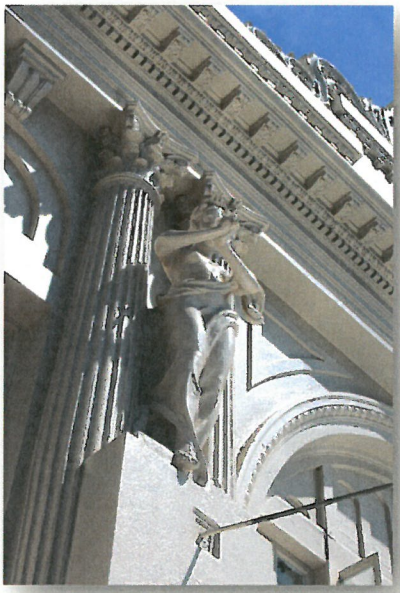
The California Theatre is a 330-seat historic theater in the heart of the City's Old Town commercial district. Located at 351 Railroad Avenue, the building is an architectural gem in the downtown.

Built in 1920, the theater was once a premiere spot for live vaudeville performances and silent films. As entertainment tastes changed, the theater fell into disrepair and closed in 1954. After an extensive $8 million renovation project, the theater re-opened as a City facility in 2013.

The California Theatre is home to community theater, concerts, comedy shows, school graduations and public meetings. Each summer, a youth performing arts camp trains the next generation of performers on the historic stage.

Event films, including classics and moving documentaries, draw crowds to the venue. The theater has excellent acoustics and sightlines.





Service Levels

- The theater has a box office, dressing rooms and an auditorium, where each seat provides a completely unobstructed view of the stage
- A project to renovate the balcony to add approximately 150 seats is being designed and, once complete, will expand this beautifully restored performing arts venue

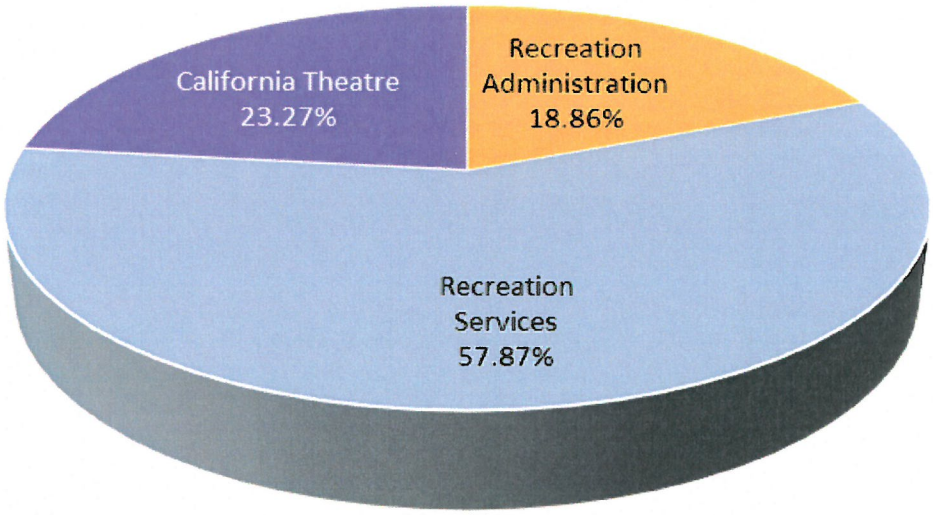
FY 2020 - 21 FULL TIME PERSONNEL ALLOCATIONS
Recreation

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
Recreation-Admin	0.75	1.70	1.10
Recreation - Sports	1.15	1.15	1.15
Recreation - Senior Center	2.00	2.00	2.00
TOTAL:	**3.90**	**4.85**	**4.25**

Detailed Program Budget
Recreation

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	3.90	4.85	4.25	-0.60	-12.37%
SOURCES OF REVENUE					
General Fund	972,830	992,367	630,498	(361,869)	-36.47
Special Revenue Funds	480,259	503,788	315,330	(188,458)	-37.41
TOTAL SOURCES OF REVENUE	**$ 1,453,089**	**$ 1,496,155**	**$ 945,828**	**$ (550,327)**	**-36.78 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	575,584	736,497	417,606	(318,891)	-43.30
Maintenance & Operations	326,936	395,172	372,093	(23,079)	-5.84
Workers Compensation	37,103	37,814	19,597	(18,217)	-48.18
Materials & Supplies	59,597	65,000	33,878	(31,122)	-47.88
Contracts & Services	434,159	585,754	280,628	(305,126)	-52.09
Fringe Benefits	202,787	263,361	229,574	(33,787)	-12.83
TOTAL USES - OPERATING EXPENDITURES	$ 1,636,166	$ 2,083,598	$ 1,353,376	$ (730,222)	-35.05 %
USES - OTHER EXPENDITURES					
Special Items of Expense	21,143	34,200	23,000	(11,200)	-32.75
TOTAL USES - OTHER EXPENDITURES	$ 21,143	$ 34,200	$ 23,000	$ (11,200)	-32.75 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	262	-	-	-	-100.00
TOTAL USES - CAPITAL EXPENDITURES	$ 262	$ -	$ -	$ -	0.00 %
USES - TRANSFERS-OUT					
Transfers-Out	-	6,090	-	(6,090)	-100.00
TOTAL USES - TRANSFERS-OUT	$ -	$ 6,090	$ -	$ (6,090)	-100.00 %
TOTAL USES	**$ 1,657,571**	**$ 2,123,888**	**$ 1,376,376**	**$ (747,512)**	**-35.20 %**
USES BY PROGRAM RECAP					
Recreation Administration	165,117	317,345	259,587	(57,758)	-18.20
Recreation Services	1,061,265	1,245,672	796,497	(449,175)	-36.06
Recreation Grants	12,740	13,324	-	(13,324)	-100.00
California Theatre	418,449	547,547	320,292	(227,255)	-41.50
TOTAL USES BY PROGRAM RECAP	**$ 1,657,571**	**$ 2,123,888**	**$ 1,376,376**	**$ (747,512)**	**-35.20 %**

Recreation Services - Uses by Division



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SUCCESSOR AGENCY ADMINISTATION

SUCCESSOR AGENCY DEBT SERVICE

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➢ COMMUNITY SERVICES DEPARTMENT

Overview

Community Services is comprised of the Successor Agency for the Redevelopment Agency of the City of Pittsburg (Successor Agency), the Housing Authority of the City of Pittsburg (Housing Authority), the Community Development Block Grant Program (CDBG), and Pittsburg Power Company (PPC).

This narrative covers Community Services and the Successor Agency. The divisions of Housing Authority, CDBG, and PPC will have their own narratives.

Service Levels

- Continue payment of the Successor Agency's financial obligations which entail payments of debt service and fulfillment of contractual obligations entered into by the Successor Agency prior to the enactment of the Dissolution Act
- Continue to sell Successor Agency properties complying with the Dissolution Act requiring the Successor Agency to sell properties on the approved Long-Range Property Management Plan
    - ➢ Maintain properties so that they may yield the highest value upon disposition
    - ➢ Work with potential buyers to dispose of the properties as expeditiously as possible
- Provide immigration related information and resources to persons seeking assistance
- Assist in the development of housing projects that will provide mixed-income housing

Goals FY 20-21

✓ CS-1: Provide services and housing opportunities that improve the quality of life for Pittsburg residents

- Continue to update the Digital Office for New Americans (DONA) webpage with relevant information
- Housing Successor Agency will expend funds to assist in the development of mixed-income housing
- Contribute to the Housing Rehabilitation Loan Program to preserve the affordable housing stock

Accomplishments

- ✓ Three (3) properties were sold for approximately $76,000, Five (5) properties are in escrow: one (1) is anticipated to close by the fiscal year end for $1,000,000, and the remaining four (4) properties will close at the beginning of the next fiscal year for $173,552
- ✓ Although not an adopted goal for the fiscal year, DONA was established as a result of the Community Services Ad-Hoc Subcommittee efforts which was a concept that emerged out of the City Council's goal setting workshop in January 2019
    - Creation of DONA's webpage with information and resources
    - Conducted five (5) DACA and one (1) Know Your Rights workshops

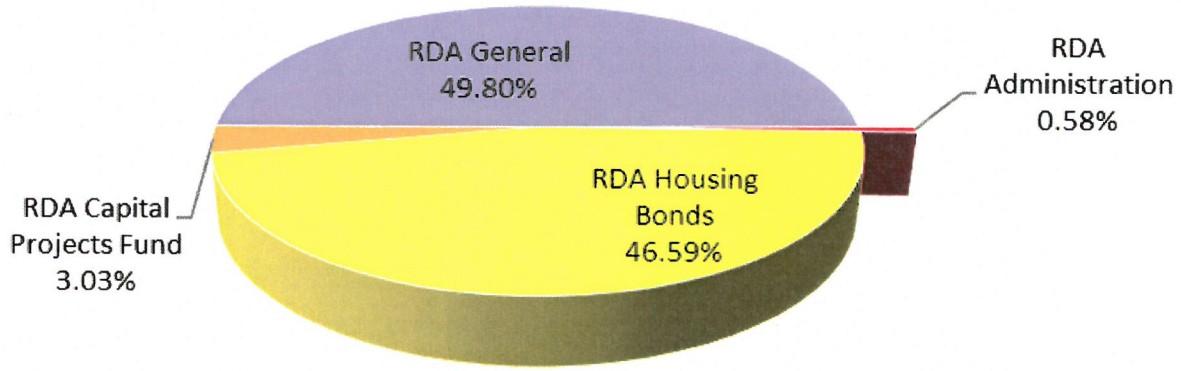
FY 2020 - 21 FULL TIME PERSONNEL ALLOCATIONS
Successor Agency to Former Redevelopment Agency

Department/Division	FY 2018-19 Adopted Base	FY 2019-20 Amended Base	FY 2020-21 Adopted Base
RDA Administration	1.10	1.10	1.40
TOTAL:	**1.10**	**1.10**	**1.40**

Detailed Program Budget
Successor Agency to Former RDA

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	1.10	1.10	1.40	0.30	27.27%
SOURCES OF REVENUE					
Capital Projects Funds	16,691	341,881	-	(341,881)	-100.00
Debt Service	34,021,303	33,846,795	33,448,494	(398,301)	-1.18
Redevelopment Agency	34,658,867	34,490,380	33,800,651	(689,729)	-2.00
TOTAL SOURCES OF REVENUE	**$ 68,696,861**	**$ 68,679,056**	**$ 67,249,145**	**$ (1,429,911)**	**-2.08 %**
USES - OPERATING EXPENDITURES					
Salaries & Wages	183,478	227,727	214,584	(13,143)	-5.77
Maintenance & Operations	28,381	138,841	48,276	(90,565)	-65.23
Workers Compensation	11,929	10,628	8,761	(1,867)	-17.57
Materials & Supplies	16	1,600	1,360	(240)	-15.00
Contracts & Services	9,748	597,283	16,856	(580,427)	-97.18
Fringe Benefits	81,960	87,802	99,350	11,548	13.15
TOTAL USES - OPERATING EXPENDITURES	$ 315,512	$ 1,063,881	$ 389,187	$ (674,694)	-63.42 %
USES - OTHER EXPENDITURES					
Debt Service	36,448,185	33,264,073	33,249,183	(14,890)	-0.04
TOTAL USES - OTHER EXPENDITURES	$ 36,448,185	$ 33,264,073	$ 33,249,183	$ (14,890)	-0.04 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Projects	9,646	291,744	-	(291,744)	-100.00
TOTAL USES - CAPITAL EXPENDITURES	$ 9,646	$ 291,744	$ -	$ (291,744)	-100.00 %
USES - TRANSFERS-OUT					
Transfers-Out	33,984,341	33,884,630	33,416,848	(467,782)	-1.38
TOTAL USES - TRANSFERS-OUT	$ 33,984,341	$ 33,884,630	$ 33,416,848	$ (467,782)	-1.38 %
TOTAL USES	**$ 70,757,684**	**$ 68,504,328**	**$ 67,055,218**	**$ (1,449,110)**	**-2.12 %**
USES BY PROGRAM RECAP					
RDA General	33,863,178	33,854,630	33,391,848	(462,782)	-1.37
RDA Administration	312,328	1,013,744	389,187	(624,557)	-61.61
RDA Capital Projects Fund	84,446	341,881	-	(341,881)	-100.00
RDA Tax Allocation Bonds	34,467,702	31,267,745	31,243,902	(23,843)	-0.08
RDA Housing Bonds	2,030,030	2,026,328	2,030,281	3,953	0.20
TOTAL USES BY PROGRAM RECAP	**$ 70,757,684**	**$ 68,504,328**	**$ 67,055,218**	**$ (1,449,110)**	**-2.12 %**

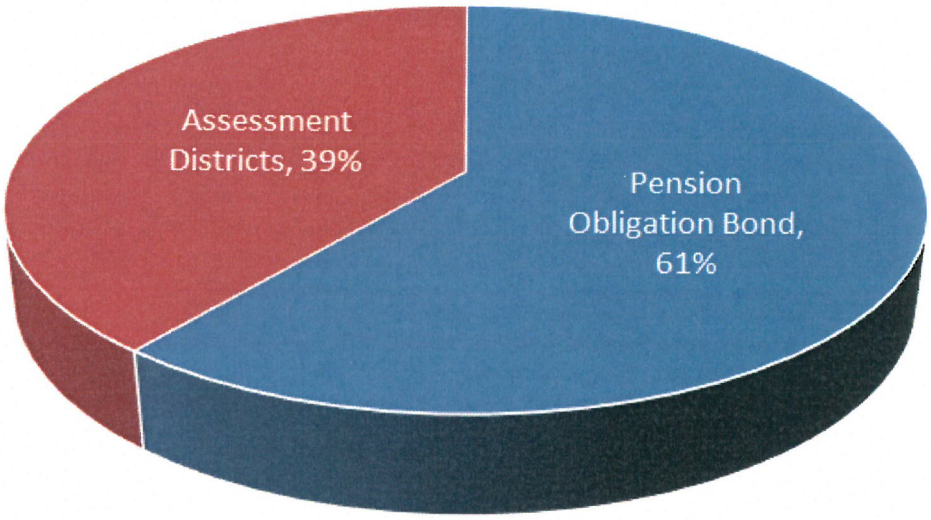
Successor Agency to the Former RDA - Uses by Division



Detailed Program Budget
Debt Service

	2018-19 Actual	2019-20 Amended Budget	2020-21 Adopted Budget	Change from 2019-20	% Change
AUTHORIZED POSITIONS					
Total Authorized	-	-	-	-	-
SOURCES OF REVENUE					
Debt Service	8,486,257	8,450,393	8,103,641	(346,752)	-4.10
TOTAL SOURCES OF REVENUE	**$ 8,486,257**	**$ 8,450,393**	**$ 8,103,641**	**$ (346,752)**	**-4.10 %**
USES - OPERATING EXPENDITURES					
Maintenance & Operations	31,274	31,899	30,304	(1,595)	-5.00
TOTAL USES - OPERATING EXPENDITURES	$ 31,274	$ 31,899	$ 30,304	$ (1,595)	-5.00 %
USES - OTHER EXPENDITURES					
Debt Service	7,155,556	7,268,065	7,144,476	(123,589)	-1.70
TOTAL USES - OTHER EXPENDITURES	$ 7,155,556	$ 7,268,065	$ 7,144,476	$ (123,589)	-1.70 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Projects	1,504,202	-	-	-	-100.00
TOTAL USES - CAPITAL EXPENDITURES	$ 1,504,202	$ -	$ -	$ -	0.00 %
TOTAL USES	**$ 8,691,032**	**$ 7,299,964**	**$ 7,174,780**	**$ (125,184)**	**-1.71 %**
USES BY PROGRAM RECAP					
Pension Obligation Bond	4,358,225	4,479,693	4,351,996	(127,697)	-2.85
Assessment Districts	4,332,807	2,820,271	2,822,784	2,513	0.09
TOTAL USES BY PROGRAM RECAP	**$ 8,691,032**	**$ 7,299,964**	**$ 7,174,780**	**$ (125,184)**	**-1.71 %**

Debt Service - Uses by Division



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➢ CAPITAL OUTLAY – PROJECTS

Capital improvement projects acquire, plan, construct, maintain, or improve facilities, land, major equipment, or other infrastructure. Capital projects are supported by a five-year expenditure plan that details funding sources and expenditure amounts. They often are multi-year projects that require funding beyond the one-year period of the annual budget. Prioritization of capital projects is based on available funding, public benefit, and funding restrictions. Capital projects meet some or all of the following criteria:

- Elimination of potentially hazardous or unsafe conditions and potential liability
- Replacement of high-maintenance, inefficient or ineffective infrastructure
- Improvement to and/or creation of new services to the public
- Compliance with regulatory requirements and mandates
- Stimulation of local economy and elimination of blighted conditions
- Compliance with the City of Pittsburg General Plan
- Preservation of existing assets

New Capital Project Funding for FY 2020-21

Project Number	Project Name	Funding Source	FY 20-21 Allocation
5822	Causeway Bridge Coupling Replacement Project	IE	$ 250,000
2229	SB1 2020/21 Pavement Management Project	RMRA	327,553
2230	2020/21 Traffic Signal Modification Project	RMRA	100,000
2231	STP/OBAG II Pavement Improvement Project	RMRA	300,000
3115	HSIP 8 2017-02 Stoneman Avenue Safety Improvement Project	RMRA	300,000
	Totals		**$ 1,277,553**

Total FY 2020-21 Allocations by Funding Source:

Fund Name	Abbreviation	FY 20-21 Allocation
Island Energy Fund	IE	$ 250,000
Gas Tax SB-1 Road Maintenance and Rehabilitation Fund	RMRA	1,027,553
Totals		**$ 1,277,553**

X-X: Causeway Bridge Coupling Replacement Project

Project No.
5822

Estimated Project Cost:
$250,000

Status: Preparing a formal "Request for Proposal" ("RFP") for the coupling replacement work.

Project Limits: Mare Island Causeway Bridge - Gas Piping Valves / Coupling Replacement

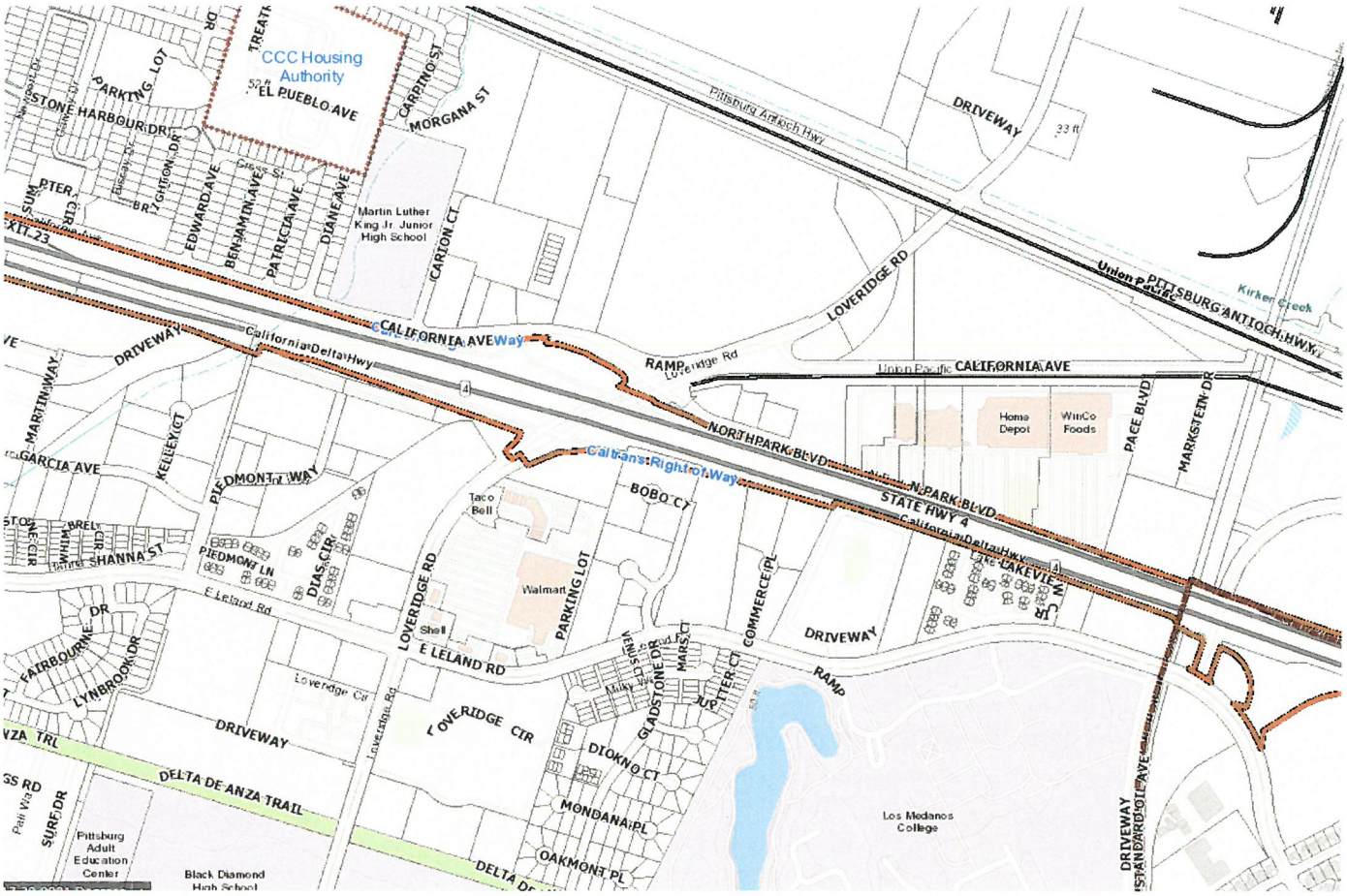
Funding Sources: Island Energy Reserve Fund

Project Description:

Island Energy maintains a natural gas pipeline suspended beneath the City of Vallejo Mare Island Causeway Bridge. On either side of the central lift span, the pipe divides in to two (2) sections and enters the riverbed below the lift span (both sides). At the point where the pipe divides are isolation valves and connecting piping couplings.

Upon periodic normal investigation, it was found that the couplings were leaking, and that the isolation valves were not properly sealing. It is a requirement by the Department of Transportation to repair or replace valves / couplings / piping when instances of leaking are discovered.

The project scope of work is to remove the couplings and valves and replace with new valves and welded pipe spool pieces.



ST-24: SB1 2020/21 PAVEMENT MANAGEMENT PROJECT

Project No.
2229

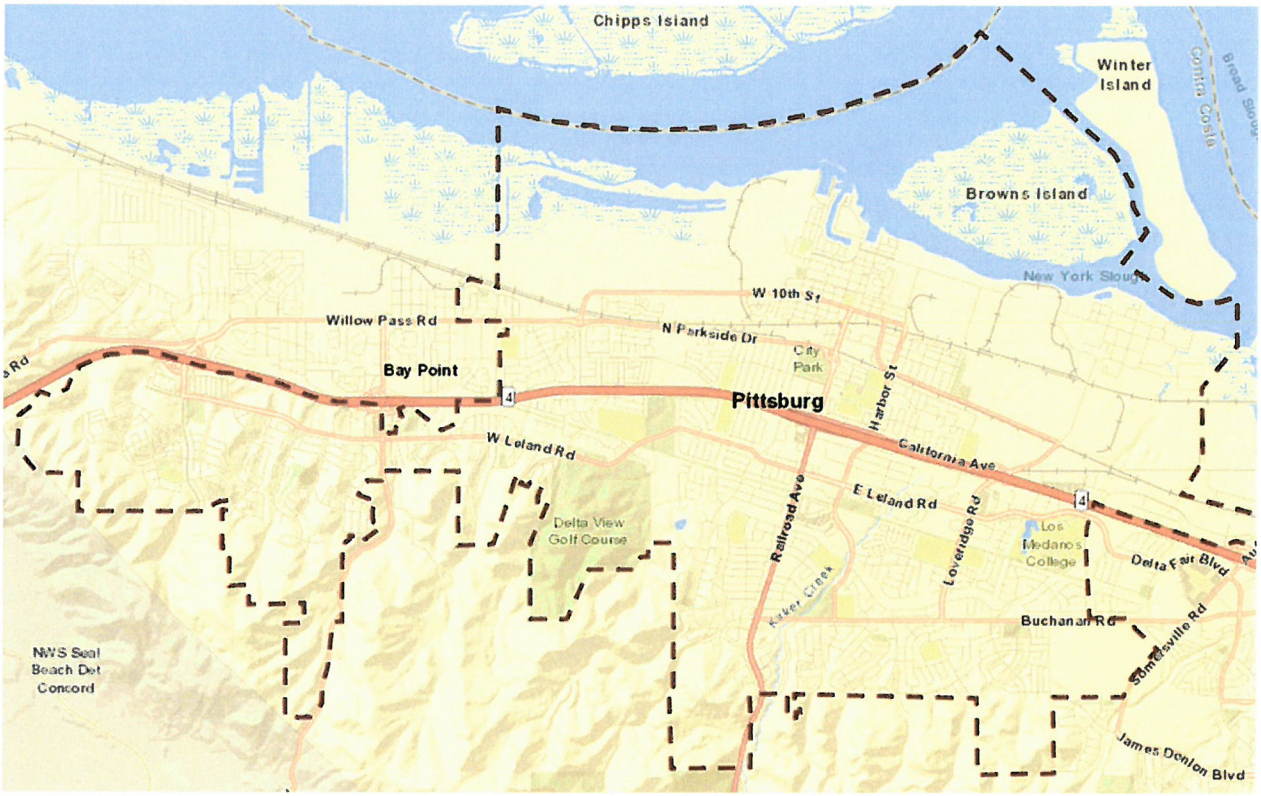
Status:
2020/21 Allocation $327,553

Estimated Project Cost:
$1,127,553

Project Limits:
Loveridge Road from East Leland Road to Pittsburg Antioch Highway

Funding Sources
Eligible Funding Sources: Gas Tax, Measure J, RMRA
Identified Funding: $327,553 RMRA

Project Description:
This project will reconstruct/improve the pavement on Loveridge Road from East Leland Road to Pittsburg Antioch Highway. The project will use a variety of pavement management techniques including, slurry seal, patch paving, pavement overlay, pavement inlay, base failures, pavement reconstruction, and crack sealing.



S-15: 2020/21 TRAFFIC SIGNAL MODIFICATION

Project No.
2230

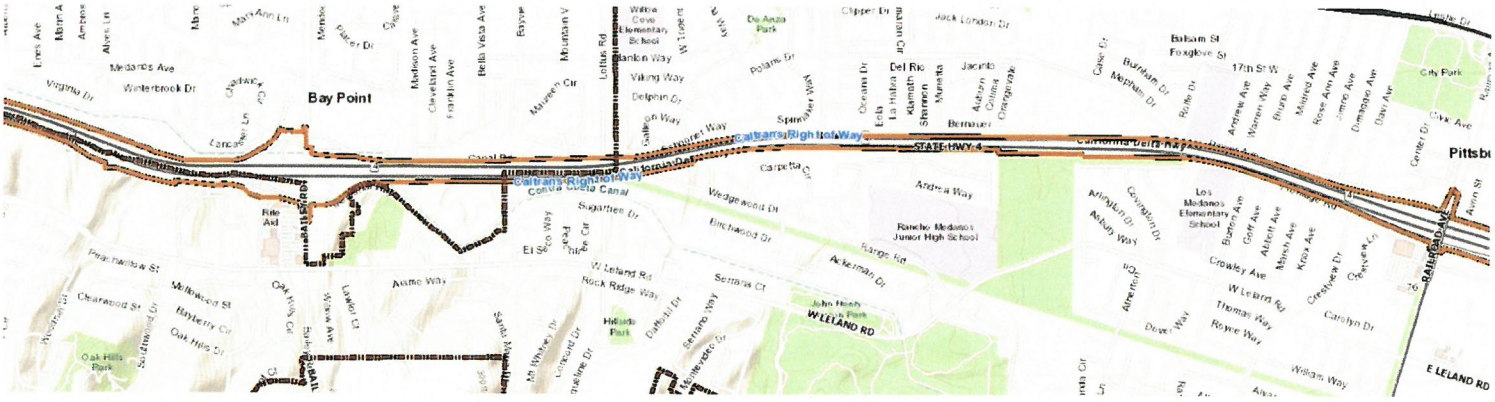
Status:
Funded for 20/21

Estimated Project Cost:
$100,000

Project Limits: Citywide

Funding Sources
Eligible Funding: Gas Tax RMRA
Identified Funding: Gas Tax RMRA $100,000

Project Description:
This project is to perform on-going traffic signal timing and modifications to existing signals throughout the City. This will provide for improved traffic flow and allow for modernization of outdated signal controller equipment.



ST-100: 2020/21 STP/OBAG II PAVEMENT IMPROVEMENT PROJECT

Project No.
2231

Estimated Project Cost:
$2,710,000

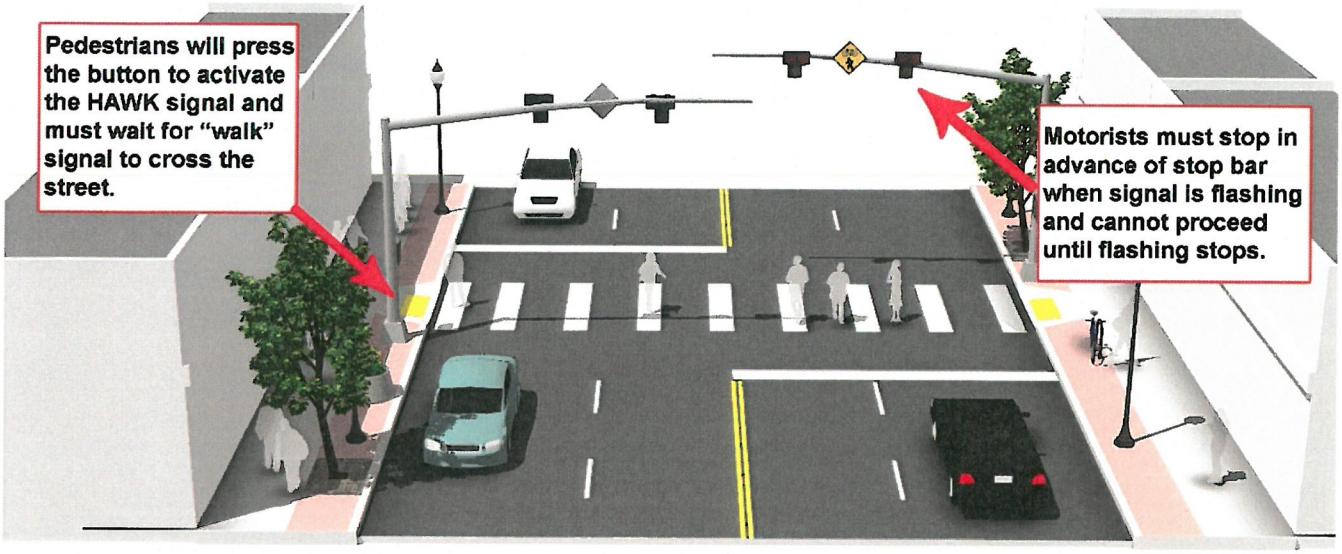
Status:
2020/21 Allocation $300,000 (Design)

Project Limits:
West Leland Road – South Broadway to Railroad Avenue
Loveridge Road –Stoneman Avenue to Buchanan Road

Funding Sources:
Eligible Funding Sources: Gas Tax, SB-1 Gas Tax (RMRA), Measure J, One Bay Area Grant (OBAG) II/STP
Identified Funding: $2,410,000 OBAG II/S, $300,000 RMRA

Project Description:

This project will rehabilitate the roadway on West Leland Road from Woodhill Drive to Railroad Avenue and Loveridge Road from East Leland Road to Buchanan Road. The project will use a variety of pavement management techniques including crack sealing, base repairs, patch paving, milling, geosynthetics, and other treatments as appropriate to extend the useful life of the roadway.



ST- 51: STONEMAN AVENUE PEDESTRIAN IMPROVEMENTS

Project No.
3115

Estimated Project Cost:
$1,180,000

Status:
FY 20/21 allocation $300,000 RMRA
Construction Fall 2021

Project Limits:
Three intersections on Stoneman Avenue (Briarcliff Drive, Meadowbrook Circle, Meadowbrook Avenue)

Funding Sources
Eligible Funding Source: Gas tax, Measure J, SR2S
Identified Funding: $880,000 HSIP-8
$300,000 RMRA

Project Description:
Upgrade intersection pavement markings/signage and install pedestrian HAWK signals for existing crosswalks at three intersections on Stoneman Avenue (Meadowbrook Avenue, Meadowbrook Circle, and Briarcliff Drive). Install dynamic/variable speed warning signs along Stoneman Avenue.

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➢ FINANCIAL POLICIES AND PROCEDURES

The City of Pittsburg has established Financial Policies and Procedures to provide guidance towards the City's fiscal stability as well as prudent and accountable management of the City's funds.

Balanced Budget

The City will pay for all current non-capital expenditures with current revenues. The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses such as postponing expenditures or accruing future years' revenues.

Capital Improvement Plans

The City will develop 5-year Capital Improvement Plans that will be updated annually.

The City will develop annual capital budgets based on the 5-year Capital Improvement Plans.

The City will coordinate the capital budget with the operating budget such that future operating costs associated with new capital improvements will be included in financial forecasts.

The City will identify estimated costs and potential funding sources for each capital project proposal before it is submitted to City Council for approval.

Consolidated Annual Financial Report (CAFR)

The City will prepare the CAFR consistent with the Governmental Accounting Standards Board (GASB) and Governmental Finance Officers Association (GFOA) standards and will contract with an independent audit firm to audit the CAFR.

Expenditure Controls

The City has various expenditure controls in place to ensure the City does not over-expend its budget including: (1) position requisition must be in the budget and approved by the City Manager, (2) encumbrance requests for purchases or contracts reviewed and approved by the Accounting Manager to ensure there are adequate funds, and (3) mid-year budget reviews to forecast expenses and revenues that identifies any potential shortfalls.

Financial Plans

The City will annually prepare 5-year or more Forecasts for the City's General Fund and Housing Authority Fund that will include realistic revenue and expenditure projections.

Fund Balance

Fund balance from the prior fiscal year is total cash and investments less encumbrances and prior year appropriations.

The budget year estimated fund balance includes prior fiscal year actual fund balance plus estimated revenues minus the expenditure budget.

Revenue

The City will try to maintain diversified and stable revenues to shelter it from unforeseeable short-run fluctuations in any revenue stream.

The City will estimate its annual revenues by an objective, analytical process where-ever practical. The City will update revenue projections annually.

The City will calculate the costs associated with user fees to ensure the fees are cost covering.

Capital Assets Policy

The policy defines capital assets as tangible items to be used over a period of time greater than three years and having a value greater than or equal to $5,000. In addition, the policy classifies assets as either land, buildings, improvements other than buildings or equipment and identifies method of depreciation thereof (Policy is included on Pages 287-297 in the Appendix section of the budget).

Debt Policy

Provides guidelines for issuing and managing the City's debt including selecting the financing team, types of debt the City can issue, and on-going debt administration. (Policy is included on Pages 299-311 in the Appendix section of the budget)

Fiscal Sustainability Policy

The goal of the Fiscal Sustainability Policy is to ensure the City has sufficient reserves to cover expenses in the event of an emergency and that it uses one-time revenues for one-time expenses.

Specifically, the Fiscal Sustainability Policy established (1) minimum unappropriated reserve balances at 30% of operating expenses for the City's General Fund, Internal Services Funds, and Enterprise Funds to be used only for emergencies such as natural disasters, (2) a Budget Stabilization Fund to be used to help absorb costs during an economic downturn and/or budget shortfall with a minimum balance equal to $2.0 million or 5% of the General Fund operating expenses, whichever is greater, and a maximum balance of $7.5 million or 25% of the General Fund operating expenses, (3) an Infrastructure Repair and Replacement Fund and Other Post-employment Benefits

(OPEB) Fund that receives surplus Budget Stabilization Fund monies, and (4) required a 4/5 vote of the City Council for appropriation of reserves or to vary the reserve levels. The Ordinance also requires the City to deposit one-time General Fund revenues, projected recurring revenues that exceed 10% or more from the previous fiscal year, and fiscal year-end General Fund surpluses into the Budget Stabilization Fund. (Policy is included on Pages 319-324 in the Appendix section of the budget)

Grant Policy

The City has established a grant policy that provides an overall framework for the use and management of grant resources including identifying roles and responsibilities for managing the City's grants and compliance with Single Audit Act requirements (Policy is included on Pages 313-318 in the Appendix section of the budget).

Interfund Transfer Policy

The policy ensures that procedures related to the administration and accounting for Interfund transactions are documented, communicated, clearly understood, and consistently applied. (Policy is included on Pages 325-327 in the Appendix section of the budget).

Investment Policy

Provides guidelines for the prudent investment of the City's idle funds that optimizes returns while protecting the principal and providing a sufficient liquidity. Identifies eligible investments that include federal securities, Certificates of Deposit (CDs), medium term private security notes of highly rated companies, and Money Market Funds. Delegates investment decisions to the Director of Finance with oversight provided by the City Treasurer and City Manager. (Policy is included on Pages 329-350 in the Appendix section of the budget)

Purchasing Policies

Delegates purchasing authority to the City Manager for goods and services valued at $75,000 or below and to Senior Executive staff for those valued at $50,000 or below. Identifies formal and informal bidding procedures based on dollar amount. Allows informal bidding construction services of less than $175,000 and requires formal bidding for those greater than $175,000. (Policy is included on Pages 351-357 in the Appendix section of the budget)

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➢ DEBT SERVICE - OVERVIEW

The City and its related entities have combined outstanding principal of $393.6 million including pension obligation bonds, assessment district bonds, water and sewer revenues bonds, miscellaneous loans, and Redevelopment Agency (RDA) bonds (now under the Successor Agency to the former Pittsburg Redevelopment Agency).

Debt Limit

The City does not have any plans to issue new debt in the foreseeable future. However, the City's debt limit as defined under California Government Code, Section 43605 as 3.75% of assessed valuation at full cash value is (1) $95.3 million. The City's bond indebtedness is within the legal debt limit.

Debt per Capita

Total debt per capita including RDA bonds, Assessment District Bonds, Water and Sewer revenue bonds, pension obligation bonds and miscellaneous loans is (2) $5,434 and represents (3) 7.5% of total personal income.

Debt Policy

The City's Debt Policy is defined in the Financial Policies section of the budget book.

The City's Appropriations Limit for the 2020-21 Fiscal Year and its calculations can be found in the Appendices section of the budget book (Pages xxx-xxx) To be added after adoption.

(1) Assessed Valuation of $2,542,336,692 (net of $4,938,676,523 Redevelopment incremental valuation) x 3.75% = $95.3 million

(2) Debt Per Capita: $\frac{393,590,848 \text{ Outstanding Principal}}{72,437 \text{ City Population}}$ = $ 5,434

(3) $\frac{\$ \ 5,434 \text{ Debt Per Capita}}{72,437 \text{ City Population}}$ = 7.50% of Total Personal Income

➢DEBT SERVICE - REVENUE SOURCES

CITY	Series	Allocated Charges	Interest Earnings	FY 2020-2021
Pension Obligation				
Taxable Pension Funding Bond	2006	$ 3,729,453	$ 15,000	$ 3,744,453
CCCERA Triennial Experience Update	2006	660,633	-	660,633
		4,390,086	15,000	4,405,086
Energy Efficiency Loans				
California Energy Commission Energy Conservation Loan	2012	74,497	-	74,497
PG&E Energy Efficient Retrofit Loan - Chiller Replacement	2018	21,329	-	21,329
Total Energy Efficiency Loans:		95,827	-	95,827
Assessment District Bonds		**Assessment Collection**		
2011 Reassessment Revenue Refunding Bonds A & B	2011-1	1,730,077	25,000	1,755,077
Century Plaza - AutoMall	2001-03	318,576	4,500	323,076
Community Facilities District - Vista Del Mar	2016	720,631	9,000	729,631
Total Assessment Districts:		2,769,284	38,500	2,807,784
Revenue Bonds - Enterprise Funds		**Sewer/Water Revenues**		
Water Revenue Refunding	2016	2,510,600	-	2,510,600
Total Revenue Bonds:		2,510,600	-	2,510,600
I-Bank Loan - Water System Modification Project	2014	645,950	-	645,950
2004 Wastewater Bonds- Refinance/Installment Sale Agreement	2014	805,254	-	805,254
		1,451,203	-	1,451,203
Capital Leases for Governmental Activity		**Allocated Charges**		
Street Sweeper	2015	24,236	-	24,236
Various Fleet Vehicles	2018	121,602	-	121,602
Various Fleet Vehicles/Equipment	2019	57,890	-	57,890
Various Fleet Vehicles/Equipment	2019-2	187,344	-	187,344
VOIP System Upgrade	2018	121,209	-	121,209
		512,281	-	512,281
TOTAL CITY DEBT SERVICES:		**$ 11,729,281**	**$ 53,500**	**$ 11,782,781**

SUCCESSOR AGENCY TO FORMER RDA	Series	Tax Increment	Interest Earnings	FY 2020-2021
Tax Allocation Bonds (Partially Refunded by 2014 TARB)	1999	5,136,780	20,000	5,156,780
Tax Allocation Refunding Bonds	2014	7,303,722	248,000	7,551,722
SubordinateTax Allocation Refunding Bonds	2016A	5,990,850	20,000	6,010,850
Subordinate Tax Allocation Refunding Bonds, Forward	2016C	12,447,550	50,000	12,497,550
Housing Set Aside Tax Allocation Bonds (Taxable)	2006A	674,591	44,000	718,591
Housing Set Aside Tax Allocation Refunding Bonds (Taxable)	2016A	1,306,690	5,000	1,311,690
TOTAL RDA DEBT SERVICES:		**$ 32,860,183**	**$ 387,000**	**$ 33,247,183**
GRAND TOTAL CITY and RDA DEBT SERVICES:		**$ 44,589,465**	**$ 440,500**	**$ 45,029,965**

➢ DEBT SERVICE - EXPENDITURE REQUIREMENTS

CITY	Series	Principal	Interest	Other Costs	FY 2020-2021	Outstanding Principal at July 1, 2020
Pension Obligation Bond						
Taxable Pension Funding Bond	2006	$ 2,373,090	$ 1,364,763	$ 6,600	$ 3,744,453 (1)	$ 47,705,000
CCCERA Triennial Experience Update	2006	253,454	407,179	-	660,633	5,816,843
		2,626,544	1,771,942	6,600	4,405,086	53,521,843
Energy Efficiency Loans						
California Energy Commission Energy Conservation Loan	2012	70,715	3,782	-	74,497	143,567
PG&E Energy Efficient Retrofit Loan - Chiller Replacement	2018	21,329	-	-	21,329	168,858
Total Energy Efficiency Loans:		92,044	3,782	-	95,827	312,425
Assessment District Bonds						
2011 Reassessment Revenue Refunding Bonds A & B	2011-1	1,270,000	405,163	79,914	1,755,077	9,285,000
Century Plaza - AutoMall	2001-03	150,000	158,631	14,445	323,076	2,795,000
Community Facilities District - Vista Del Mar	2016	380,000	333,931	15,700	729,631	8,260,000
Total Assessment Districts:		1,800,000	897,725	110,059	2,807,784	20,340,000
Revenue Bonds (Enterprise Funds)						
Water Revenue Refunding	2016	1,405,000	1,099,350	6,250	2,510,600	25,975,000
Total Revenue Bonds:		1,405,000	1,099,350	6,250	2,510,600	25,975,000
I-Bank Loan - Water System Modification Project	2014	261,686	353,645	30,619	645,950	10,206,206
2004 Wastewater Bonds- Refinance/Installment Sale Agreement	2014	796,000	9,254	-	805,254	796,000
		1,057,686	362,899	30,619	1,451,203	11,002,206
Capital Leases for Governmental Activity						
Street Sweeper	2015	23,908	329	-	24,236	23,908
Various Fleet Vehicles	2018	107,604	13,998	-	121,602	395,020
Various Fleet Vehicles/Equipment	2019	50,271	7,619	-	57,890	212,954
Various Fleet Vehicles/Equipment	2019-2	160,320	27,023	-	187,344	770,075
VOIP System Upgrade	2018	121,209	-	-	121,209	242,417
		463,311	48,969	-	512,281	1,644,374
TOTAL CITY DEBT SERVICES:		**$ 7,444,586**	**$ 4,184,668**	**$ 153,528**	**$ 11,782,781**	**$ 112,795,848**

SUCCESSOR AGENCY TO FORMER RDA	Series	Principal	Interest	Other Costs	FY 2020-2021	Outstanding Principal at July 1, 2020
Tax Allocation Bonds (Partially Refunded by 2014 TARB)	1999	1,484,127	3,665,873	6,780	5,156,780 (2)	90,645,000
Tax Allocation Refunding Bonds	2014	6,040,000	1,504,250	7,472	7,551,722	33,205,000
SubordinateTax Allocation Refunding Bonds	2016A	-	6,004,250	6,600	6,010,850	120,085,000
Subordinate Tax Allocation Refunding Bonds, Forward	2016C	11,880,000	613,250	4,300	12,497,550	18,205,000
Housing Set Aside Tax Allocation Bonds (Taxable)	2006A	295,000	420,091	3,500	718,591	8,060,000
Housing Set Aside Tax Allocation Refunding Bonds (Taxable)	2016A	905,000	402,490	4,200	1,311,690	10,595,000
TOTAL RDA DEBT SERVICES:		**$ 20,604,127**	**$ 12,610,204**	**$ 32,852**	**$ 33,247,183**	**$ 280,795,000**
GRAND TOTAL CITY and RDA DEBT SERVICES:		**$ 28,048,713**	**$ 16,794,872**	**$ 186,380**	**$ 45,029,965**	**$ 393,590,848**

(1) includes unaccreted discount in the total amount of $14,282,822
(2) includes unaccreted discount in the total amount of $45,190,966

Taxable Pension Funding Bonds
(Issued on 6/15/2006)

BOND ISSUES:	**CITY OF PITTSBURG** **Taxable Pension Funding Bonds Series 2006**
DATE OF ISSUES:	June 15, 2006
AMOUNT OF ISSUE:	$ 39,566,056
AMOUNT OUTSTANDING: (June 30, 2020)	$ 47,705,000 (1)
DESCRIPTION:	The City issued $39,566,055.85 of Series 2006 Taxable Pension Funding Bonds bearing interest at 5.78 to 6.11%, to prepay the City unfunded accrued liability for the Miscellaneous and Safety plans in the amount of $25,977,758 to the Public Employees' Retirement System (PERS). The City also prepaid the unfunded liability owed to Contra Costa County Employees Retirement Association (CCCERA) which amounted to $12,700,000 as of June 30, 2006. Bonds were issued as current interest bonds and capital appreciation bonds. Repayment of accreted principal commenced on July 1, 2015
PAYMENT DATES:	January 1 and July 1 of each year.
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Allocated Charges	$ 3,691,170	$ 3,729,453
Interest Earnings	15,000	15,000
TOTAL:	**$ 3,706,170**	**$ 3,744,453**
EXPENDITURES		
Fiscal Paying Agent Fees	$ 3,350	$ 2,600
Professional Administrative Fees	3,250	4,000
Principal Reduction	1,280,580	1,291,857
CAB Accreted Principal	959,420	1,028,143
Interest Expense	1,392,911	1,364,763
Pre-Pay Principal(2)	66,659	53,090
TOTAL:	**$ 3,706,170**	**$ 3,744,453**

(1) Includes unaccreted discount in the total amount of $14,282,822

(2) Pursuant to Pension Obligation Bond documents, the City of Pittsburg is required to deposit with the Trustee no later than 7/15 of each fiscal year, the amount of the City's obligation for the following bond year.

Taxable Pension Funding Bonds
(Issued on 6/15/2006)

FISCAL YEAR	PRINCIPAL	INTEREST	CAB ACCRETED PRINCIPAL	TOTAL
2021	$ 1,291,857	$ 1,364,763	$ 1,028,143	$ 3,684,763
2022	1,310,577	1,333,684	1,094,423	3,738,684
2023	1,357,230	1,299,389	1,197,770	3,854,389
2024	1,385,374	1,261,572	1,264,626	3,911,572
2025	1,419,516	1,220,061	1,330,484	3,970,061
2026	1,456,285	1,174,709	1,398,715	4,029,709
2027	1,188,856	1,134,528	1,466,144	3,789,528
2028	1,212,219	1,099,960	1,532,781	3,844,960
2029	1,237,637	1,062,438	1,597,364	3,897,438
2030	1,270,133	1,021,814	1,664,867	3,956,814
2031	1,308,272	977,792	1,731,728	4,017,792
2032	1,749,024	915,009	1,400,976	4,065,009
2033	3,295,000	777,772	-	4,072,772
2034	3,555,000	575,389	-	4,130,389
2035	3,835,000	357,051	-	4,192,051
2036	4,125,000	121,873	-	4,246,873
TOTAL	$ 30,996,979	$ 15,697,804	$ 16,708,021	$ 63,402,804

Note: Pursuant to the Pension Obligation Bond documents the City of Pittsburg is required to pay one year of debt service payments in advance.

2006 CCCERA TRIENNIAL EXPERIENCE UPDATE
(Issued in 2008)

AGREEMENT:	**Termination Agreement between City of Pittsburg and Contra Costa County Employees' Retirement Association**
AGREEMENT DATE:	July 1, 2001
CITY RESOLUTION NO.:	08-10943 (January 22, 2008)
AMOUNT OF ISSUE:	$ 11,312,353
AMOUNT OUTSTANDING: (June 30, 2020)	$ 5,816,843
DESCRIPTION:	As of December 31, 2018 Valuation of Assets, the City had an unfunded obligation of $5,816,843 to provide future benefits to the City's CCCERA retirees and vested terminated members of the retirement plan. The unfunded obligation has been amortized for the remaining 15 years of the 1st amendment to agreement dated 07/2012 at an interest rate of 7.00%, resulting in 15 annual payments of $660.633. The next triennial update shall be completed by December 31, 2021.
DUE and PAYABLE ON:	June 30
PAYMENT ENTITY:	Contra Costa County Employees' Retirement Association

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Allocated Charges	$ 773,523	$ 660,633
Interest Earnings	-	-
	$ 773,523	**$ 660,633**
EXPENDITURES		
Principal Reduction	$ 339,766	$ 253,454
Interest Expense	433,757	407,179
TOTAL:	**$ 773,523**	**$ 660,633**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

CCCERA
(Issued in 2008)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 253,454	$ 407,179	$ 660,633
2022	271,196	389,437	660,633
2023	290,179	370,454	660,633
2024	310,492	350,141	660,633
2025	332,226	328,407	660,633
2026	355,482	305,151	660,633
2027	380,366	280,267	660,633
2028	406,992	253,641	660,633
2029	435,481	225,152	660,633
2030	465,965	194,668	660,633
2031	498,582	162,051	660,633
2032	533,483	127,150	660,633
2033	570,827	89,806	660,633
2034	610,785	49,848	660,633
2035	101,332	7,093	108,425
TOTAL	$ 5,816,843	$ 3,540,444	$ 9,357,287

California Energy Commission (CEC) Energy Conservation Loan (Issued in 2012)

AGREEMENT:	**State of California Energy Resources Conservation and Development Commission Loan No. 008-10-ECD**
AGREEMENT DATE:	May 31, 2012
CITY RESOLUTION NO.:	11-11740
AMOUNT OF ISSUE:	$ 571,097
AMOUNT OUTSTANDING: (June 30, 2020)	$ 143,567
DESCRIPTION:	City of Pittsburg has obtained a loan from the California Energy Commission (CEC), bearing an interest rate of 3.00% to convert all decorative lamp fixtures from High Pressure Sodium (HPS) to Light Emitted Diode (LED), including the installation of 621 LED lamps on 610 poles.
DUE and PAYABLE ON:	December 22 and June 22 each Year
PAYMENT ENTITY:	State of California Energy Resource Conservation & Development Commission

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Citywide Lighting PG&E Savings	$ 74,497	$ 74,497
	$ 74,497	**$ 74,497**
EXPENDITURES		
Principal Reduction	$ 68,626	$ 70,715
Interest Expense	5,871	3,782
TOTAL:	**$ 74,497**	**$ 74,497**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

CEC Energy Conservation Loan
(Issued in 2012)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 70,715	$ 3,782	$ 74,497
2022	72,852	1,645	74,497
TOTAL	$ 143,567	$ 5,427	$ 148,994

PG&E Energy Efficient Retrofit Loan - Chiller Replacement (Issued in 2018)

AGREEMENT:	**Pacific Gas & Electric (PG&E) Energy Efficient Retrofit Loan to Replace the City Hall Chiller - TIF #: 005039**
AGREEMENT DATE:	April 5, 2018
CITY RESOLUTION NO.:	18-13479
AMOUNT OF ISSUE:	$ 213,294
AMOUNT OUTSTANDING: (June 30, 2020)	$ 168,858
DESCRIPTION:	City of Pittsburg has obtained a 10-year, interest-free (0%), no fee loan from PG&E to partially fund the cost to replace the existing City Hall Chiller with an energy-efficient system.
DUE and PAYABLE ON:	Monthly Payment of Principal
PAYMENT ENTITY:	Pacific Gas & Electric (PG&E)

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Building Maintenance Allocation	$ 21,329	$ 21,329
	$ 21,329	**$ 21,329**
EXPENDITURES		
Principal Reduction	$ 21,329	$ 21,329
Interest Expense	-	-
TOTAL:	**$ 21,329**	**$ 21,329**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

PG&E Energy Efficient Retrofit Loan - Chiller Replacement (Issued in 2018)

FISCAL YEAR	PRINCIPAL	TOTAL
2021	$ 21,329	$ 21,329
2022	21,329	21,329
2023	21,329	21,329
2024	21,329	21,329
2025	21,329	21,329
2026	21,329	21,329
2027	21,329	21,329
2028	19,552	19,552
TOTAL	$ 168,858	$ 168,858

Street Sweeper Equipment Lease-Purchase
(Issued in 2015)

AGREEMENT:	**Tax-Exempt Equipment Lease-Purchase Agreement by and between Holman Capital Corporation and the City of Pittsburg**
AGREEMENT DATE:	November 5, 2015
CITY RESOLUTION NO.:	15-13127
AMOUNT OF ISSUE:	$ 225,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ -
DESCRIPTION:	The City of Pittsburg entered into a lease-purchase agreement with Holman Capital for the lease/purchase of a new street sweeper which is needed to fulfill contract obligations, clean the street, and reduce pollutants in storm drains as required per the City's NPDES Permit. The scheduled lease term is 5 years at an interest rate of 2.75%
DUE and PAYABLE ON:	November 5 and May 5 Each Year
PAYMENT ENTITY:	Holman Capital Corporation

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Fleet Maintenance Allocation	$ 48,473	$ 24,236
	$ 48,473	**$ 24,236**
EXPENDITURES		
Principal Reduction	$ 45,585	$ 23,908
Interest Expense	2,888	329
TOTAL:	**$ 48,473**	**$ 24,236**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

Street Sweeper Equipment Lease-Purchase
(Issued in 2015)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 23,908	$ 329	$ 24,236

Fleet Vehicles/Lease-Purchase
(Issued in 2018)

AGREEMENT:	**Tax-Exempt Equipment Lease-Purchase Agreement by and between Holman Capital Corporation and the City of Pittsburg**
AGREEMENT DATE:	November 15, 2018
CITY RESOLUTION NO.:	18-13558
AMOUNT OF ISSUE:	$ 549,017
AMOUNT OUTSTANDING: (June 30, 2020)	$ 395,020
DESCRIPTION:	The City of Pittsburg entered into a lease-purchase agreement with Holman Capital for the lease/purchase of various Fleet Vehicles including (1) Street Sweeper, (1) Gang Mower, (1) Terex Hi-Ranger Truck, and (1) Ford Cargo Van. The scheduled lease-purchase term is 5 years at an interest rate of 3.80%
DUE and PAYABLE ON:	November 15 and May 15 Each Year
PAYMENT ENTITY:	Holman Capital Corporation

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Fleet Maintenance Allocation	$ 121,602	$ 121,602
	$ 121,602	**$ 121,602**
EXPENDITURES		
Principal Reduction	$ 103,628	$ 107,604
Interest Expense	17,973	13,998
TOTAL:	**$ 121,602**	**$ 121,602**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

Fleet Vehicles/Lease-Purchase
(Issued in 2018)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 107,604	$ 13,998.13	$ 121,601.70
2022	111,731	9,870	121,602
2023	116,017	5,584	121,602
2024	59,667	1,134	60,801
TOTAL	$ 395,020	$ 30,586	$ 425,606

Fleet Vehicles/Lease-Purchase
(Issued in 2019)

AGREEMENT:	**Tax-Exempt Equipment Lease-Purchase Agreement by and between Holman Capital Corporation and the City of Pittsburg**
AGREEMENT DATE:	April 24, 2019
CITY RESOLUTION NO.:	19-13620
AMOUNT OF ISSUE:	$ 261,368
AMOUNT OUTSTANDING: (June 30, 2020)	$ 212,954
DESCRIPTION:	The City of Pittsburg entered into a lease-purchase agreement with Holman Capital for the lease/purchase of various Fleet Vehicles including (1) Thermoplastic Machine, (1) Backhoe, and (1) Compressor. The scheduled lease-purchase term is 5 years at an interest rate of 3.80%
DUE and PAYABLE ON:	April 24 and October 24 each year
PAYMENT ENTITY:	Holman Capital Corporation

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Fleet Maintenance Allocation	$ 57,890	$ 57,890
	$ 57,890	**$ 57,890**
EXPENDITURES		
Principal Reduction	$ 48,414	$ 50,271
Interest Expense	9,476	7,619
TOTAL:	**$ 57,890**	**$ 57,890**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

Fleet Vehicles/Lease-Purchase
(Issued in 2019)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 50,271	$ 7,619	$ 57,890
2022	52,200	5,691	57,890
2023	54,202	3,688	57,890
2024	56,281	1,609	57,890
TOTAL	$ 212,954	$ 18,607	$ 231,561

Voice Over Internet Protocol (VOIP) System Upgrade (Issued in 2018)

AGREEMENT:	**Tax-Exempt Lease Agreement between Key Government Finance, Inc. and the City of Pittsburg**
AGREEMENT DATE:	April 2, 3018
CITY RESOLUTION NO.:	18-13465
AMOUNT OF ISSUE:	$ 606,043
AMOUNT OUTSTANDING: (June 30, 2020)	$ 242,417
DESCRIPTION:	The City of Pittsburg entered into five (5) year master tax-exempt lease/purchase agreement with Key Government Finance, Inc. to finance the upgrade of the City's computer network equipment and internet protocol phone system with 0% interest financing.
DUE and PAYABLE ON:	May 3 Each Year
PAYMENT ENTITY:	Key Government Finance, Inc.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
IT Allocations	$ 121,209	$ 121,209
	$ 121,209	**$ 121,209**
EXPENDITURES		
Principal Reduction	$ 121,209	$ 121,209
Interest Expense	-	-
TOTAL:	**$ 121,209**	**$ 121,209**

Voice Over Internet Protocol (VOIP) System Upgrade
(Issued in 2018)

FISCAL YEAR		PRINCIPAL		TOTAL
2021	$	121,209	$	121,209
2022		121,209		121,209
TOTAL	$	242,417	$	242,417

➢ DEBT SERVICE REQUIREMENTS

2001-03 CENTURY PLAZA AUTO MALL PHASE I ASSESSMENT DISTRICT BONDS (Issued in 2002)

BOND ISSUES:	**CITY OF PITTSBURG** **Century Plaza Auto Mall Assessment District 2001-03**
DATE OF ISSUES:	October 1, 2002
AMOUNT OF ISSUE:	$ 4,405,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ 2,795,000
DESCRIPTION:	The Assessment District 2001-03 Limited Obligation Improvement Bonds were issued by the City pursuant to the provisions of the Improvement Bond Act of 1915 to develop the initial phase of an Auto Mall within the Assessment District No. 2001-03, primarily roadway improvements. The bonds proceeds were also used to provide for a Reserve Account and Capitalized Interest fund.
PAYMENT DATES:	September 2 and March 2
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Assessment Collection	$ 317,633	$ 318,576
Interest Earnings	4,500	4,500
TOTAL:	**$ 322,133**	**$ 323,076**
EXPENDITURES		
Fiscal Paying Agent Fees	$ -	$ -
Professional Administrative Fees	9,500	9,500
County Admin. Fees	690	255
City Admin. Fees	4,937	4,690
Principal Reduction	140,000	150,000
Interest Expense	167,006	158,631
TOTAL:	**$ 322,133**	**$ 323,076**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2001-03 CENTURY PLAZA AUTO MALL PHASE I ASSESSMENT DISTRICT BONDS
(Issued in 2002)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 150,000	$ 158,631	$ 308,631
2022	160,000	149,681	309,681
2023	170,000	140,194	310,194
2024	175,000	130,275	305,275
2025	185,000	119,925	304,925
2026	200,000	108,856	308,856
2027	210,000	96,938	306,938
2028	220,000	84,306	304,306
2029	235,000	70,941	305,941
2030	250,000	56,694	306,694
2031	265,000	41,566	306,566
2032	280,000	25,556	305,556
2033	295,000	8,666	303,666
TOTAL	$ 2,795,000	$ 1,192,228	$ 3,987,228

➢ DEBT SERVICE REQUIREMENTS

2005-2 VISTA DEL MAR COMMUNITY FACILITIES DISTRICT SPECIAL TAX BONDS
(Issued in 2015)

BOND ISSUES:	**CITY OF PITTSBURG** **Vista Del Mar CFD Special Tax Bonds 2005-02**
DATE OF ISSUES:	June 30, 2015
AMOUNT OF ISSUE:	$ 9,655,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ 8,260,000
DESCRIPTION:	The Vista Del Mar CFD No. 2005-2 Special Tax Bonds were issued by the City pursuant to the Mello-Roos Community Facilities Act of 1982 for the purpose of constructing and acquiring certain public facilities of benefit to the District. The bonds proceeds were also used to provide for a Reserve Account, Capitalized Interest fund, and the cost of issuance of the Bonds. In June 2015, the bonds were refunded in full and defeased by the issuance of the 2015 Vista Del Mar Assessment District Special Tax Refunding Bonds.
PAYMENT DATES:	September 1 and March 1
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Assessment Collection	$ 725,669	$ 720,631
Interest Earnings	9,200	9,000
TOTAL:	**$ 734,869**	**$ 729,631**
EXPENDITURES		
Fiscal Paying Agent Fees	$ -	$ -
Professional Administrative Fees	15,000	15,000
County Admin. Fees	900	700
Principal Reduction	375,000	380,000
Interest Expense	343,969	333,931
TOTAL:	**$ 734,869**	**$ 729,631**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2005-2 VISTA DEL MAR COMMUNITY FACILITIES DISTRICT SPECIAL TAX BONDS
(Issued in 2015)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 380,000	$ 333,931	$ 713,931
2022	395,000	320,994	715,994
2023	405,000	304,219	709,219
2024	425,000	283,469	708,469
2025	445,000	261,719	706,719
2026	465,000	238,969	703,969
2027	490,000	218,769	708,769
2028	505,000	201,041	706,041
2029	520,000	182,138	702,138
2030	540,000	161,588	701,588
2031	560,000	139,588	699,588
2032	580,000	116,788	696,788
2033	600,000	92,813	692,813
2034	625,000	67,547	692,547
2035	650,000	41,250	691,250
2036	675,000	13,922	688,922
TOTAL	$ 8,260,000	$ 2,978,741	$ 11,238,741

➢ DEBT SERVICE REQUIREMENTS

2011 Re-Assessment Revenue Refunding Bonds (Issued in 2011)

BOND ISSUES:	**Pittsburg Infrastructure Financing Authority** **2011 Reassessment Revenue Refunding Bonds A & B**
DATE OF ISSUES:	August 24, 2011
AMOUNT OF ISSUE:	$ 17,840,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ 9,285,000
DESCRIPTION:	The Bonds were issued by the City of Pittsburg Public Financing Authority pursuant to the Refunding Act of 1984 for 1915 Improvement Act Bonds PIFA 1988, Marina Walk, San Marco Phase I, and Oak Hills South. These bonds were grouped together and refunded in 2011 to reduce the interest expense.
PAYMENT DATES:	September 2 and March 2
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Assessment Collection	$ 1,726,444	$ 1,730,077
Interest Earnings	21,875	25,000
TOTAL:	**$ 1,748,319**	**$ 1,755,077**
EXPENDITURES		
Fiscal Paying Agent Fees	$ 4,300	$ 4,300
Professional Administrative Fees	45,000	45,000
County Admin. Fees	4,700	5,000
City Admin. Fees	26,962	25,614
Principal Reduction	1,205,000	1,270,000
Interest Expense	462,357	405,163
TOTAL:	**$ 1,748,319**	**$ 1,755,077**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2011 Re-Assessment Revenue Refunding Bonds
(Issued in 2011)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 1,270,000	$ 405,163	$ 1,675,163
2022	920,000	358,794	1,278,794
2023	955,000	319,741	1,274,741
2024	860,000	280,181	1,140,181
2025	905,000	239,978	1,144,978
2026	585,000	205,303	790,303
2027	605,000	176,891	781,891
2028	640,000	145,988	785,988
2029	675,000	112,494	787,494
2030	590,000	80,269	670,269
2031	620,000	49,438	669,438
2032	660,000	16,819	676,819
TOTAL	$ 9,285,000	$ 2,391,056	$ 11,676,056

➢ DEBT SERVICE REQUIREMENTS

I BANK LOAN - WATER SYSTEMS MODIFICATION PROJECT

INSTALLMENT SALE AGREEMENT	**Installment Sale Agreement by and between the City of Pittsburg and the California Infrastructure and Economic Development Bank**
AGREEMENT DATE	November 17,2014
AMOUNT OF ISSUE:	$ 11,387,398
AMOUNT OUTSTANDING: (June 30, 2020)	$ 10,206,206
DESCRIPTION:	City of Pittsburg Resolution No. 14-12168 dated 08/18/14 Authorized Incurring an Obligation, Payable to the California Infrastructure and Economic Development Bank (I-Bank), for the Financing of Modifications to the Water Treatment Plant and Installation of Transmission Lines, not to exceed $11,500,000, and Authorized Execution of an Installment Sale Agreement with the City of Pittsburg and an Assignment Agreement with I-Bank .
PAYMENT DATES:	February 1 and August 1
PAYMENT ENTITY:	California Infrastructure and Economic Development Bank (I-Bank)

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Water Charge Revenues	$ 653,114	$ 645,950
Interest Earnings	-	-
TOTAL:	**$ 653,114**	**$ 645,950**
EXPENDITURES		
Professional Administrative Fees	$ 37,627	$ 30,619
Principal Reduction	252,812	261,686
Interest Expense	362,675	353,645
TOTAL:	**$ 653,114**	**$ 645,950**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

I-BANK LOAN - WATER SYSTEMS MODIFICATION PROJECT

FISCAL YEAR	PRINCIPAL	INTEREST	ANNUAL FEE	TOTAL
2021	$ 261,686	$ 353,645	$ 30,619	$ 645,950
2022	270,871	344,299	29,834	645,004
2023	280,379	334,624	29,021	644,024
2024	290,220	324,610	28,180	643,010
2025	300,407	314,245	27,309	641,961
2026	310,951	303,516	26,408	640,875
2027	321,866	292,410	25,475	639,750
2028	333,163	280,914	24,509	638,586
2029	344,857	269,015	23,510	637,382
2030	356,962	256,698	22,475	636,135
2031	369,491	243,948	21,405	634,844
2032	382,460	230,752	20,296	633,508
2033	395,884	217,092	19,149	632,125
2034	409,780	202,952	17,961	630,693
2035	424,163	188,317	16,732	629,212
2036	439,051	173,167	15,459	627,678
2037	454,462	157,486	14,142	626,090
2038	470,414	141,255	12,779	624,447
2039	486,925	124,453	11,367	622,746
2040	504,016	107,062	9,907	620,985
2041	521,707	89,061	8,395	619,163
2042	540,019	70,427	6,829	617,276
2043	558,974	51,140	5,209	615,323
2044	578,594	31,176	3,532	613,302
2045	598,902	10,511	1,797	611,210
TOTAL	$ 10,206,206	$ 5,112,774	$ 452,299	$ 15,771,279

➢ DEBT SERVICE REQUIREMENTS

REFINANCE OF 2004 WASTEWATER BONDS

INSTALLMENT SALE AGREEMENT	**Installment Sale Agreement with the City of Pittsburg and an Assignment Agreement with Bank of the West**
AGREEMENT DATE	June 30, 2014
AMOUNT OF ISSUE:	$ 6,100,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ -
DESCRIPTION:	Pittsburg Financing Authority Resolution No. 14-027 dated 06/16/14 Authorized the Refunding of Wastewater Bonds in an Amount Not to Exceed $6,100,000, and Authorized Execution of an Installment Sale Agreement with the City of Pittsburg and financing placed privately with Bank of the West bearing an interest rate of 1.55% per annum.
PAYMENT DATES:	June 1 and December 1.
PAYMENT ENTITY:	Bank of the West

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Sewer Charge Revenues	$ 803,429	$ 805,254
Interest Earnings	-	-
TOTAL:	**$ 803,429**	**$ 805,254**
EXPENDITURES		
Principal Reduction	$ 782,000	$ 796,000
Interest Expense	21,429	9,254
TOTAL:	**$ 803,429**	**$ 805,254**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

REFINANCE OF 2004 WASTEWATER BONDS

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 796,000	$ 9,254	$ 805,254

➢ DEBT SERVICE REQUIREMENTS

REFINANCE OF 2004 WASTEWATER BONDS

INSTALLMENT SALE AGREEMENT	**Installment Sale Agreement with the City of Pittsburg and an Assignment Agreement with Bank of the West**
AGREEMENT DATE	June 30, 2014
AMOUNT OF ISSUE:	$ 6,100,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ -
DESCRIPTION:	Pittsburg Financing Authority Resolution No. 14-027 dated 06/16/14 Authorized the Refunding of Wastewater Bonds in an Amount Not to Exceed $6,100,000, and Authorized Execution of an Installment Sale Agreement with the City of Pittsburg and financing placed privately with Bank of the West bearing an interest rate of 1.55% per annum.
PAYMENT DATES:	June 1 and December 1.
PAYMENT ENTITY:	Bank of the West

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Sewer Charge Revenues	$ 803,429	$ 805,254
Interest Earnings	-	-
TOTAL:	**$ 803,429**	**$ 805,254**
EXPENDITURES		
Principal Reduction	$ 782,000	$ 796,000
Interest Expense	21,429	9,254
TOTAL:	**$ 803,429**	**$ 805,254**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2016A REFUNDING WATER REVENUE BONDS
(Issued in 2016)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 1,405,000	$ 1,099,350	$ 2,504,350
2022	1,450,000	1,042,250	2,492,250
2023	1,500,000	975,750	2,475,750
2024	1,560,000	899,250	2,459,250
2025	1,620,000	819,750	2,439,750
2026	1,680,000	737,250	2,417,250
2027	1,745,000	651,625	2,396,625
2028	1,830,000	562,250	2,392,250
2029	1,895,000	469,125	2,364,125
2030	1,975,000	382,250	2,357,250
2031	2,040,000	301,950	2,341,950
2032	2,110,000	218,950	2,328,950
2033	2,180,000	133,150	2,313,150
2034	2,235,000	56,025	2,291,025
2035	750,000	11,250	761,250
TOTAL	$ 25,975,000	$ 8,360,175	$ 34,335,175

➢ DEBT SERVICE REQUIREMENTS

1999 (RDA) TAX ALLOCATION BONDS
(Issued in 1999)

BOND ISSUES:	**REDEVELOPMENT AGENCY** **Tax Allocation Bonds Series 1999**
DATE OF ISSUES:	November 3, 1999
AMOUNT OF ISSUE:	$ 30,106,357
AMOUNT OUTSTANDING: (June 30, 2020)	$ 90,645,000 (1)
DESCRIPTION:	The proceeds of the 1999 TABs were used to provide money for certain capital improvements located within the Los Medanos Community Development Project Area of the Agency, to provide a Reserve Account, and to pay costs of bonds issuance. In June 2014, the 2014 Tax Allocation Refunding Bonds refunded the current interest portion of the 1999 Bonds with maturities in 2014 through 2018 in the amount of $6,110,000. The $95,795,000 maturity value of the Capital Appreciation Bonds remains outstanding on parity to the 2014 Bonds.
PAYMENT DATES:	August 1 and February 1. Effective 08/1/2019 Annual Payment
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Tax Increment	$ 5,133,154	$ 5,136,780
Interest Earnings	23,626	20,000
TOTAL:	**$ 5,156,780**	**$ 5,156,780**
EXPENDITURES		
Professional Administrative Fees	$ 6,780	$ 6,780
Principal Reduction	1,576,000	1,484,127
Interest Expense	3,574,000	3,665,873
TOTAL:	**$ 5,156,780**	**$ 5,156,780**

(1) Includes unaccreted discount in the total amount of $45,190,966

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

1999 (RDA) TAX ALLOCATION BONDS
(Issued in 1999)

FISCAL YEAR	PRINCIPAL	ACCRETED PRINCIPAL	TOTAL
2021	$ 1,484,127	$ 3,665,873	$ 5,150,000
2022	1,382,930	3,767,070	5,150,000
2023	2,212,826	6,542,174	8,755,000
2024	2,081,538	6,668,462	8,750,000
2025	1,960,332	6,794,668	8,755,000
2026	1,822,266	6,932,734	8,755,000
2027	1,713,338	7,036,662	8,750,000
2028	1,684,600	7,460,400	9,145,000
2029	1,584,829	7,560,171	9,145,000
2030	1,490,909	7,654,091	9,145,000
2031	1,402,660	7,742,340	9,145,000
TOTAL	$ 18,820,355	$ 71,824,645	$ 90,645,000

➢ DEBT SERVICE REQUIREMENTS

2014 Successor Agency to RDA 2014 Tax Allocation Refunding Bonds (Issued in 2014)

BOND ISSUES:	**SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY** **Senior Tax Allocation Refunding Bonds 2014**
DATE OF ISSUES:	June 18, 2014
AMOUNT OF ISSUE:	$ 67,445,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ 33,205,000
DESCRIPTION:	The 2014 Tax Allocation Refunding Bonds were issued by the Successor Agency to the Redevelopment Agency of the City of Pittsburg to refund a portion of the outstanding Los Medanos Community Development Project Tax Allocation Bonds, Series 1999 and all of the outstanding Los Medanos Community Development Project Tax Allocation Bonds, Series 2003A, funding a reserve account and paying the costs of issuing the 2014 Bonds
PAYMENT DATES:	February 1 and August 1 of each year
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Tax Increment	$ 7,385,665	$ 7,303,722
Interest Earnings	180,000	248,000
TOTAL:	**$ 7,565,665**	**$ 7,551,722**
EXPENDITURES		
Professional Administrative Fees	$ 16,540	$ 7,472
Principal Reduction	5,755,000	6,040,000
Interest Expense	1,794,125	1,504,250
TOTAL:	**$ 7,565,665**	**$ 7,551,722**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2014 Successor Agency to RDA 2014 Tax Allocation Refunding Bonds
(Issued in 2014)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 6,040,000	$ 1,504,250	$ 7,544,250
2022	6,335,000	1,199,875	7,534,875
2023	3,045,000	965,375	4,010,375
2024	2,340,000	830,750	3,170,750
2025	2,450,000	711,000	3,161,000
2026	2,575,000	585,375	3,160,375
2027	2,705,000	453,375	3,158,375
2028	2,445,000	324,625	2,769,625
2029	2,570,000	199,250	2,769,250
2030	2,700,000	67,500	2,767,500
TOTAL	$ 33,205,000	$ 6,841,375	$ 40,046,375

➢ DEBT SERVICE REQUIREMENTS

2016A SUCCESSOR AGENCY TAX EXEMPT BONDS
(Issued in 2016)

BOND ISSUES:	**SUCCESSOR AGENCY TO FORMER REDEVELOPMENT AGENCY Subordinate Tax Allocation Bonds, Series 2016A (Tax Exempt)**
DATE OF ISSUES:	February 10, 2016
AMOUNT OF ISSUE:	$ 120,085,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ 120,085,000
DESCRIPTION:	Proceeds of the 2016 Series A Bonds were used to redeem and defease the 2004 Series A Bonds and a portion of the 2008 Series A Bonds, and finance a payment in connection with the termination of the 2004A Bond Swap Agreement, as well as cost of issuance payments which included the premium on a municipal bond insurance policy and to fund a debt service reserve insurance policy.
PAYMENT DATES:	September 1 and March 1, with the first principal due on September 1, 2021.
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Tax Increment	$ 5,992,694	$ 5,990,850
Interest Earnings	18,156	20,000
TOTAL:	**$ 6,010,850**	**$ 6,010,850**
EXPENDITURES		
Professional Administrative Fees	$ 6,600	$ 6,600
Principal Reduction	-	-
Interest Expense	6,004,250	6,004,250
TOTAL:	**$ 6,010,850**	**$ 6,010,850**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2016A (RDA) SUBORDINATE TAX ALLOCATION BONDS
(Issued in 2016)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ -	$ 6,004,250	$ 6,004,250
2022	6,175,000	5,849,875	12,024,875
2023	11,165,000	5,416,375	16,581,375
2024	12,565,000	4,823,125	17,388,125
2025	13,210,000	4,178,750	17,388,750
2026	13,890,000	3,501,250	17,391,250
2027	14,610,000	2,788,750	17,398,750
2028	15,355,000	2,039,625	17,394,625
2029	16,140,000	1,252,250	17,392,250
2030	16,975,000	424,375	17,399,375
TOTAL:	$ 120,085,000	$ 36,278,625	$ 156,363,625

➢ DEBT SERVICE REQUIREMENTS

2016C SUCCESSOR AGENCY TAX EXEMPT, FORWARD BONDS (Issued in 2016)

BOND ISSUES:	**SUCCESSOR AGENCY TO FORMER REDEVELOPMENT AGENCY Subordinate Tax Allocation Bonds, Series 2016C-Tax Exempt ,Forward**
DATE OF ISSUES:	February 10, 2016
AMOUNT OF ISSUE:	$ 37,755,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ 18,205,000
DESCRIPTION:	Proceeds of the 2016 Series C Bonds were used to redeem and defease the 2006 Series C Bonds, as well as cost of issuance payments which included the premium on a municipal bond insurance policy and a debt service reserve fund insurance policy.
PAYMENT DATES:	September 1 and March 1, with the first principal due on September 1, 2018.
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Tax Increment	$ 12,446,656	$ 12,447,550
Interest Earnings	51,994	50,000
TOTAL:	**$ 12,498,650**	**$ 12,497,550**
EXPENDITURES		
Professional Administrative Fees	$ 5,900	$ 4,300
Principal Reduction	11,300,000	11,880,000
Interest Expense	1,192,750	613,250
TOTAL:	**$ 12,498,650**	**$ 12,497,550**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2016C SUCCESSOR AGENCY TAX EXEMPT, FORWARD BONDS
(Issued in 2016)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 11,880,000	$ 613,250	$ 12,493,250
2022	6,325,000	158,125	6,483,125
TOTAL:	$ 18,205,000	$ 771,375	$ 18,976,375

➢ DEBT SERVICE REQUIREMENTS

2006A (RDA) HOUSING SET ASIDE TAX ALLOCATION BONDS (Issued in 2006)

BOND ISSUES:	**REDEVELOPMENT AGENCY - HOUSING SET ASIDE Tax Allocation Bonds, Series 2006A (Taxable)**
DATE OF ISSUES:	December 14, 2006
AMOUNT OF ISSUE:	$ 11,020,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ 8,060,000
DESCRIPTION:	The proceeds of the Housing Set Aside TABs 2006A were issued to fund low and moderate income housing projects within the Project Area, to fund a reserve account, and to pay the costs of issuance.
PAYMENT DATES:	August 1 and February 1
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Tax Increment	$ 674,984	$ 674,591
Interest Earnings	44,000	44,000
TOTAL:	**$ 718,984**	**$ 718,591**
EXPENDITURES		
Professional Administrative Fees	$ 3,900	$ 3,500
Principal Reduction	280,000	295,000
Interest Expense	435,084	420,091
TOTAL:	**$ 718,984**	**$ 718,591**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2006A (RDA) HOUSING SET ASIDE TAX ALLOCATION BONDS
(Issued in 2006)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 295,000	$ 420,091	$ 715,091
2022	310,000	404,167	714,167
2023	330,000	387,172	717,172
2024	345,000	369,247	714,247
2025	360,000	350,526	710,526
2026	380,000	330,875	710,875
2027	400,000	310,162	710,162
2028	425,000	288,255	713,255
2029	450,000	265,019	715,019
2030	470,000	240,588	710,588
2031	495,000	214,963	709,963
2032	520,000	188,009	708,009
2033	550,000	159,596	709,596
2034	580,000	129,588	709,588
2035	610,000	97,988	707,988
2036	415,000	70,769	485,769
2037	1,125,000	29,874	1,154,874
TOTAL	$ 8,060,000	$ 4,256,890	$ 12,316,890

➢ DEBT SERVICE REQUIREMENTS

2016A SUCCESSOR AGENCY TAXABLE HOUSING BONDS
(Issued in 2016)

BOND ISSUES:	**SUCCESSOR AGENCY TO FORMER REDEVELOPMENT AGENCY Taxable Housing Bonds**
DATE OF ISSUES:	February 10, 2016
AMOUNT OF ISSUE:	$ 13,845,000
AMOUNT OUTSTANDING: (June 30, 2020)	$ 10,595,000
DESCRIPTION:	The Successor Agency issued Bonds in order to redeem and defease the 2004 Series A Housing Set Aside Tax Allocation Bonds and to pay the costs of issuing the bonds, including the premium on a municipal bond insurance policy and a debt service reserve fund insurance policy.
PAYMENT DATES:	August 1 and February 1, with the first principal due on August 1, 2016.
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2019-2020	FY 2020-2021
REVENUE SOURCES		
Tax Increment	$ 1,308,244	$ 1,306,690
Interest Earnings	5,000	5,000
TOTAL:	**$ 1,313,244**	**$ 1,311,690**
EXPENDITURES		
Professional Administrative Fees	$ 5,900	$ 4,200
Principal Reduction	880,000	905,000
Interest Expense	427,344	402,490
TOTAL:	**$ 1,313,244**	**$ 1,311,690**

➢ DEBT SERVICE - AMORTIZATION SCHEDULE

2016A SUCCESSOR AGENCY TAXABLE HOUSING BONDS
(Issued in 2016)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2021	$ 905,000	$ 402,490	$ 1,307,490
2022	930,000	375,005	1,305,005
2023	955,000	344,324	1,299,324
2024	990,000	310,385	1,300,385
2025	1,030,000	273,652	1,303,652
2026	1,065,000	233,997	1,298,997
2027	1,110,000	191,204	1,301,204
2028	1,150,000	142,159	1,292,159
2029	1,200,000	87,122	1,287,122
2030	1,260,000	29,509	1,289,509
TOTAL:	$ 10,595,000	$ 2,389,847	$ 12,984,847

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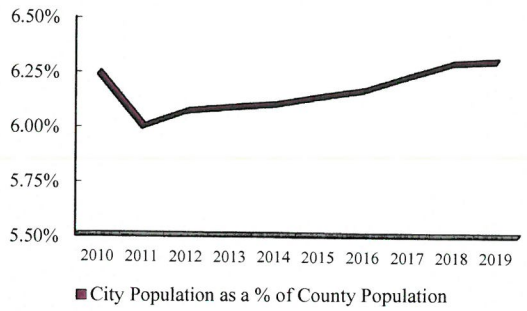
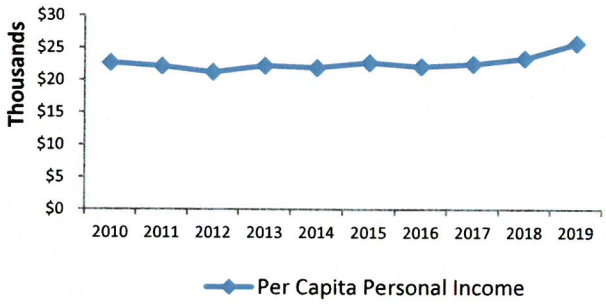
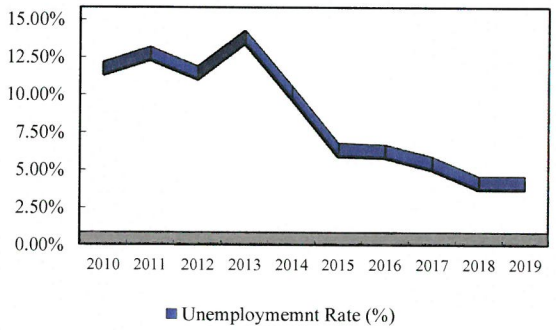
CITY OF PITTSBURG
Demographic and Economic Statistics
Last Ten Fiscal Years







Fiscal Year	City * Population	Total ** Personal Income	Per Capita Personal Income	Unemployment*** Rate (%)	Contra Costa * County Population	Pittsburg Population % of County
2010	64,967	$ 1,472,579,000	$ 22,667	11.3%	1,041,274	6.24%
2011	62,877	1,391,528,000	22,131	12.3%	1,049,025	5.99%
2012	64,660	1,370,214,000	21,191	11.0%	1,066,096	6.07%
2013	65,664	1,459,608,000	22,228	13.4%	1,079,597	6.08%
2014	66,695	1,461,822,000	21,918	9.7%	1,094,000	6.10%
2015	68,140	1,548,229,000	22,721	5.9%	1,111,339	6.13%
2016	69,424	1,534,225,000	22,099	5.8%	1,126,745	6.16%
2017	70,679	1,589,374,000	22,487	5.0%	1,135,127	6.23%
2018	72,141	1,684,104,000	23,345	3.7%	1,147,439	6.29%
2019	72,437	1,859,890,000	25,676	3.7%	1,150,215	6.30%

Source: * www.americanfactfinder.com
** from HdL Coren Report
*** www. homefacts.com

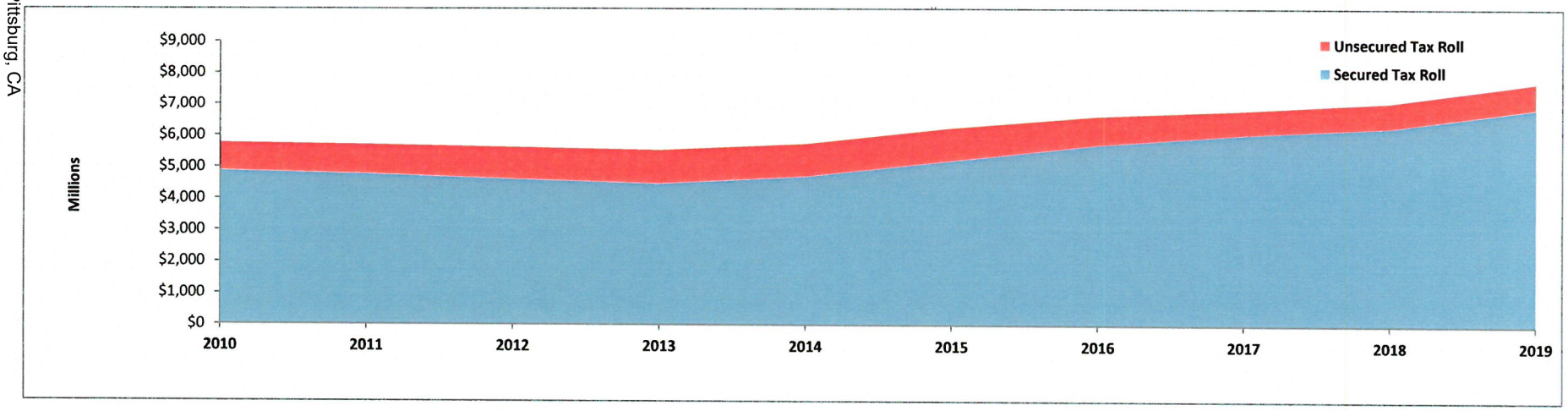
CITY OF PITTSBURG

Principal Employers
Current Year and Nine Years Ago

	2018-19 *			2009-10 **		
Employer	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Pittsburg Unified School District	1,242	1	3.9%	868	2	2.7%
Los Medanos Community College	584	2	1.8%	520	3	1.6%
USS - Posco Industries	581	3	1.8%	1,000	1	3.1%
Dow Chemical Company	350	4	1.1%	425	4	1.3%
Ramar Foods	352	5	1.1%	-	-	-
City of Pittsburg	270	6	0.8%	275	7	0.9%
Walmart	222	7	0.7%	320	5	1.0%
Home Depot	145	8	0.5%	-	-	-
Cardenas	143	9	0.4%	-	-	-
WinCo Foods	143	9	0.4%	-	-	-
Redwood Painting	125	10	0.4%	-	-	-
Contra Costa Health Center	-		-	300	6	0.9%
Safeway	-		-	180	8	0.6%
Target	-		-	154	9	0.5%
Best Buy Stores	-		-	150	10	0.5%
Subtotal	4,157		13.0%	4,192		13.2%
Employees in the City of Pittsburg	31,873 ***			31,873 **		

Source: * Telephone Survey by Finance Staff
**2009-10 data from CAFR
*** www.americanfactfinder.com

CITY OF PITTSBURG
Assessed and Estimated Actual Value of Taxable Property Last Ten Fiscal Years



Fiscal Year	Secured Tax Roll: Land	Secured Tax Roll: Improvements	Secured Tax Roll: Personal Property	Unsecured Tax Roll	GROSS Tax Roll	LESS: Exemptions HOPTR *	LESS: Exemptions Others	NET Assessed Valuation ***	Total Direct Tax Rate ***
2010	$ 1,355,858,246	$ 3,488,509,274	$ 35,030,993	$ 868,770,588	$ 5,748,169,101	$ 65,495,515	$ 148,448,271	$ 5,534,225,315	0.73534
2011	1,271,652,002	3,468,075,002	32,556,725	921,168,099	5,693,451,828	64,704,851	174,568,314	5,454,178,663	0.73265
2012	1,199,342,285	3,380,327,868	29,398,082	1,000,793,072	5,609,861,307	62,930,462	163,259,839	5,383,671,006	0.73307
2013	1,154,280,061	3,284,318,842	29,454,784	1,058,290,739	5,526,344,426	61,050,228	167,858,949	5,297,435,249	0.72809
2014	1,244,373,590	3,426,800,074	29,431,527	1,030,705,786	5,731,310,977	58,985,158	184,163,403	5,488,162,416	0.17411
2015	1,431,988,767	3,744,776,351	29,751,906	1,033,971,545	6,240,488,569	57,725,918	187,268,875	5,995,493,776	0.14854 **
2016	1,596,856,457	4,088,152,986	28,100,163	905,755,131	6,618,864,737	57,212,685	195,920,004	6,365,732,048	0.15020
2017	1,734,578,352	4,271,018,852	31,382,377	763,128,074	6,800,107,655	56,350,900	203,066,563	6,540,690,192	0.15142
2018	1,912,263,271	4,316,648,943	30,152,799	789,812,811	7,048,877,824	55,968,158	206,618,682	6,786,290,984	0.15305
2019	2,097,264,749	4,752,331,104	29,396,436	808,915,163	7,687,907,452	55,103,121	206,894,237	7,425,910,094	0.15419

* Homeowners' Property Tax Relief

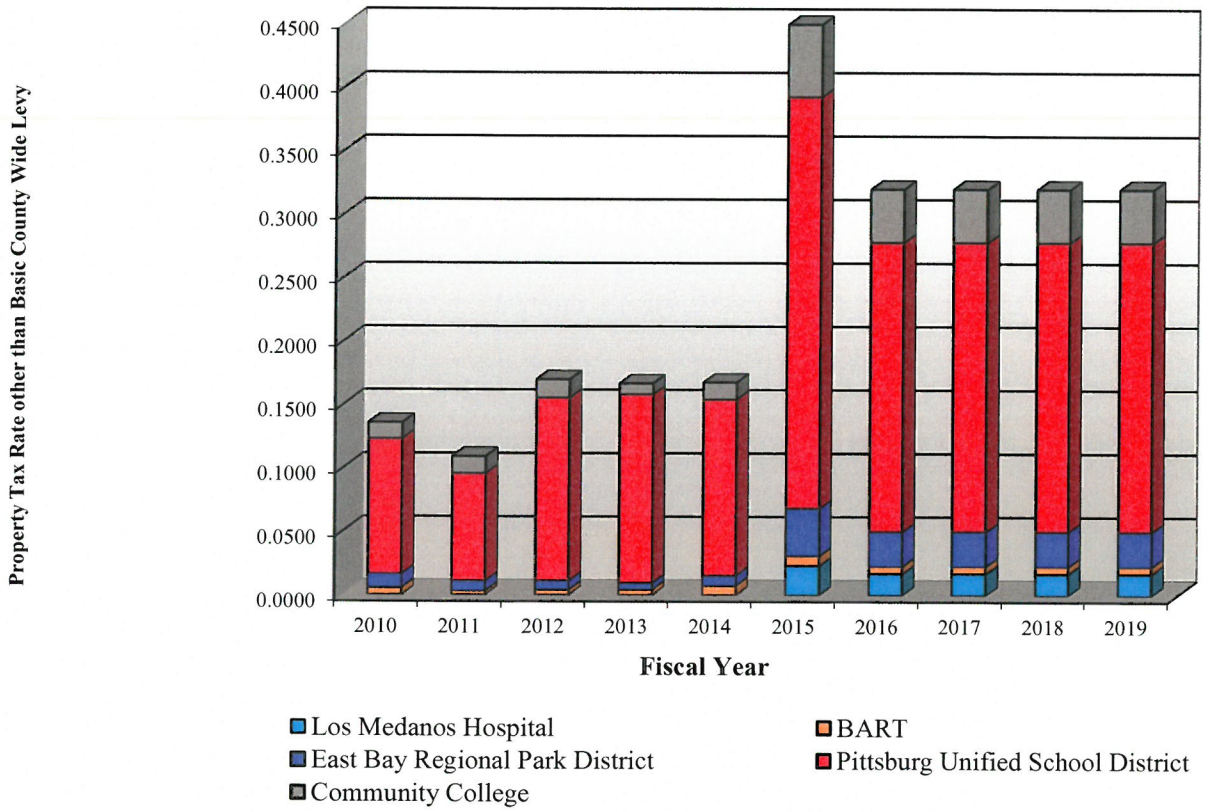
* Direct Tax Rate for FY 14-15 has been updated to reflect the AB8 adjustment for the first time on 2014-15 tax roll after CAFR was issued.

** The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

*** California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. Beginning in 2013/14 the total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Source: Contra Costa County Auditor Controller Office Certificate of Assessed Valuations

CITY OF PITTSBURG
Property Tax Rates
All Overlapping Governments
Last Ten Fiscal Years



Fiscal Year	Basic County Wide Levy	Pittsburg Direct Rate*	Los Medanos Hospital	Bay Area Rapid Transit	East Bay Regional Park District	Pittsburg Unified School District	Community College	Total
2010	1.0000	0.73534	0.0000	0.0057	0.0108	0.1066	0.0126	1.8653
2011	1.0000	0.73265	0.0000	0.0031	0.0080	0.0848	0.0133	1.8388
2012	1.0000	0.73307	0.0000	0.0041	0.0071	0.1443	0.0144	1.8989
2013	1.0000	0.72809	0.0000	0.0043	0.0051	0.1487	0.0087	1.8906
2014	1.0000	0.17411	0.0000	0.0075	0.0078	0.1391	0.0133	1.3343
2015	1.0000	0.14854	0.0231	0.0079	0.0373	0.3241	0.0572	1.5902
2016	1.0000	0.15020	0.0170	0.0058	0.0273	0.2280	0.0419	1.4644
2017	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656
2018	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656
2019	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656

* Pittsburg Direct Rate = the weighted average of City's Share of 1% levy & Redevelopment Rate
Source: Contra Costa County Assessors Office & HdL Coren & Cone

CITY OF PITTSBURG
Principal Property Tax Payers
Current Year and Nine Years Ago

	2018-19			2009-10		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Dow Agrosciences LLC	$ 327,380,479	1	4.38%	$ -	-	0.00%
USS - Posco Industries	243,137,080	2	3.25%	303,868,260	2	6.41%
Calpine Corporation	185,000,000	3	2.47%	-	-	0.00%
K2 Pure Solution	161,926,065	4	2.16%	-	-	-
Delta Energy Center	159,000,000	5	2.13%	439,900,000	1	9.29%
Sierra Pacific Properties	118,605,816	6	1.59%	60,914,758	4	1.29%
KW Kirker Creek LLC	104,207,413	7	1.39%	30,000,000	7	0.63%
San Marco Properties LLC	83,180,720	8	1.11%			0.00%
Century Plaza Corporation	75,608,381	9	1.01%	40,278,162	6	0.85%
Douglas Products	58,803,065	10	0.79%			-
Dow Chemical Company	-		-	108,844,034	3	2.30%
Albert D Seeno Construction Co.	-		-	19,965,950	10	0.42%
Fund VIII PR Pittsburg, LLC	-		-	23,029,619	8	0.49%
FRG Presidents Park III LLC	-		-	21,129,810	9	0.45%
GWF Power System Limited Partner	-		-	48,683,172	5	1.03%
Subtotal	$ 1,516,849,019		20.28%	$ 1,096,613,765		21.67%

Total Net Assessed Valuation:

Fiscal Year 2018-19	$7,481,013,215
Fiscal Year 2009-10	$4,737,707,841

Source: HdL Coren & Cone

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➢ GLOSSARY OF BUDGET TERMS

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

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

ACCRUAL BASIS OF ACCOUNTING – The method of accounting under which revenues are recorded when they are earned (regardless of when cash is received) and expenditures are recorded when goods and services are received (regardless of when disbursements are actually made at the time).

ADOPTED BUDGET – Revenues and appropriations approved by the City Council in June for the following fiscal year.

ALLOCATED COSTS – An expense charged by one department/division to another for services performed or expenditures of a general nature that are charged to one main account and allocated to other departments/divisions by a specified formula.

APPROPRIATION – Legal authorization granted by City Council to make expenditures and incur obligations for a specific purpose within a specific time frame.

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

ASSESSED VALUATION – A dollar value placed on real estate or other property by the County as a basis for levying property taxes.

ATTRITION – The unpredictable and uncontrollable, but normal, reduction of work force due to resignations and retirements.

AUDIT – A review of the City's accounts by an independent auditing firm to substantiate fiscal year-end balances and assure compliance with generally accepted standards for financial accounting and reporting.

BALANCED BUDGET – Where budgeted operating revenues cover or exceed budgeted non-capital operating expenditures, avoiding budgetary procedures that balance current expenditures at the expense of meeting future years' expenses such as postponing expenditures or accruing future years' revenues.

BOND – A municipal bond is a written promise from a local government to repay a sum of money on a specific date at a specified interest rate.

BUDGET – A plan of financial operation, including an estimate of proposed expenditures/expenses for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). Upon approval by the City Council, the budget appropriation resolution is the legal basis for expenditures in the fiscal year.

BUDGET AMENDMENT – A legal procedure utilized by the City Manager to revise a budget appropriation during the year. Adjustments to expenditures within or between department budgets may be accomplished administratively. City Council approval is required for additional appropriations from fund balances or new revenue sources.

BUDGET STABILIZATION FUND – A reserved amount of money placed in a separate fund to be used in times when regular income is disrupted or decreased in order for typical operations to continue.

BUDGET YEAR – The fiscal year for which the budget is being considered; fiscal year following the current year.

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT) – The California Employers' Benefit Trust (CERBT) Fund is a Section 115 trust fund dedicated to prefunding Other Post-Employment Benefits (OPEB) for all eligible California public agencies.

CAPITAL BUDGET – Annual appropriations for capital improvement projects such as street improvements, building construction and various kinds of major facility maintenance. Capital projects are supported by a five-year expenditure plan, which details funding sources and expenditure amounts. They often are multi-year projects, which require funding beyond the one-year period of the annual budget.

CAPITAL IMPROVEMENT PROGRAM (CIP) – A financial plan of authorized expenditures for tangible, long-term construction of, or improvements to, public physical facilities

CAPITAL OUTLAY – A budget appropriation category which budgets all equipment, land or other fixed assets having a unit cost of more than $5,000 and an estimated useful life of over five years.

CAPITAL PROJECT FUND – A governmental fund used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

CARRYOVER OR CARRY FORWARD – 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.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) - One of the longest-running programs of the U.S. Department of Housing and Urban Development, funds local community development activities such as affordable housing, anti-poverty programs, and infrastructure development.

COMMUNITY FACILITIES DISTRICTS (CFDs) - Localities that have been empowered by state law to levy special taxes on their residents to fund the capital costs of a wide variety of public improvements (such as roads and sewer services), as well as the ongoing operation and maintenance costs of a limited number of public services (such as schools, police and fire protection services, libraries, etc.) that benefit the community.

CONTINGENCY – An appropriation of funds to cover unforeseen events that occur during the fiscal year

COST RECOVERY – The establishment of user fees that is equal to the full cost of providing services including indirect overhead and administrative costs.

DEBT SERVICE – Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes or leasing arrangements.

DEBT SERVICE FUND – A governmental fund used to account for the accumulation of resources 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 – An excess of expenditures or expenses over revenues (resources).

DEPARTMENT – An organizational unit comprised of divisions or programs. It is the basic unit of service responsibility that may include a broad mandate of related activities.

DIVISION – A sub-section (or activity) within a department, which furthers the objectives of the City Council by providing specific services or programs.

ENCUMBRANCE – A contingent liability, contract, purchase order, payroll commitment, tax payable, or legal penalty that is chargeable to an account. It ceases to be an encumbrance when paid-out or when the actual liability amount is determined and recorded as an expense.

EMERGENCY OPERATION CENTER (EOC) – A location from which centralized emergency management can be performed. EOC facilities are established by an agency or jurisdiction to coordinate the overall agency or jurisdictional response and support to an emergency.

EMPLOYER PAID MEMBER CONTRIBUTION (EPMC) – EPMC represents a retirement benefit that is provided by the City of Pittsburg retirement program (PERS), which is the State Public Employee Retirement System.

ENTERPRISE FUND – A type of fund established for the total costs of those governmental facilities and services, which are operated in a manner similar to private enterprises. These programs are entirely or predominantly self-supporting. The City of Pittsburg maintains several Enterprise Funds that include Water, Sewer, Marina, Golf Course, Island Energy and the Power Company Fund.

EXPENDITURES – Monies spent, including current operating expenses, debt service and capital outlays.

EXPENSE – The actual spending of funds by an enterprise fund set-aside by an appropriation.

FISCAL SUSTAINABILITY - The ability of a government to sustain its current spending, tax and other policies in the long run without threatening government solvency or defaulting on some of its liabilities or promised expenditures.

FISCAL YEAR – The City's year for accounting and budgeting purposes, which begins on July 1 and ends on June 30.

FORECAST – Estimate of the future impact of current revenue and expenditure policies based on specific assumptions about future conditions such as inflation or population growth. Forecasts are neither predictions about the future nor a statement of policy intentions.

FULL-TIME EQUIVALENT (FTE) – The amount of time a regular full or part-time position has been budgeted for in terms of the amount of time an employee works in a year. The City of Pittsburg uses 1,000 hours to calculate the number of seasonal and part-time employees.

FUND – An independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created.

FUND BALANCE – The amount of financial resources available for use. Generally, this represents the detail of all the annual operating surpluses and deficits since the fund's inception.

GENERAL FUND – The primary fund used to account for all revenues and expenditures of the City not legally restricted as to use. This fund is used to offset the cost of the City's general operations. Examples of departments financed by the General Fund include the General Government, Police, Public Works, Recreation, and other Administrative Departments.

GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD) – A local assessment district formed for the purpose of prevention, mitigation, abatement, or control of geologic hazards, including an actual or threatened landslide, land subsidence, soil erosion, earthquake, or any other natural or unnatural movement of land or earth.

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) - A professional organization of public officials united to enhance and promote the professional management of governmental financial resources by identifying, developing and advancing fiscal strategies, policies, and practices for the public benefit.

GOVERNANCE – The process of providing community leadership and overall direction for a City. It involves understanding the community's desires for its future, focusing those desires into an achievable vision and establishing specific objectives and goals in order to realize that future vision. It also involves leadership in explaining City policies to the community and gathering support for City programs.

GRAPHIC INFORMATION SYSTEM (GIS) - A system designed to capture, store, manipulate, analyze, manage, and present all types of spatial or geographical data.

GRANT – Contributions, gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity or facility.

INFRASTRUCTURE – Facilities on which the continuance and growth of a community depend, such as streets and roads, sewers, public building, parks, etc.

INTERFUND TRANSFER IN/OUT- Monies transferred from one fund to another. Such money is transferred to finance the operations of another fund or to reimburse the fund for certain expenditures/expenses such as administrative support.

INTERNAL SERVICE FUND – A fund used to account for the services provided by one department to other departments on a cost-reimbursement basis.

MANDATORY FRINGE BENEFIT – Benefits the City pays on behalf of its employees including health and dental insurance, pension and social security.

MUNICIPAL CODE – A book that contains the City Council-approved ordinances currently in effect. The Code defines City policy. The Code contains the "laws" of the City.

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) - As authorized by the Clean Water Act, the National Pollutant Discharge Elimination System (NPDES) Permit Program controls water pollution by regulating point sources that discharge pollutants into waters of the United States.

NORMAL COST (NC) RATE – Pension rate that represents the annual cost of service accrual for the upcoming fiscal year, for active employees. Normal cost is shown as a percentage of payroll and paid as part of the payroll reporting process.

OBJECTIVES – The expected results or achievements of a budget activity, which can be measured and achieved within a given time frame. Achievement of the objective advances the organization towards a corresponding goal.

OTHER POST EMPLOYMENT BENEFITS (OPEB) - The benefits that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee

OPERATING BUDGET – Annual appropriation of funds for on-going program cost, including salaries and benefits, services and supplies, debt service and capital outlay.

ORDINANCE – A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless preempted by a higher form of law. An ordinance has higher legal standing than a resolution.

RECOMMENDED BUDGET – The financial and operating document submitted by the City Manager to the City Council for consideration.

RESERVE – an account used to record a portion of the fund balance as legally segregated for a specific use, usually at a future time.

RESOLUTION – A special order of the City Council, which has a lower legal standing than an ordinance.

REVENUES – Monies received or anticipated by a local government from both tax and non-tax sources during the fiscal year. Revenues include income from user fees, taxes, permits and other sources.

SALARIES AND FRINGES – A budget category which generally accounts for full-time and part-time employees, overtime expenses and all employee benefits, such as medical, dental and retirement.

SECTION 115 TRUST –Employer assets placed in a trust which is used for the designated purpose of prefunding other post-employment benefits, including pensions and retiree medical.

SERVICES AND SUPPLIES – Expenditures/expenses for supplies, materials and services which ordinarily are consumed within a fiscal year and which are not included in inventories.

SPECIAL REVENUE FUNDS – This fund type collects revenues that are restricted by the City, State or Federal government as to how the City might spend them. The City of Pittsburg maintains several Special Revenue Funds that include Gas Tax, Measure J, the Citywide and Oak Hills Lighting and Landscape Districts, Park Dedication, Traffic Mitigation, and Community Development Block Grant funds.

SUBSIDY – Supplemental resources provided to ensure adequate funding when anticipated expenditures exceed revenues.

SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY – The primary purpose of the Successor Agency is to administer the wind down of the previous Redevelopment Agency's operations which entails continued payment for financial obligations and fulfillment of contractual obligations entered into the Successor Agency prior to the enactment of Assembly Bill 26, which caused the dissolution of all Redevelopment Agencies in California.

TRANSIENT OCCUPANCY TAX (TOT) – This tax is collected from the operators of hotels and motels located within the City. A percentage of this tax is then remitted to the City.

UNFUNDED ACTUARIAL ACCRUED LIABILITY (UAL) – In regard to Pension, the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving retirement benefits, active members, and for members entitled to deferred benefits, as of the valuation date.

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

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CITY OF PITTSBURG
CAPITAL ASSETS POLICY AND PROCEDURES
JUNE 2013

Purpose: The purpose of this policy is to:

1. Define the accounting practices and procedures that will ensure effective and accurate control of the capital assets of the City.
2. Assure that the City complies with the requirements of the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP) and OMB Circular A-133 as they relate to capital assets.
3. Communicate to City Elected Officials, Department Heads, Employees, and the Public the formal Capital Asset policy of the City of Pittsburg.
4. Assure that an accurate record keeping system is in place to protect and properly insure assets in the event of loss.

Application: This policy applies to all Departments of the City of Pittsburg.

Responsibility: The Finance Department is responsible for the implementation and administration of this policy.

The City Department Head is responsible for ensuring that proper budgeting, purchasing, and disposing guidelines are followed.

Definitions: **Capital Assets:** Major assets that are used in operations and have initial useful lives extending beyond a single reporting period. Capital assets with an original unit cost of greater than or equal to the City's capitalization threshold of $5,000, including ancillary costs, and with a useful life of three years or more will be capitalized for financial accounting purposes. Examples include, among other things, land, land improvements, buildings, building improvements, furniture and fixtures, vehicles, machinery, equipment, infrastructure, and all other tangible or intangible assets.

Infrastructure assets: Long-lived capital assets that normally are stationary in nature and normally can be preserved to a significantly greater number of years than most capital assets. They include, among other things, roads, bridges, water and sewer systems, drainage systems, and electrical and gas lines.

Controlled Assets: Assets with an original unit cost less than $5,000 (including ancillary cost) and a useful life of two years or more. Controlled assets will not be monitored in the City's Capital Asset records. Any item purchased for less than $500.00 shall be considered as a supply line item. Examples of controlled assets include personal computers, facsimile machines, small photocopiers, printers, cellular phones, other telecommunication equipment, cabinets, tables, etc. These assets are not capitalized in the General Ledger nor are they depreciated. However, a copy of the Department's Inventory Control Records is to be provided to the Finance Department. This allows the City to control these assets through audits without affecting the City's financial status. Also, this information can be used to determine the proper level of insurance and assist the City in providing proof of loss in an insurance claim.

Depreciation: A methodology that amortizes the cost of the asset over its useful life using an acceptable basis.

Useful Life: The period of time the asset will be of service to the City.

Salvage Value: The subsequent value of the asset at the end of its useful life.

Historical Cost: The value placed on the asset at the time of acquisition, including ancillary costs (value of trade-ins, shipping costs, installation costs, etc.)

Acquisition Date: The date the City took ownership of the asset.

Capitalization Threshold: The measure of value placed on an individual asset to determine its qualification for capitalization or expense in the financial records, and includes all costs to put the asset in service (shipping, installation costs, etc.,).

Fair Market Value: The estimated value of the asset for which it would be exchanged between a willing buyer and seller when neither is forced into the exchange. In addition, both parties should have knowledge of all facts and consider it an equitable exchange. This is generally used in place of historical cost in a donated asset situation.

Insurable Value: The value placed on the asset that would best represent the replacement cost of the asset as determined by a qualified appraisal firm. If monetary value cannot be placed on items, such as irreplaceable documents, there is no insurable value. Insurable values of the buildings do not include the value of land.

General: The primary purpose of a Capital Asset accounting system is to maintain physical accountability over the assets owned by the City. The accounting system should provide a record of the capital assets obtained over the years that are still in service and identify the funding source for the purchase and/or construction of those assets. The capital assets of the City are those owned by the City that meet the above definition.

The City has established a unit cost threshold of $5,000 (except Land which is $1) and a useful life of at least three years for all capital assets. Assets with a unit cost below this level will be expensed. Donated assets and Grants-in-kind will be recorded at fair market value.

To maintain accurate capital asset records, information must be centralized in the Finance Department. The Finance Department is responsible for maintaining all of the asset information.

The City adheres to Generally Accepted Accounting Principles and the pronouncements of the Governmental Accounting Standards Board. Any subsequent changes to either will be incorporated into this policy upon the recommendation from the Finance Department.

Accounting for Capital Assets in Proprietary Funds

Capital assets acquired for use in proprietary fund operations are considered "fund assets" and should be accounted for within the appropriate fund. Depreciation of capital assets accounted for in a proprietary fund shall be recorded in the accounts of that fund.

Accounting for Capital Assets in Governmental Funds

Capital assets, other than those accounted for in Proprietary Funds shall be reported in the General Fixed Assets Account Group (GFAAG). The GFAAG is not a fund but simply a list of the City's general fixed assets. Depreciation of general fixed assets shall be calculated and accumulated depreciation maintained in the GFAAG for disposition and cost accounting purposes.

Reporting requirements for capital assets in Comprehenisve Annual Financial Report (CAFR)

- Capital assets are included in the Statement of Net Assets.
- Depreciation expense is included in the Statement of Activities.
- Note disclosure of changes in the general capital assets. This statement would show the beginning balance for each class of assets, total additions for the year by class, total dispositions for the year by class, total transfers for the year by class, and the ending balance for each class of assets in tabular form.

Policy: Capital Assets are to be capitalized and depreciated only if they have an estimated useful life of at least three years following the date of acquisition, have a historical cost of at least $5,000, including ancillary cost, (except Land which is $1) per individual unit, are tagged (where applicable) and inventoried, and meet the above definitions and the following criteria:

Assets that use Historical Costs for capitalization:

Land: The purchase price and cost of preparing land for its intended use. Examples of ancillary costs include search costs, attorney's fees, liens assumed, taxes assumed, grading costs, and land improvements with an indefinite life.

Improvements other than Buildings: Permanent (i.e., non-detachable) improvements that add value to land (e.g. fences, retaining walls, easements, road access). This account also is used for leasehold improvements.

Buildings (including building improvements, additions or renovations): The purchase price, contract price, or job order costs, and any other expenditure necessary to put a building or structure into its intended state of operation. Additional expenditures may include professional fees, costs of fixed fixtures (non-detachable) to the floor, ceilings and walls, insurance premiums, and related costs incurred during the period of construction.

Furniture, Fixtures, and Equipment: The total purchase price less any applicable discounts and any ancillary payments required to place the asset in its intended state of operation.

Computer Equipments and software: The total purchase price less any applicable discounts and any ancillary payments required to place the asset in its intended state of operation. Systems (i.e. Servers) constructed that in the aggregate exceed the capitalization threshold will not be capitalized. Any piece of a system that exceeds the capitalization threshold will be individually capitalized.

Vehicles: The total purchase price less any applicable discounts and any ancillary payments required to place the asset in its intended state of operation.

Infrastructures: The purchase price, contract price, or project costs, and any other expenditure necessary to put the asset into its intended state of operation. Additional expenditures may include professional fees, damage claims, insurance premiums, and related costs incurred during the period of construction. Examples include roads, gutters, bridges, traffic signals, water and sewer systems, drainage systems, monuments, electric and gas lines.

Construction in Progress: The total amount expended to date on uncompleted buildings, pipelines, or other capital project under construction. Interest costs are capitalized starting with the first expenditure related to the asset,

and capitalization continues until the asset is substantially completed and ready for its intended use. When the project is completed, the cumulative costs are then transferred to the appropriate capital asset accounts.

Assets that use other valuation method for capitalization.

Lease Assets -All capital assets, including leased assets, shall be recorded on the General Ledger. Operating leases shall be recorded as Controlled Assets, while capital leases shall be processed like any purchased asset. NCGA-5 (Accounting and Financial Reporting Principles for Lease Agreements of State and Local Governments) requires that a lease agreement that satisfies the criteria established by FAS-13 (Accounting for Leases) shall be capitalized. Any lease agreement that does not meet any one of the noted criteria shall be considered an operating lease and shall not be capitalized. Operating leases shall be maintained in the Department's Inventory Control System for insurance purposes only. FAS-13 states that non-cancellable leases that meet any one of the following criteria must be capitalized:

a) The lease transfers ownership of the property to the lessee by the end of the lease term.
b) The lease term contains a bargain purchase option.
c) The lease term is equal to 75% or more of the estimated economic life of the leased property.
d) The present value of the minimum lease payments at the inception of the lease, excluding executory costs, equals at least 90% of the fair market value of the leased property.

Donated Assets: Donated Assets or any other asset acquired in any way other than through normal purchasing also shall be recorded and tagged. This also holds true for assets purchased with grant monies. The operating department that becomes the beneficiary of any such asset shall notify the Finance Department. Donated assets shall be reported at their estimated fair value at the date of acquisition.

Repair and Maintenance: If costs are incurred to keep an asset in its normal operating condition and the life of the asset is not extended the costs are expensed (e.g. - cleaning, replacement of small parts, minor painting, lubrication).

Improvements, Additions or Renovations are capitalized if the historical cost of the asset, including the improvement, addition or renovation is $5,000 or more and extends the life of the asset.

If the expenditure is a replacement, a retirement must be made to the items being replaced. This includes both a reduction in Historical Cost and Accumulated Depreciation.

Useful Life of the various categories of assets includes:

Land	N/A
Land Improvements	20 – 30 years
Buildings (Including improvements, additions, and renovations)	45-70 years
Furniture, Fixtures and Equipment	5 – 10 years
Computer, Equipment and Software	3 years
Vehicles	5 – 7 years
Infrastructure	20 – 75 years

Depreciation Method – The City will utilize the straight-line method for depreciation. Equal periodic depreciation charges are therefore recognized over the life of the capital asset. The department who purchases the asset should indicate on the surface of vendor invoices an estimate useful life of the assets.

$$\textit{Annual Depreciation} = \frac{\textit{Cost less Salvage Value}}{\textit{Number of Estimated Life}}$$

Tagging of Assets – All capital assets that are purchased with Federal grant funding will be tagged and labeled with the name of the grant used for the purchase.

Land, Land Improvements and Buildings will use the legal address for identification in the City records. Vehicles will use their VIN for identification purposes. Equipment (where applicable) will use the serial number for identification.

Disposition and Transfer of Assets – Property shall not be transferred, turned-in or disposed of without prior approval of the City Manager or designee. For property valued more than $5,000 (except vehicles) will require Council approval.

The operating departments shall be responsible to initiate transfer/disposition processing. The form "Request to Transfer/Disposal Assets" (see Exhibit A) shall be completed by the operating department and submitted to City Manager or designee for approval. The Department Head must acknowledge receipt of any fixed asset transferred to his/her department.

The actual transfer/removal or destruction of property should be witnessed by two City employees from other departments, particularly from Finance.

The operating department should also follow the capital assets disposal/ transfer guidelines as follows:

Disposition of Assets – All Capital Assets will be disposed of as follows:

Grant Funded Acquisitions shall be reviewed by the Finance Department or designee prior to disposition.

Land and Buildings will be sold to the highest bidder in a competitive environment after the proposed sale is advertised in a newspaper of general circulation.

Furniture and Fixtures, Machinery and Equipment, and Vehicles will be sold to the highest bidder at public auction. Trade in values will be considered, and encouraged, when in the best interest of the City as determined by the Operation Department.

Note: Salvage values received for assets sold will be receipted into the City's General Fund. Exceptions are limited to assets that were acquired with Enterprise Fund, Internal Services funds and assets that were seized or forfeited through the Sheriff Department, the Courts, or the Prosecuting Attorney's Office.

Computer Equipment (including copiers and fax machines) is to be sold to the highest bidder at public auction. Trade in values will be considered, and encouraged, when in the best interest of the City as determined by the IT Department.

Note: Salvage values received for assets sold will be receipted into the Internal Services Fund revenues. Exceptions are limited to assets that were seized or forfeited through the Sheriff Department, the Courts, or the Prosecuting Attorney's Office.

Note: Any capitalized or not capitalized asset will be returned to the Information Technology (IT) Department for disposition, unless used as a trade-in. Assets will be evaluated by the IT Department for their likeliness of sale and either placed in the auction or destroyed.

Disposal of Surplus Supplies and Equipment (adopted from Section 10 of Purchasing Policy of 4-16-12)

Each department shall submit a request to the City Manager or designee when the department seeks to have any City property under its jurisdiction declared to be surplus[1]. The Finance Director or designee evaluates the surplus property for possible use in another area and will inform other departments of the availability of the property or determine that there is no use for the property.

The Finance Director, or designee, will determine if any surplus property was purchased through grant funds, and whether such items can be surplused under the provisions of the grant.

The following chart will be used for the disposal of surplus property:

	Value of the surplus property is $5,000 or Less (except vehicles)	Value of the surplus property is More than $5,000 (except vehicles)
Exchange or Trade-In	A department, with approval of the City Manager, is authorized to exchange surplus property for other property of at least equal value, or to trade it in as part of the consideration to be paid for other property.	The City Manager or designee is authorized, upon City Council approval, to exchange surplus property for other property of at least equal value, or to trade it in as part of the consideration to be paid for other property.
Sale	A department, with approval from the Finance Director, will determine the best method for the sale of surplus property, with City Manager final approval.	The City Manager or designee, with approval from the City Council, will determine the best method for the sale of surplus property.
Discard	A department, with approval from the Finance Director, is authorized to dispose of surplus property after final approval by the City Manager.	The City Manager or designee, with approval from the City Council, is authorized to dispose of surplus property.
Donate	A department, with approval from the City Manager, is authorized to donate surplus property to any Pittsburg civic, community, or non-profit agency, or any agency funded through Pittsburg's Community Development Block Grant (CDBG) program. (Other groups require City Council approval.)	The City Manager or designee, with approval from the City Council, is authorized to donate surplus property to any civic, community, or non-profit agency.
Vehicles	The City Manager or designee is authorized to exchange or trade-in; sell' discard; or donate to any Pittsburg civic, community or non-profit agency, or donate to any agency funded through Pittsburg's Community Development Block Grant program any vehicle which is deemed surplus. (Donations to other groups require City Council approval.)	

[1]For purposes of this Policy, "City property" does not include items seized by the Police Department. The disposal of such Police Department items shall be governed by a Police Department administrative policy.

Notwithstanding the above chart, the City Manager or his/her designee is authorized to routinely dispose of the following: (1) furniture than cannot be used by a City department, or used by and picked up by a Pittsburg governmental or non-profit organization; (2) scrap products made of brass and copper which will be disposed on a bid or quotation basis; (3) scrap products made primarily of iron, plastic or other materials of no value which will be disposed on a continuous basis; and (4) items that had an original value of less than two hundred dollars ($200) or a current value of less than fifty dollars ($50).

Costs of disposal will be considered in determining the best method of disposal of surplus property. Whenever possible and advantageous to the City, surplus property will be sold at public sale or auction. When in the opinion of the Finance Director or designee a better return may be received through direct contact with manufacturers, resellers, or users of specialty item(s), then that method of sale will be utilized.

Sale proceeds less direct costs from any sale shall be returned to the specific fund from which the surplus property was originally purchased.

Donation means the transfer of ownership of property for no consideration or for a value less than the reasonable fair market value of the property.

The surplus disposal **to City employees** will be only through a competitive process open to the public. Employees who have been responsible for declaring any item surplus may not bid on that item. These provisions do not apply to surplus property that is to be discarded.

No warranty of surplus property is provided by the City and is disposed of "as is" without warranty, express or implied, as to condition or usability.

The City's intention is to award and transfer surplus property to the highest bidder. **If a mistake is made**, an attempt to correct it will also be made; however, the City offers no guarantees and accepts no liabilities for completion of sale(s) other than to return any applicable funds received.

A written record of the disposal of all surplus property will be maintained by the Finance Department for five (5) years.

Custody and Accountability:

Each of the operating departments has the authority, accountability, and responsibility for the property issued to, or purchased by, their respective departments.

Each of the departments and divisions must designate a steward ("Property Steward") for each piece of property in their custody. The person to whom the assets have been assigned for safekeeping will be the contact person for each property within the department. This person will become the focal point for questions regarding availability, condition and usage of the asset, as well as the contact during the physical inventory process.

A Property Steward shall be designated for each piece of property to ensure that property is acquired, maintained, used and disposed of in the City's best interests. It is the Property Stewards' responsibility to record the receipt of the asset, to examine the asset to make sure that no damage was incurred during shipment and to make sure that the asset was received in working order.

The Property Steward shall work in cooperation with selected Department personnel in arranging for necessary preventive maintenance and any needed repairs to keep the asset in working condition. Whenever the asset changes rooms, is transferred to another department, or is disposed of, the Property Steward must ensure this information is processed per the disposal/transfer guidelines. The Property Steward must ensure that departmental fixed assets are kept up-to-date in the Inventory Records and notify the Finance Department of any corrections which need to be made.

The Department Head or other person authorized by the Department Head is responsible for all property purchased for, assigned to, or otherwise provided to his/her department. The designated person to act as Property Steward is responsible for the custody and control of each property within the department.

At the end of the fiscal year, the Finance Department will provide two copies of the fixed assets list to the department Property Steward, including those that were purchased, transferred, or disposed of during the fiscal year. This listing will include all the property for which the department is responsible. It is required that an inventory of the listed property be conducted, discrepancies be resolved, and the listing be signed by the Property Steward and the Department Head verifying the property on hand. The listing shall be signed by the Property Steward and approved by the Department Head and then returned to Finance Department within ten (10) working days. A copy shall be retained by the department Property Steward for their files.

When a Property Steward is to be replaced for any reason, the Department head shall notify the Finance Department employee in charge of fixed assets. The Finance Department staff member will then provide a current fixed asset listing so that a joint review of the department's assets may be conducted by the outgoing and incoming Property Steward. The completed and verified joint review shall be forwarded to the Department Head and any changes submitted to the Finance Department within thirty (30) days after the appointment of the new Property Steward.

Periodic Review: The Finance Department shall review this policy and make recommendations for change, as needed.

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City of Pittsburg
Debt Management Policy
As Amended March 6, 2017

I. INTRODUCTION

The City of Pittsburg ("City") has established this Debt Management Policy to provide clear and comprehensive guidelines for the issuance and financial management of the City's debt portfolio. This policy supports the City's mission of providing responsive and high quality public services for its citizens and ensures that the City is financially self-sustaining and fiscally strong. The policy applies to debt issued by the City directly, as well as debt issued by the City on behalf of assessment districts or community facilities districts, or as a conduit issuer for third parties. Finally, this Debt Policy requires that the City Council specifically authorize each debt financing by resolution. Certain terms used in this Debt Policy are defined in the Glossary of Terms provided at the end.

II. SCOPE

The guidelines established by this policy will govern the issuance and management of all debt funded for long term capital financing needs and not for general operating functions. The Finance Department recognizes that changes in the capital markets and other unforeseen circumstances may require action which may deviate from this Debt Management Policy. In cases which require exceptions to this Debt Management Policy, approval from the City Council will be necessary for implementation.

III. OBJECTIVES

The purpose of this Debt Policy is to establish prudent debt issuance guidelines to ensure that the City meets the following objectives:

- To provide financial support for the City's strategic and capital plan objectives through the most safe and cost effective means of debt issuance
- To ensure that the term of the debt shall not exceed the expected useful life of the capital improvement [not in this section]
- To ensure that any debt instrument utilized be fully understood by Staff (See Section V for a description of typical types of debt)
- To ensure that all debt obligations will be met in a timely & efficient manner (Section IX)
- To mandate that the City comply with all debt covenants (Section IX)
- To ensure that all required disclosure reports are filed on a timely basis (Section IX)
- To maintain good communications with bond rating agencies & investors (Section VIII & IX)

- To preserve financial flexibility (Section VI & IX)

IV. DELEGATION OF AUTHORITY

Pursuant to the provisions of Sections 37209 and 40805.5 of the Government Code of the State of California, the Finance Director (Director of Finance) shall be the head of the finance department and shall be responsible for all of the financial affairs of the City. This City Debt Management Policy grants the Director of Finance the authority to select the financing team, coordinate the administration and issuance of debt, communicate with the rating agencies, as well as to fulfill all the pre-issuance and post-issuance disclosure information.

The Director of Finance or designee will use the Request for Proposal (RFP) process to select various Financing Team Members. Below is a brief description of the main Financing Team, along with their functions, and the mandated frequency of soliciting RFP's.

The typical Financing Team consists of:

1. *Financial Advisor/Municipal Advisor* –
   - Assists with capital planning and long term financial planning
   - Coordinates the financing and debt issuance process
   - Helps evaluate underwriter proposals and provides financial analysis and recommendations
   - Assists with the securing of other professional services and other members of the financing team
   - Monitors and evaluates market conditions for opportunities to issue debt at low interest rates and/or refund existing debt for savings or other reasons sought by the City (e.g., modify debt covenants)
   - Works with the City and Underwriter to develop investor outreach and market approach
   - Manages competitive bid process
   - Ensures negotiated prices are "fair" and reasonable in the marketplace

Requests for Proposals for Financial Advisors should be done on a periodic basis not to exceed ten (10) years but is subject to review after four years.

2. *Bond Counsel* –
   - Prepare an approving legal opinion
   - Provide expert and objective legal opinion and advice
   - Prepare and review documents necessary to authorize, issue, sell and deliver the bonds, as well as coordinate the authorization and execution of closing documents
   - Review legal issues relating to the structure of the bond issue

- Prepare election proceedings or pursue validation proceedings if necessary
- Review or prepare those sections of the official statement that relate to the Bonds, financing documents, bond counsel opinion, and tax exemption
- Assist the City in presenting information to bond rating organizations and credit enhancement providers relating to legal issues affecting the issuance of the Bonds
- Review or prepare the Notice of Sale, Bond Purchase Contract and continuing disclosure undertaking of the City
- Post-issuance advice for bond covenant compliance

Requests for Proposals for Bond Counsel should be done on a periodic basis not to exceed ten (10) years but is subject to review after four years.

3. *Underwriter* –
   - Provide the City with market knowledge
   - Assist with credit analysis and preparation
   - Premarketing of the Bonds
   - Pricing and Sale of Bonds
   - Trading of the Bonds

Underwriter services should be solicited through a Request for Proposal (RFP) for every bond issue, or by developing a pool of pre-qualified underwriters from which to select.

4. *Trustee/Fiscal Agent/Paying Agent/Escrow Agent* –
   - Establishes and holds the funds and accounts relating to the bond issue
   - Maintains the list of names and addresses of all registered owners of the bonds and recordings of transfers and exchanges of the bonds
   - Acts as the authenticating agent
   - Acts as the paying agent
   - Protects the interests of the bondholders by monitoring compliance with covenants and acts on behalf of the bondholders in the event of default
   - If also serving as the escrow agent, holds the investments acquired with the refunding bond proceeds and uses those investments to pay debt service on the refunded bonds
   - If also serving as a dissemination agent acts on behalf of the issuer or other obligated person to disseminate annual reports and event notices to repositories under SEC Rule 15c2-12 (See Section IX)

RFP's for Trustee services should be done on a periodic basis if the recurring Trustee fees increase excessively (in excess of the prevailing Bay Area inflation rate).

V. TYPES OF DEBT AND METHODS OF SALE

There are a number of market factors that will affect the success of a bond offering, and each should be carefully considered before selecting a method of sale. These factors include, but are not limited to, the following: 1) market perception of the credit quality of the source of repayment (e.g., City general fund, special taxes, enterprise fund revenues), 2) interest rate volatility, 3) size of the proposed issue, 4) complexity of the proposed issue, and 5) competition with other issuers for investor interest (bond supply).

The Finance Director with the assistance of the City's bond counsel, financial advisor and/or Underwriter, as appropriate, will examine and evaluate all available alternatives for new issues and make a recommendation to the Finance Committee. Factors that should be considered include: 1) Is the issuing option appropriate under existing laws? 2) Are there formal policies with respect to the method of sale? 3) Does the nature of the proposed offering suggest that one method of marketing is more efficient than another? and 4) Have the City's past issuance practices yielded acceptable results? Only after review and acceptance by the Finance Committee, will the proposed new bond issuance be presented to the City Council for review and consent.

The following are the types of debt the City could issue:

1. New Money Bonds
   New Money bonds are bonds issued to finance the cost of capital improvement projects or other large and extraordinary costs as approved by the City Council.

2. Refunding Bonds
   Refunding bonds are bonds issued to refinance (refund) previously issued outstanding debt. The City may issue refunding bonds to refinance the principal of and interest on outstanding bonds or other debt to achieve debt service savings, restructure scheduled debt service, convert from or to a variable or fixed interest rate, change or modify the source(s) of payment and security for the refunded debt, or modify convenants otherwise binding upon the City. Refunding bonds may be issued either on a current or advance basis.

3. Revenue Bonds
   Revenue Bonds are generally issued by enterprise funds that are financially self-sustaining without the use of taxes and other revenues in the City's general fund, and therefore rely on the revenues collected by the enterprise fund to repay the debt.

4. Fixed vs. Variable Rate Debt

Fixed interest rate debt is typically preferred to maintain a more predictable debt service burden. Variable rate debt can be utilized on a limited basis when the potential advantages of capturing the lowest interest rates available in the current market outweigh forecasted risks.

5. Variable Rate Debt Obligation (VRDO)
Predetermine intervals are set where the rate can be reset to current market conditions. VRDO's with a long maturity can be priced as short-term instruments making it potentially a less costly option in a normal upward sloping yield curve environment.

6. Special Assessment Bonds
The Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 et seq.) allows the City to issue bonds to finance the "specific benefit" improvements on the real property within its jurisdiction provided by the City. Installments are collected by posting to the secure property tax roll of the county.

7. Mello-Roos Special Tax Bonds
The Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 et seq.) allows the City to issue bonds payable from special taxes levied on real property within a community facilities district formed by the City. Special taxes are collected by posting to the secure property tax roll of the county.

8. General Obligation (GO) Bonds
In California, GO Bonds require a supermajority (2/3) voter approval. GO bonds are not repaid by the City's general fund but rather by an ad valorem tax levied in an amount sufficient to meet debt service requirements.

9. Certificate of Participation (COPs)
COPs represent a share of an issuer's stream of lease payments. When the City finances a public facility through a lease-purchase transaction, the interest in the City's lease payment stream can be assigned to a third party trustee that issues certificates of participation (COPs). The City's general fund is used to make the lease payments, and the lease payments are used to repay the investors of the COPs.

Comparison of Common Financing Methods

General Obligation (GO) Bonds

* Strong market acceptance
* Significant structuring flexibility
* Favorable interest rates
* No debt service reserve fund requirement
* No trustee required
* Supermajority (2/3) voter approval required
* No pledge of City's general fund

Revenue Bonds

* Debt is secured by revenues of system users
* Debt limits not applicable
* Higher interest costs than GO's
* Debt service reserve fund may be required
* Trustee required
* Voter approval usually not required
* Debt Service Coverage covenants usually included
* Limited revenues available to secure debt

Assessment/Mello-Roos CFD Bonds

* Voter approval required
* Debt service reserve fund usually required
* Debt is secured by assessments or special taxes on property
* Complexity greater than GO's
* Market concerns about defaults, if property owned by single developer
* Limited revenues to secure debt
* Higher interest costs due to higher risk (but debt service not payable by City directly)

Certificates of Participation (COPs)

* Voter approval not required
* Debt limits not applicable
* Good market acceptance
* Complexity greater than GO's
* Risk of citizen opposition
* Limited revenues to secure debt
* Less secure than GO Bond

Competitive Sales of Bonds

The terms and prices of the bonds will be negotiated by the City and one or more underwriters through a bidding process amongst approved, impartial underwriters and/or underwriting syndicates. Both the City and the underwriter collaborate in the origination and pricing of the bond issue. The issue is awarded to the underwriter judged to have submitted the best bid that offers the lowest interest rate, taking into account underwriting spread, interest rates and any discounts or premiums.

Negotiated Sale of Bonds

A method of sale for bonds, notes, or other financing vehicles in which the City selects in advance, on the basis of proposals received or by other means, one of more underwriters to work with it in structuring, marketing and finally offering an issue to investors. The negotiated sale method is often used when the issue is: a first time sale by a particular issuer (a new

credit), a complex security structure, such as a variable rate transaction, an unusually large issue, or in a highly volatile or congested market.

Private Placement

A private placement is a variation of a negotiated sale in which the City, usually with the help of a financial advisor will attempt to place the entire new issue directly with an investor. The investor will negotiate the specific terms and conditions of the financing before agreeing to purchase the issue. Private placements are generally undertaken because the transaction is complex or unique, requiring direct negotiations with the investor, or because the issue is small and a direct offering provides economies of scale. Private placements are typically for debt maturing in 20 years or less.

Derivative Products

Because of their complexity, unless otherwise approved by the City Council, Derivative Products such as *Interest Rate Swaps*, *Inverse Floaters*, and other hybrid securities are prohibited.

VI. DEBT CAPACITY

Article XVI, Section 18 of the California Constitution (the "debt limit") prohibits cities from entering into indebtedness or liability that in any year exceeds the income and revenue provided for such year unless the City first obtains two-thirds voter approval for the obligation. Determining what the City's debt capacity is at any point in time is difficult. It depends on a number of factors including market conditions, amount of undesignated fund balance in the General Fund, fluctuating cash balances, financial policies, management and staff experience, new or existing revenues available to support additional debt, and availability of financial consultants to assist in financial analysis. The City recognizes that maintenance and operating costs of projects financed with debt places constraints on the budgetary flexibility of the City and should be considered alongside debt capacity as a factor when evaluating any proposed financing. In the development of this Debt Policy, the goal is to serve as a framework within which the City can evaluate each potential debt issuance. This Debt Policy is not to be so restrictive that it interferes with the City's legitimate efforts to prudently provide public services and facilities.

VII. PERFORMANCE STANDARDS

The City of Pittsburg strives to maintain '*investment grade*' standings in the municipal market.

Below is an Investment Grade Table of the three (3) major rating agencies:

Moody's Investor's Service, Inc	S&P Global Ratings	Fitch Investors Service, Inc	Definition
Aaa	AAA	AAA	Highest rating assigned. Very Strong Security
Aa	AA	AA	Very strong security. Only slightly below best rating.
A	A	A	Average security but more subject to adverse financial and economic developments
Baa	BBB	BBB	Adequate capacity to secure debt. Adverse developments may affect ability to meet debt service requirements.

Note: Moody's uses the designation "1" to indicate greater strength within the "Baa", "A", and "Aa" categories. S&P and Fitch use "=" and "-" to indicate relative strength or weakness in the "BBB", "A", and "AA" categories.

VIII. MARKET RELATIONSHIPS

The Director of Finance will be responsible for maintaining relationships with investors, credit analysts, and rating agencies.

IX. ON-GOING DEBT ADMINISTRATION

Repayment of Debt and Compliance with Covenants

The Director of Finance will work with the Finance department and other City staff to ensure that all debt obligations will be met in a timely and efficient manner, and that the City complies with all debt covenants.

Refunding Opportunities

The Director of Finance will regularly review the City's outstanding obligations, particularly in declining interest rate environments. When rates begin to approach levels at which refunding is cost-effective, the City shall select a financing team to begin preparations for a refunding issue.

Continuing Disclosure

The Finance staff will ensure that the City's annual financial statements and associated reports are posted on the City's web site. The City will also contract with one or more dissemination agents (which may also serve as trustee/fiscal agent to the City) to comply with the Securities and Exchange

Commission Rule 15c2-12 by filing its annual financial statements and other financial and operating data for the benefit of its bondholders on the Electronic Municipal Market Access (EMMA) website of the Municipal Securities Rulemaking Board (MSRB).

Arbitrage Rebate Compliance and Reporting
The use and investment of bond proceeds must be monitored to ensure compliance with arbitrage restrictions. Existing regulations require that issuers calculate rebate liabilities related to any bond issues, with rebates paid to the Federal Government every five years and as otherwise required by applicable provisions of the Internal Revenue Code and regulations. The Director of Finance shall contract with a specialist to ensure that proceeds and investments are tracked in a manner that facilitates accurate, complete calculations, and if necessary, timely rebate payments.

Internal Controls With Respect to Bond Proceeds
The Finance Director will maintain internal control procedures related to the management and disbursement of bond proceeds. These will include, but not necessarily be limited to, ensuring bond proceeds are either (a) held by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the Finance Director (or designee) in accordance with one or more written requisitions, or (b) held in an account of the City, to be deposited and accounted for in a separate fund or account, from which expenditures will be carefully documented by the City.

X. DEBT MANAGEMENT POLICY REVIEW

The Director of Finance shall review this Debt Management Policy at a minimum of every five (5) years and recommend any changes to the City Manager and City Council.

City of Pittsburg Municipal Debt Management Policy Glossary of Terms

Advance Refunding: For purposes of certain tax and securities laws and regulations, a refunding in which the refunded issue remains outstanding for a period of more than 90-days after the issuance of the refunding issue. The proceeds of the refunding issue are generally invested in Treasury securities or federal agency securities (although other instruments are sometimes used), with principal and interest from these investments being used (with limited exceptions) to pay principal and interest on the refunded issue. Bonds are "escrowed to maturity" when the proceeds of the refunding issue are deposited in a escrow account for investment in an amount sufficient to pay the principal of and interest on the issue being refunded on the original interest payment and maturity dates, although in some cases an issuer may expressly reserve its right (pursuant to certain procedures delineated by the Securities and Exchange Commission) to consider "pre-refunded" when the refunding issue's proceeds are escrowed only until a call date or dates on the refunded issue, with the refunded issue redeemed at that time.

Amortization: The gradual reduction in principal and interest of an outstanding debt according to a specific repayment schedule, which details specific dates and repayment amounts on those dates.

Arbitrage: In the municipal market, arbitrage refers to the difference between the tax-exempt interest rate paid by the borrower and the interest rate at which the proceeds of the issue are invested. The Internal Revenue Code contains specific regulations concerning the amount that can be earned from the investment of tax-exempt proceeds.

Call Provisions: Mandatory or optional provisions that allow or require an issuer to prepay or refinance a bond prior to its stated maturity date. These provisions identify which bonds may be called, when they may be called, and what premium, if any, must be paid upon redemption prior to the stated maturity date of the bond.

Capitalized Interest: Specific interest payments of a bond issue which are funded in advance, or capitalized, through proceeds of the same bond issue. These proceeds are set aside in a specially designated fund in order to pay these designated interest payments.

Current Refunding: A refunding transaction where the municipal securities being refunded will all mature or be redeemed within 90-days or less from the date of issuance of the refunding issue.

Debt Affordability: The principal amount of debt that an issuer can afford within the constraints of net revenues and debt coverage requirements.

Debt Service Coverage: The ratio of the net revenue stream pledged against a debt to the debt service payments to the debt. Debt service coverage ratios are most often used by rating agencies to determine repayment sufficiency with respect to bonds secured by a specific revenue stream.

Debt Service Reserve Fund: Traditional bond issues are structured with a debt service reserve fund, which assures the timely availability of sufficient funds for the repayment of debt service in the event that an issuer cannot make the required debt service payment(s). Typically, the required size of the reserve fund is determined by the lesser of: 100% of maximum annual debt service; 125% of average annual debt service; or 10% of the aggregate issue price. Reserve funds are usually fully funded out of bond proceeds and are set-aside in a separate fund, as long as the debt service fund is fully funded, and can only be used to offset debt service payments.

Defeasance: Termination of rights and interests of the bondholders and their lien on the pledged revenues or other security in accordance with the terms of the bond contract for an issue of bonds. Defeasance usually occurs in connection with the refunding of an outstanding issue after provision has been made for future payment of all obligations under the outstanding bonds through funds provided by the issuance of a new series of bonds.

Derivative Product: A product, such as an option or futures contract, whose value is derived from the performance of an underlying security. A commonly used derivative is an interest rate swap. See Section IV for additional details.

Discount Rate: The interest rate used for adjusting for the time value of money for net present value calculations, option pricing models, and other market models. The term "discount rate" can also refer to the rate that the Federal Reserve Bank charges its members for overnight deposits.

Good Faith Deposit: A sum of money or, alternatively, a surety bond provided to an issuer of a new issue of municipal securities by an underwriter or underwriting syndicate as an assurance of performance on its offer to purchase the issue. Good faith deposits are sometimes required in connection with competitive sales.

Hedging: A strategy designed to reduce investment risk. A hedge can help reduce the risk and volatility of a portfolio. A common hedging strategy includes matching the amount of short-term assets with the amount of short-term variable rate debt outstanding.

Letter of Credit: Two types of letter of credit are used in bond and other debt financings: standby letter of credit and direct pay letter of credit. They provide credit enhancement for debt issues by shifting the risk of repayment from the issuer to the bank issuing the letter of credit. Letters of credit are

usually required for the issuance of variable rate debt. Letters of credit also are used to provide liquidity.

A Standby Letter of Credit is an agreement issued by a commercial bank that commits the bank to pay a third party contingent upon the failure of bank's customer to perform under the terms of a contract or agreement with the beneficiary. Used as a substitute for a performance bond or payment guarantee, standby letters of credit are used mainly in the U.S where banks are legally barred from issuing certain types of guarantees. For bond or debt holders it serves as a secondary source of payment, in case the issuer fails to meet its payment obligations.

A Direct Pay Letter of Credit is an agreement issued by a commercial bank that commits the bank to pay third parties upon a request presented by the beneficiaries to the bank issuing the direct pay letter of credit.

Line of Credit: An arrangement in which a bank or other financial institution extends a specified amount of unsecured credit to a specific borrower for a specified time period.

Maturity Date: The date upon which a specified amount of debt principal or bonds matures, or becomes due and payable by the issuer of the debt.

Negotiated Sale: A method of sale of bonds, notes or other financing vehicles in which the issuer selects in advance, on the basis of proposals received or by other means, one or more underwriters to work with it in structuring, marketing and finally offering an issue to investors. See Section V for additional details.

Net Revenue: Gross revenues less operating and maintenance expenses.

Official Statement: A comprehensive statement issued by the governmental entity prior to the sale of bonds, notes, or other financing vehicles that contains all the salient facts concerning the issuer, the issuer's financial condition, the security pledged for the securities being offered, the projected use of the proceeds of the sale, and other facts deemed necessary to enable the investor to judge the quality of the securities being offered. This is also known the Disclosure Statement.

Private Placement: A private placement is a variation of a negotiated sale in which an issuer, usually with the help of a financial advisor or placement agent, will attempt to place the entire issue directly with an investor. The investor will negotiate the specific terms and conditions of the financing before agreeing to the purchase of the issue.

Redemption: Depending on an issue's call provisions, an issuer may on certain dates and at certain premiums, redeem or call specific outstanding maturities. When a bond or certificate is redeemed, the issuer is required to

pay the maturities' par amount, the accrued interest to the call date, plus any premium required by the issue's call provisions.

Senior Lien Debt: Debt whose terms require it to be repaid with a priority claim on pledged revenues.

Subordinate Lien Debt: Debt whose terms require it to be repaid with pledged revenues net of the amount necessary to make debt service payments on senior lien debt.

Surety Bond: An alternative to a fully funded debt service reserve fund. A surety bond can be purchased from a bond insurance provider to fulfill the role of debt service reserve fund and can be drawn upon in the event an issuer cannot make a regularly scheduled debt service payment. A surety bond must be purchased and is subject to credit approval by a bond insurance provider. The provider charges an upfront fee for the surety bond.

Weighted Average Maturity: With respect to an issue of bonds, the weighted period of time required to repay half of the issue through scheduled principal payments. The weighted average maturity is also referred to as the "weighted average life" or "average life" reflects how rapidly the principal of an issue is expected to be paid. Under one commonly used calculation method, average life is equal to the total bond years divided by the total number of bonds.

Yield: The net rate of return, as a percentage, received by an investor on an investment. Yield calculations on a fixed income investment, such as a bond issue, take purchase price and coupon into account when calculating yield to maturity.

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City Manager's Office
Administrative Order No: 047
Issued: July 21, 2010
Amended: January 3, 2012

Approved by: Joe Sbranti, City Manager

SUBJECT: GRANT MANAGEMENT PROCESS

PURPOSE:

Grant revenues have become an important part of the City's overall resource picture, especially in funding capital improvements. Actively seeking grant revenues that assist in achieving identified City goals and objectives play an important role in the City's financial strategies. Once the City receives a grant, it is equally important that the City spend the grant funds in a way that is consistent with the grant guidelines established by the funding agency or foundation. Thus, the purpose of this policy is to set forth an overall framework for guiding the City's use and management of grant resources.

- Establish general concepts and framework for seeking and managing grant programs.
- Identify roles and responsibilities in managing grant programs.
- Set policy in complying with Single Audit Act requirements.

ROLES AND RESPONSIBILITIES

Administering Department

1. Develop systems for maintaining ongoing information regarding grant availability within the department's functional areas of responsibility,
2. Evaluate benefits and costs of specific grant programs on a case-by-case basis including:
    a. Purpose of the grant program and its consistency with identified City goals and objectives.
    b. Additional staffing, office space, facilities, supplies or equipment that will be required if the grant is awarded,
    c. On-going impact of the grant program after it is completed.
    d. Responsibilities of other departments and impacts on them in preparing the grant application or performing scope if the grant is approved.
    e. Amount of indirect costs to be recovered from the grant.
    f. Total program costs, including portion funded through grant revenues and

any required City contribution.

g. Source of funding for any required City share.

h. Compliance and audit requirements, paying special attention to those areas where the grantor's administrative procedures are different from the City's.

3. Prepare grant applications.
   a. Work with the granting agency in identifying special program requirements and developing strategies for preparing a successful grant application.
   b. Complete grant application documents.
   c. Coordinate with affected departments as necessary.
4. Prepare appropriate staff report for approval of the grant by the City Council.
   a. City Council must first approve any grant money not already accounted for in the budget.
   b. Staff report must include a copy of the Grant Summary Form.
   c. Administering Department will forward a copy of the grant agreement to Finance.
   d. Administering Department will forward a copy of any cost sharing requirements.
5. Prepare and submit invoices including financial reports and progress reports as required by granting agency.
   a. Responsible for timely submission of invoices and progress reports.
   b. Ensure grant funds and expenditures are accounted and recorded properly. All reported expenditures should reconcile with the general ledger as provided by the finance department.
   c. Completed report to be reviewed and approved by administering department's management and the finance department prior to submitting to the granting agency.
   d. Timely submission of employment status reports as required even when there are no changes.
6. Maintain copies of submitted documents and invoices for audit purposes.
7. Responsible for any requests for budget modifications requests to extend the grant period.
   a. Submit copies of the approved requests to Finance.
   b. Maintain copies.
8. On-site monitoring visit.
   a. Retain the original monitoring report and any grantee responses in the administering department grant file.

b. Submit a copy of the report and any grantee responses to Finance audit purposes.

City Council

Approves all grant applications, accepts/appropriates grant funds, and delegates receipt and contract execution to the City Manager if delegation is allowed by the grantor agency.

City Manager

Receives grants and executes related contract documents when delegated to do so by the

Council. Approves and maintains grant management policies.

City Clerk

Maintain and secure original grant documents in the City's vault including the original application for an approved grant, a copy of the guidelines and the signed funding agreement.

Finance Department

1. Establish and assign a grant revenue account number and a grant expenditure account number. Notify the administering department of the account numbers.
2. Establish the grant budget by processing a budget transfer form.
    a. Maintain a copy of the budget transfer form and any related council approved documents.
        i. Forward a copy to the administering department.
        ii. Maintain grant files in accordance with any Federal, State, and local guidelines/laws applicable to the agreement as well as Generally Accepted Accounting Principles.
3. Responsible for receipting all grant revenue checks to the appropriate grant revenue account.
4. Review invoices for payment and ensure they are coded appropriately to the correct grant program account numbers.
5. Prepare and submit the financial reports to the administering department on a quarterly basis and by any deadlines as set forth in grant agreement.
    a. Maintain a copy in the finance department. Responsible for drawing down grant funds in a timely manner for reimbursable grant funds in accordance with the grant award or grant agreement, and will also prepare the applicable

journal entries.

6. Review and approve grant reports and invoices prior to submission to the granting agency. Ensure reported expenditures are recorded and reconciled with the general ledger.

Single Audit Act Requirements

(OMB Circular A-133 Compliance Supplement)

To ensure compliance for federally awarded grant programs, the City must administer the following procedures:

1. Completion of the Grant Summary Form (must include name of the federal grantor/pass through agency, program title, federal CFDA number, grantor/pass through grant number).
2. Timely submission of reports including the processing of the monthly employment status reports. Invoices on federally awarded projects are submitted on a semi-annual basis. Other grant programs from pass through agencies may require more frequent reporting submissions.
3. Invoices are reviewed and approved by the finance department to ensure timely and accurate recording of expenditures and reconciliation to the general ledger.
4. Invoices are reviewed and approved by the administering department's management prior to submission.
5. Maintain copies of grant documents and submitted documents on file for reference and audit purposes.

Quarterly Grant Oversight Meetings

The Finance and Administering Department staff who are responsible for grants shall meet on a quarterly basis to review grant funded programs and projects to ensure the City is in compliance with grant requirements. The Director of Finance will convene the quarterly grant oversight meetings.

Grant Summary Form

This form is available on the H:Drive/ Finance Forms/Grant Summary Form.

City of Pittsburg

GRANT PROGRAM SUMMARY

GENERAL INFORMATION

Grant Title	Grant No./CFDA No.
City of Pittsburg Grant Account Codes	**City Council Resolution No.**

General Description of the Grant Scope of Work/Reporting Requirements

Granting Agency	Agency Contact/Email Address
Pass-through Agency	**Pass-through No.**

Type of Grant (circle)	Federal	State	County	Other
Method of Funding (circle)	Advance	Reimbursement		
Frequency of Funding (circle)	Monthly	Quarterly	Annually	At Completion

Funding Period	Total Grant Amount ($)	City Matching Funds (Amount & Source)
Responsible Department	**Department Contact**	**Phone No.**

Council Approval Date	Application Date	Award date	Estimated Completion Date

GRANT COST AND REVENUE SUMMARY

Program Cost Summary	Total ($)	Grant Portion ($)
Staffing		
Contract Services		
Supplies and Other Operating Expenditures		
Capital Outlay		
Indirect Costs		
Totals		

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

An Ordinance of the City of Pittsburg Amending Chapter 3.26.030 of the Pittsburg Municipal Code Relating to Fiscal Sustainability and Reserve Funds	))))	ORDINANCE NO. 18-1455

The City Council of the City of Pittsburg DOES ORDAIN as follows:

SECTION 1. Recitals.

A. In order to ensure the fiscal sustainability of the City, the City desires to protect its revenues and ensure proper fiscal responsibility; and
B. The City desires to maintain a reserve funds in case of an emergency; and
C. The City desires to maintain a minimum balance in the City's Budget Stabilization Fund; and
D. By ensuring minimum funding levels for reserve funds, the City desires to minimize the need to rely on one-time measures and funding sources to balance its budget, while protecting the City from major deficits and over spending.

SECTION 2. Adding Chapter 3.26 "Fiscal Sustainability and Reserve Funds" to Title 3 "Revenue and Finance" of the Pittsburg Municipal Code

Title 3 "Revenue and Finance" of the Pittsburg Municipal Code is hereby amended to include Chapter 3.26 "Fiscal Sustainability and Reserve Funds," which shall read as follows:

Section 3.26.010 Purpose and Definitions.

A. The purpose of this chapter is to establish policies and procedures to ensure the City maintains unappropriated fund balances, "Reserves" in the City's funds.

B. For purposes of this Ordinance, the following terms shall have the following meanings:

1. "City's Operating Expenses" shall mean the City's General Fund operating expenses of the City as set forth in the City's annual budget which generally includes staff costs and operating expenses of the City and excludes the capital project appropriations.

2. "One-time Revenues" shall mean those revenues that the City receives on a one-time or non-regular basis. For example, such revenues may include, but are not limited to, proceeds from the sale of surplus land, one-time unexpected sales tax allocations associated with capital improvements from local retailers, grants, lump sum payments of project fees, non-reoccurring sales tax of fee revenue, etc.

3. "Unappropriated Reserves" shall mean unappropriated operating revenues excluding capital project and program appropriations which originate from funding sources that are restricted to projects or programs.

Section 3.26.020 General Fund Account

There is established a "General Fund" into which all sums of money collected by the City for any purpose whatsoever shall be deposited, unless otherwise provided by ordinance or resolution directing the deposit into a specific fund other than the General Fund.

Section 3.26.030 General Fund Reserves

A. There is established within the General Fund, a "General Fund Reserve", which shall be used for emergencies, including for example, natural disasters and costs associated with such natural disasters.

B. At each and every budget cycle, commencing with FY 2013-14, and every year thereafter, money from the General Fund shall be unappropriated, and shall be deposited into the General Fund Reserve. The minimum funding level within the General Fund Reserve shall be thirty percent (30%) of the City's General Fund Operating Expenses. However, the City Council shall, on a best efforts basis, take such steps as necessary to achieve the minimum General Fund Reserve level during the budget process each year through fiscal year 2017/18. Afterward, the minimum funding levels will become mandatory as defined by this ordinance.

C. The thirty percent (30%) minimum funding level within the General Fund Reserve of the City's General Fund Operating Expenses shall consist of the following and be restricted as per the City's policy:

- A Reserve for Economic Uncertainty (20% of the 30% minimum funding level within the General Fund Reserve) – funds designated to mitigate periodic revenue shortfalls due to downturn in economic cycles, thereby avoiding the need for service-level reductions within the fiscal year, and

- An Emergency Reserve (10% of the 30% minimum funding level within the General Fund Reserve) – funds designated to mitigate costs of unforeseeable emergencies and natural disasters.

The composure of the reserves shall consist of:

1. A minimum of two-thirds of the 30% (i.e., 20%) shall be held in cash and liquid investments consistent with the City's Investment Policy; and

2. An amount not to exceed one-third of the 30% (i.e., up to 10%) may be held in real property owned and designated by the City, where such real property has an appraised value of at least 125% of the dollar amount which the real property constitutes within the City's General Fund Reserve.

D. Before the City sells, or otherwise encumbers in such a manner as to significantly impair the value of, any real property referenced in Section C.2 above, the City shall comply with Section E hereof and:

1. Identify replacement real property prior to the sale or encumbrance of the current designated property, provided that the City Council approves such replacement;

2. Direct proceeds from the sale or encumbrance of the current designated property into the General Fund Reserve to maintain the minimum required funding;

3. Increase the amount held in cash or liquid investments to maintain the minimum required funding; or

4. Take any combination of the above actions, such that the City maintains the minimum required funding.

5. Should the sale of any property result in the General Fund Reserve balance being greater than the 30% minimum funding level, the proceeds in excess of the 30% minimum funding level will be deposited into the Budget Stabilization Fund or handled in accordance with the requirements of the Ordinance.

E. To designate real property as being held to satisfy the City's minimum General Fund Reserve requirement under Section C.2 above, the City shall identify the property by APN and/or address by a resolution adopted at a public hearing at a duly noticed regular City Council meeting. The City may remove the real property from this designation only by a subsequent resolution adopted at a public hearing at a duly noticed regular City Council meeting.

Section 3.26.040 Budget Stabilization Fund

A. There is established a "Budget Stabilization Fund" which shall provide the City a cushion to help absorb costs during economic downturns and/or budget shortfalls.

B. The target minimum funding level within the Budget Stabilization Fund shall be no less than $2.0 million dollars or five percent (5%) of the City's General Fund Operating Expenses, whichever is greater. The City Council shall, on a best efforts basis, take such steps as necessary to meet the minimum funding level during the budget process each year.

C. The target maximum funding level for the Budget Stabilization Fund shall be no more than $7.5 million dollars or twenty-five percent (25%) of the annual City's General Fund Operating Expenses, whichever is greater.

D. Additional Deposits into the Budget Stabilization Fund shall include:

1. One-time General Fund Revenues and/or projected recurring revenues that exceed ten percent (10%) or more from the previous fiscal year shall be deposited into the Budget Stabilization Fund.

2. Fiscal year-end General Fund surpluses shall also be deposited into the Budget Stabilization Fund.

E. Appropriations from the Budget Stabilization Fund require a majority vote of the City Council and may be made in order to balance the General Fund budget.

Section 3.26.050 Infrastructure Repair and Replacement Fund

A. There is established an "Infrastructure Repair and Replacement Fund" which shall provide funding for additional repairs and capital improvements projects related to the City's infrastructure including streets, roads, parking lots, and storm drains.

B. Once the Budget Stabilization Fund reaches the maximum funding level, seventy five percent (75%) of the available, excess revenues that would normally be placed into the Budget Stabilization Fund shall be deposited into the Infrastructure Repair and Replacement Fund.

C. Appropriations from the Infrastructure Repair and Replacement Fund shall require a majority vote of the City Council.

Section 3.26.060 Other Post-employment Benefits (OPEB) Fund

A. There is established an "Other Post-employment Benefits ("OPEB") Fund" which shall be available to provide funding to reduce the City's General Fund's portion of unfunded OPEB liabilities, including for example, retiree health benefits.

B. Once the Budget Stabilization Fund reaches the maximum funding level, twenty five percent (25%) of the available, excess revenues that would normally be placed into the Budget Stabilization Fund shall be deposited into the OPEB Fund.

C. Appropriations from the OPEB Fund shall require a majority vote of the City Council.

Section 3.26.070 Internal Service Fund Reserves

A. The City maintains the following Internal Service Funds which provides funding to allocate costs for services provided to all City departments:

1. Information and Communication Systems
2. Fleet Maintenance
3. Building Maintenance
4. Fringe Benefits
5. Liability Insurance

B. It is established within each of these Internal Services Funds an Unappropriated Reserve which shall be used for emergencies, including for example, natural

disasters and costs associated with such natural disasters. At each and every budget cycle, commencing with FY 2013-14, and every year thereafter, the unappropriated reserve level within Internal Services Funds shall be thirty percent (30%) of the Internal Services Funds' annual budget excluding capital project and equipment appropriations. However, the City Council shall, on a best efforts basis, take such steps as necessary to achieve the minimum Internal Services Funds' Reserve levels during the budget process each year through fiscal year 2017/18. Afterward, the minimum funding levels will become mandatory as defined by this ordinance. The thirty percent (30%) reserve level may be exceeded.

Section 3.26.080 Enterprise Fund Reserves

A. The City maintains the following enterprise funds for enterprise operations:

1. Water
2. Sewer
3. Waterfront Operations
4. Marina

B. It is established within each of these Enterprise Funds an Unappropriated Reserve which shall be used for emergencies, including for example, natural disasters and costs associated with such natural disasters. At each and every budget cycle, commencing with FY 2013-14, and every year thereafter, the target unappropriated reserve level within each Enterprise Fund Reserves shall be thirty percent (30%) of each Enterprise Fund's fiscal year operating expenses, excluding capital project appropriations. However, the City Council shall, on a best efforts basis, take such steps as necessary to achieve the minimum Enterprise Funds' Reserve levels during the budget process each year through fiscal year 2017/18. Afterward, the minimum funding levels will become mandatory as defined by this ordinance. The thirty percent (30%) reserve level may be exceeded.

Section 3.26.090 Council Action Required

Except as otherwise stated in this Chapter, any variance from the policies established within this Ordinance, shall require adoption of a City Council resolution by a 4/5 vote of the City Council. The Council resolution shall set forth the following:

A. A statement of findings supporting the appropriation of reserves or temporary modification of funding levels required by this ordinance; and

B. A plan for replenishing the reserves within a reasonable time period when the appropriation causes a reserve to fall below minimum funding levels; and

C. A description of the circumstances or event constituting an emergency.

<u>SECTION 3.</u> Effective Date

This ordinance shall be in full force and effective thirty (30) days after its adoption.

SECTION 4. Publication

The City Clerk shall either (a) have this ordinance published once within 15 days after adoption in a newspaper of general circulation or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once 5 days before its adoption and again 20 days after adoption.

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on September 17, 2018 and was adopted and ordered published at a meeting of the City Council held on October 1, 2018 by the following vote:

AYES:	Banales, Craft, Evola, Killings
NOES:	None
ABSTAINED:	None
ABSENT:	Longmire

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

City Manager's Office
Administrative Order No: 057
Issued: 03/2014

Approved by: Joe Sbranti
City Manager

Subject: **Interfund Transfer Policy**

Purpose: **To ensure that the policies and procedures related to administration and accounting for interfund transactions are documented, communicated, clearly understood, and consistently applied.**

Policy:

Interfund transfer transactions can be divided into two main categories with various subcategories

1. Revenues and expenditures/expenses
   - A. Quasi-external transactions
   - B. Reimbursements

2. Reallocations of resources
   - A. Temporary -- interfund loans and advances
   - B. Permanent
     - (i) Contributed Capital (Capitalized)
     - (ii) Operating Transfer (operating subsidies)

1.A. Quasi-External Transactions

Definition

A quasi-external transaction is one of two transaction types that do not constitute transfers, but are appropriately accounted for as fund revenues, expenditures or expenses (payments for services). The following are the most common examples of quasi-external transactions:

- Enterprise Fund charges for goods or services to other funds based on actual costs incurred (the General Fund receives an invoice for utility services from an enterprise fund).

- Internal Services Fund charges for goods or services to other funds usually based on actual costs incurred.

Accounting

Quasi-external funds will be recorded as revenues in the receiving fund and expenditures in the paying fund.

1.B. Reimbursements

Definition
On occasion, governments provide services from one fund to another and classify the payment as reimbursement revenue. This occurs most often when the General Fund charges other funds for services rather than using an interfund service fund for this activity. If the intent is to provide the service by the General Fund to the user fund, the transaction revenue should be classified as charges for services rather than reimbursements. Examples are:

- The Utility Billing function is in the City's General Fund but the services are for the Water and Sewer Fund.
- The General Fund charges administrative overhead to other funds.

Accounting

Record the charges as revenue and costs as expenditure.

2.A. Interfund Loans & Advances

Definition

Loans from one fund to another should be recorded as interfund loans receivable and payable. The governing body of the reporting entity should authorize the loans, including the amount, the estimated dates of repayment and whether or not interest costs will be charged.

Due to and due from other funds are used to record temporary funding from one fund to another fund.

Advance to and from other funds, is an asset or liability account used to record the non-current portions of long term loans between funds.

Accounting

Record transaction as Interfund Receivable and Payable.

2.B.(i) Contributed Capital

Definition

This is permanent or long term movement of resources. Such transfers must be contributions restricted to capital outlays or the return of such contributions. Examples are:

- Capital improvement projects for the Marina area are funded by various City funding sources. At year end, the asset is transferred to the Marina fund and recorded as contributed capital.

- The Water Facilities Fund transfers capital assets to the Water Fund.

Accounting

Increase the equity (assets) of the recipient fund and decrease equity (fund balance) in the contributed fund.

2.B.(ii) Operating Transfers

Definition

Operating Transfers are periodic transfers made primarily to provide an operating subsidy to another fund. Operating transfer are authorized by the budget. Examples of operating transfers are:

- Transfer from the General Fund to the Landscape & Lighting Fund to subsidize operating expenses.

- Transfer from Pittsburg Power Fund to the General Fund to help fund General Fund expenses.

Accounting

Operating Transfers will be recorded as "Transfers In" by the receiving fund and "Transfers Out" by the paying fund. The transactions will be reported under "Other Financing Sources and Uses" in annual Financial Statement.

Operating transfers must be treated consistently by all funds Involved in the transfer. Operating transfers-in for City funds must be in balance with operating transfers-out for all City Funds.

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CITY OF PITTSBURG INVESTMENT POLICY
(September 17, 2018)

I. Statement of Purpose and Adoption of Policy

It shall be the investment policy of the City of Pittsburg (the "City") that all funds not required for immediate expenditures are invested in compliance with this statement, as well as applicable federal, state and local legislation governing the investment of public funds. Funds shall be invested in a manner that will provide the highest investment return with the appropriate level of security, while meeting the daily cash flow demands of the City.

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

The City has a responsibility to monitor 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 systemic investment process. The initial step toward a prudent investment policy is to organize and formalize investment related activities. Related activities, which 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 opportunities.
The City's Investment Policy shall be adopted by resolution of City Council. The policy shall be reviewed at least annually by the City Treasurer, City Manager and the Finance Director, and any modification must be approved by City Council.

II. SCOPE

It is intended that this policy cover all operating funds and investment activities under the direct authority of the City. These funds are described in the City's Comprehensive Annual Financial Report and include its General Fund, Special Revenue Funds, Enterprise Funds, Trust and Agency Funds, Capital Project Funds and Successor Agency Trust Funds.

The Investment Policy applies to all transactions involving the financial assets and related activities of the foregoing funds. Except for cash held in separate restricted funds, the City will pool cash balances from all funds for investments to maximize earnings and efficiencies concerning investment pricing, safekeeping and administration. Investment income will be allocated to the City's funds based upon

their respective average monthly balances and in accordance with Generally Accepted Accounting Principles (GAAP).

The employee's retirement and deferred compensation funds are not included. Bond proceeds are not covered under this policy and shall be governed by their applicable bond documents. However, if the bond documents are silent in regard to the investment of bond proceeds and reserves, the terms set forth in this policy shall govern the respective investment of bond proceeds.

III. OBJECTIVES AND PERFORMANCE STANDARDS

The overall program shall be designed and managed with a degree of professionalism worthy of the public trust. The City's primary investment objectives, in priority order, shall be:

1. **Safety:** Safety of principal is the foremost objective the City's investment program, followed by liquidity and yield. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the City's portfolio. To obtain this objective, the City will diversify its investment by investing funds among a variety of securities offering independent returns and financial institutions. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities default or erosion of market value. Investment decisions should not incur unreasonable investment risks in order to obtain current investment income.

2. **Liquidity:** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which 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. Maturities of investments for which there is limited opportunity for resale shall be staggered to maximize liquidity.

3. **Yield**: The City maintains an active investment strategy and its investment portfolio shall be designed to attain a rate of return which approximates benchmarks to be selected by the City's investment advisory committee throughout budgetary and economic cycles, taking into account the City's investment risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restricts the investment of funds.

IV. DELEGATION OF AUTHORITY

Pursuant to California Government Code 53607 and the City's Municipal Code, the City Council's management responsibility for the investment program is hereby delegated for a one-year period to the Finance Director who shall be responsible for the investment of idle funds consistent with this investment policy. Subject to review, the City Council may renew the delegation of authority pursuant to this section each year. The Finance Director may delegate these duties to his/her designee upon approval of the City Council. The day-to-day investment decision-

making and execution authority may also be delegated to an investment advisor under the supervision of the Finance Director. The investment advisor shall follow this Policy and such other written instructions as are provided.

V. PRUDENCE AND RISK TOLERANCE

The City recognizes that investment risks of the following can result from issuer defaults, market price changes or various technical complications leading to temporary liquidity:

1. Credit risk is the possibility that deterioration of an issuer's creditworthiness will adversely affect the value of its bonds or that an issuer will not make timely payments of interest or principal on its bonds (default). A decline in a bond issuer's credit rating, or creditworthiness, may cause prices for its outstanding bonds to decline. This shall be mitigated by limiting investments to those allowed under this policy and by diversification.

2. Market or Interest Rate risk, defined as market value fluctuations due to overall changes in market price, shall be mitigated by eliminating the need to sell securities prior to maturity and investing operating funds needed for short-term liquidity primarily in short-term securities, money market funds or similar investment pools, thereby limiting the average maturity of the portfolio. Investment shall be made with that degree of judgment and care, under circumstances then prevailing, which persons or prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the safety of their capital as well as the income to be derived.

The standard of prudence to be used by investment officers shall be the "prudent investor standard" and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the City's investment policy and exercising due diligence shall be relieved of personal liability for an individual security credit risk or market price changes, if deviations from expectations are reported on a timely fashion, and appropriate action is taken to control adverse developments.

VI. INTERNAL CONTROLS

A system of internal controls will be maintained to assure compliance with Federal and State regulations, City Council direction, and prudent cash management procedures.

The controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by employees and officers of the City. Controls deemed most important include: control of collusion, segregation of duties, separating transaction authority from accounting and recordkeeping, custodial safekeeping, clear delegation of authority, specific limitations regarding securities losses and remedial action, written confirmation of telephone transactions, minimizing the number of authorized investment officials, documentation of

transactions and strategies, and code of ethical standards. In addition, whenever possible, pre-formatted wire transfers will be used to transfer funds to pre-authorized accounts.

1. The City Treasurer shall audit and examinee all investments made by the City, or its duly authorized personnel, at those times deemed necessary by him/her and shall in his/her discretion report his/her audit and examination to the City Council.

2. Investment Oversight Committee: Quarterly review of procedures and adherence to this Investment Policy is conducted by the Investment Oversight Committee. The Committee, established by the City Council, is comprised of the City Manager, Finance Director, and City Treasurer.

3. Annual Audit: The City's portfolio is included in the annual review of the City's financial management performed by an outside audit firm.

VII. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall not participate in personal business activity that could conflict with proper execution of the investment program or which could impair the ability to make impartial investment decisions. Such employees and investment officials shall disclose any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio.

VIII. ELIGIBLE INVESTMENTS

California Government Code Sections 53600 et. seq. provides basic investment limits and guidelines for government entities. Within the investments permitted by the Government Code, the City seeks to further restrict eligible investment to the investments listed below. In the event an apparent discrepancy is found between this policy and the Government Code, the more restrictive parameters will take precedence.

Rating requirements and percentage limitations, where indicated, apply *at the time of purchase*. In the event a security held by the City is subject to a rating change that brings it below the minimum specified rating requirement, the Finance Director shall notify the City Council of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further rate drops, and the market price of the security.

Eligible Investments

1. **Securities of the U.S. Government**:

   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. There is no limitation as to the percentage of the City's portfolio that may be invested in this category.

2. **Securities of U.S. Government Agencies**
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. There is no limitation as to the percentage of the City's portfolio that may be invested in this category.

3. **California State and Local Agency Obligations**

Obligations of the State of California or any local agency within the state that are general obligation bonds or essential service bonds secured with revenue from a water, sewer, power or electric system, provided that such obligations are rated in one of the top three rating categories by a nationally recognized statistical rating organization (NRSRO.)

4. **Other State Obligations**

Registered treasury notes or bonds of any of the other 49 United States in addition to California, including general obligation bonds or bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a state or by a department, board, agency or authority of any of the other 49 United States, in addition to California, provided that such obligations are rated in one of the top three rating categories by a NRSRO.

5. **Bankers Acceptances**

Time drafts or bills of exchange that are drawn on and accepted by a commercial bank and brokered to investors in the secondary market. Purchasers are limited to issuers whose short-term debt is rated in the highest short-term rating category by a NRSRO. Banker's acceptances cannot exceed a maturity of 180 days. A maximum of 40% of the City's portfolio may be invested in this category.

6. **Commercial paper**

The City may purchase commercial paper with short-term ratings of "A-1" or the equivalent or higher by a NRSRO. Long-term ratings, if any, must be "A" category or its equivalent or higher by a NRSRO. The entity that issues the commercial paper shall meet all the following conditions in either paragraph (A) or paragraph (B):

(A) The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets more than five hundred million dollars ($500,000,000). (iii) Has debt other than

commercial paper, if any, that is rated in the "A" category or its equivalent or higher by a NRSRO

(B) The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less and not represent more than 10 percent of the outstanding paper of an issuing corporation. A maximum of 25 percent of the City's portfolio may be invested in this category.

7. **Negotiable Certificates of Deposit (NCDs)**

Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a state or federally licensed branch of a foreign bank. Purchases are limited to institutions with short-term ratings of "A-1" or its equivalent or higher by a NRSRO; or long-term obligations rated in a category of "A" or its equivalent or higher by a NRSRO. A maximum of 30 percent of the City's portfolio may be invested in this category.

8. **Time Deposits**

The City may invest in non-negotiable time deposits (CDs) that are FDIC insured or fully collateralized in financial institutions located in California, including United States branches of foreign banks licensed to do business in California.

To be eligible for purchase, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided Government Code Section 53635.2. Purchase are further limited to financial institutions meeting all capital requirements and rated in one of the three highest rating categories by a NRSRO organization. All time deposits must be collateralized in accordance with California Government Code sections 53650 et. seq. The City, at its discretion, may waive the collateralization requirements for any portion of the deposit that is covered by federal insurance. The maximum maturity of a time certificate of deposit shall not exceed 1 year. A maximum of 30 percent of the City's portfolio may be invested in this category.

9. **Repurchase Agreements**

The City may enter into repurchase agreements with primary government securities dealers rated in the one of the three highest categories by two NRSROs. Counterparties should also have (i) a short-term credit rating in the highest category; (ii) minimum assets and capital size of $25 billion in assets and $350 million in capital; (iii) five years of acceptable audited financial results; and (iv) a strong reputation among market participants.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying repurchase agreements must be delivered to the City's custodian bank delivery versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed 102 percent of the total dollar value of the money invested by the City for the term of the investment. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on a weekly basis according to market conditions. Since the market value of the underlying securities is subject to daily market fluctuations, the investment in repurchase agreements shall comply if the value of the underlying securities is brought back up to 102 percent no later than the next business day. Market value must also be calculated each time there is a substitution of collateral.

The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The City shall have properly executed a master repurchase agreement with each counter party with which it enters into repurchase agreements. Repurchase agreements are to be used solely as short-term investments not to exceed 90 days. A maximum of 15 percent of the City's portfolio may be invested in this category.

10. **Medium Term Notes**

Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities rated in one of the three highest categories by a NRSRO. A maximum of 30 percent of the City's portfolio may be invested in this category.

11. **Asset-Backed Securities**

A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision must be rated in one of the two highest rating categories by a NRSRO and shall be issued by an institution rated in one of the three highest rating categories by a NRSRO. A maximum of 20 percent of the City's portfolio may be invested in this category.

12. **Supranational Securities**

United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years

or less, and eligible for purchase and sale within the United States. Securities eligible for investment under this subdivision must be rated in one of the two highest rating categories by a NRSRO. A maximum of 30 percent of the City's portfolio may be invested in this category.

13. **Money Market Funds**

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 purchase, the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

(B) Retained an investment adviser 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.

A maximum of 20 percent of the City's portfolio may be invested in this category (10 percent limit per fund).

14. **State of California's Local Agency Investment Fund (LAIF)**

The Local Agency Investment Fund was established by the State to enable local agency treasurers to place funds in a pool for investment (California Government Code Section 16429.1 et seq.). The City uses this investment vehicle for short-term liquidity, investment, and yield when rates are declining. Funds are available on demand and interest is paid quarterly. The City may invest up to the maximum permitted by the LAIF.

15. **California Asset Management Program (CAMP)**

Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests the securities and obligations authorized in subdivisions (a) to (n), inclusive, of Government Code Section 53601.

Summary of Investment Requirements[1]

Investment Type	City Minimum Quality Parameters	Code Minimum Quality Parameters	City Maximum % of Portfolio	Code Maximum % of Portfolio	City Maximum Maturity	Code Maximum Maturity

Investment Type	City Minimum Quality Parameters	Code Minimum Quality Parameters	City Maximum % of Portfolio	Code Maximum % of Portfolio	City Maximum Maturity	Code Maximum Maturity
U.S. Treasury Obligations	None	None	None	None	5 Years	5 Years
Federal Agency Obligations	None	None	None	None	5 Years	5 Years
Bankers Acceptances	A-1/P-1	None	40%/5% issuer[2]	40%/ 30% issuer	180 Days	180 Days
State and Local Obligations	"A-" rated obligation	None	30%/5% issuer[2]	None	5 years	5 years
Commercial Paper	"A-1" ST, "A" if LT ratings	"A-1" ST, "A" of LT ratings	25%/5% issuer[2]	25%	270 Days	270 Days
Negotiable Certificates of Deposits	"A-1" ST or "A" LT rated financial institutions	None	30%/5% issuer[2]	30%	5 Years	5 Years
Certificates of Deposit	"A" rated financial institutions	None	30%/5% issuer[2]	None	1 Year	None
Repurchase Agreements	"A" rated primary dealers	None	15%/5% issuer[2]	None	90 Days	1 Year
Medium-Term Notes	A	A	30%/5% issuer[2]	30%	5 Years	5 Years
Asset-backed Securities	"AA" security/"A" rated financial institutions	AA" security/"A" rated financial institutions	20%/5% issuer[2]	20%	5 Years	5 Years
Money Market[3] Funds	Multiple[3]	Multiple[3]	20%/ 10% per fund	20%	N/A	N/A
Local Agency Investment Fund	None	None	Up to LAIF statutory limit[4]	Up to LAIF statutory limit	N/A	N/A
CAMP[5]	None	None	None	None	N/A	N/A
Supranationals	"AA"	"AA"	30%/10% issuer	30%	5 Years	5 Years

Notes:

1. The table is a summary of the key requirements. Additional requirements may apply as listed under this Policy and California Government Code Section 53601.
2. The Policy limits the portfolio's allocation to any one issuer, with the exception of U.S. Treasury securities, Federal Agency securities, supranationals, money market funds, LAIF, and authorized pools, or unless otherwise authorized in this investment policy, to no more than 5 percent of the portfolio.
3. Must receive the highest rating by two of the three largest NRSROs or the fund must retain an investment advisor who is registered with the SEC and has not less than five years experience managing money market funds with assets under management in excess of $500 million.
4. There is a $65 million cap for the City of Pittsburg funds, the LAIF maximum as of July 2018. LAIF limits may change from time to time.
5. CAMP is California Asset Management Program.

IX. DIVERSIFICATION AND RISK MANAGEMENT

To reduce portfolio risk while attaining market average rates, the City's portfolio will be suitably diversified by type and institution. Except for U.S. Treasury securities, Federal Agency securities, supranationals, money market funds, LAIF, and authorized pools, no more than 30 percent of the total portfolio, and less where stated, will be invested in a single security type with no more than 5 percent invested with a single issuer, unless otherwise specified in this investment policy.

The City may elect to sell a security prior to its maturity and record a capital gain or loss to manage the quality, liquidity or yield of the portfolio in response to market conditions or City's risk preferences.
The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.

- The maximum percent of callable securities (does not include "make whole call" securities as defined in the Glossary) in the portfolio will be 20%.

- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances. Maximum maturities may not exceed five years.

X. MAXIMUM MATURITY

The City's cash management system is fully designed to accurately monitor and forecast revenues and expenditures thus enabling the City to invest funds possible.

To the extent possible, the City will attempt to match investments with anticipated cash flow requirements. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds

Where this Policy does not specify a maximum remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five years, unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment.

XI. INELIGIBLE INVESTMENTS

Investments not described herein, including but not limited to common stocks and financial futures contracts and options, are prohibited in this fund. As provided in California Government Code Section 53601.6, the City shall not invest any funds in inverse floaters, range notes, mortgage derived interest-only strips or in any security that could result in zero interest accrual if held to maturity. The purchase of any security not listed in Section 8 above, but permitted by the California Government Code, is prohibited unless the City Council approves the investment specifically or as a part of an investment program approved by the City Council.

XII. BANKS AND SECURITIES DEALERS

The Finance Director shall maintain a list of authorized broker/dealers and financial institutions, which are approved for investment purposes. It shall be the City's policy to purchase securities only from those authorized institutions and firms. The City shall annually send a copy of the current investment policy to all dealers approved to do business with the City. Each broker dealer or financial institution that has been authorized by the City shall be required to submit the firm's most recent financial statement. If an investment advisor is used, they may use their own list of approved broker/dealers and financial institutions for investment purposes.

XIII. SAFEKEEPING AND CUSTODY

All security transactions entered by the City shall be conducted on a delivery-versus-payment (DVP) basis. All cash and securities in the City's portfolio, including those that are managed by an investment advisor, shall be held in safekeeping in the City's name by a third-party bank trust department, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money market mutual funds, since the purchased securities are not deliverable. Evidence of each these investments will be held in the Treasury vault. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

XIV. PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market-average rate of return during budgetary and economic cycles, considering the City's investment risk constraints and cash flow needs.

XV. REPORTING REQUIREMENTS

A Quarterly Investment report shall be provided to the City Council, City Manager, and Finance Director.

1. A quarterly investment report will be submitted within 60 days following the period being reported to the City Council. Reports of the investment of bond proceeds are issued monthly by the Trustee and are included in the quarterly report of the pooled investment fund. The quarterly investment report shall include information on the following:
   - Type of Investment
   - Issuer
   - Date of Maturity
   - Par and dollar amount invested on all securities
   - Current market value of each security and the source of the valuation
   - Credit quality of each investment, as determined by one or more nationally recognized credit rating services
   - Listing of investment transactions for the quarter being reported upon.
   - Statement that portfolio follows investment policy, or the way the portfolio is not in compliance
   - Statement denoting ability of City to meet its expenditure requirements for the next six months, or provide enough explanation why money is not available

XVI. INVESTMENT POLICY REVIEW

The Finance Director shall periodically submit to the City Council a statement of investment policy outlining any proposed changes, which the City Council must consider at a public meeting.

Glossary of Terms

Accrued Interest: Interest earned but not yet received.

Active Deposits: Funds which are immediately required for disbursement.

Amortization: An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period.

Arbitrage: Transactions by which securities are bought and sold in different markets at the same time for the sake of the profit arising from a yield difference in the two markets.

Asked Price: The price a broker/dealer offers to sell securities.

Average Life: The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund features is expected to be outstanding.

Bankers' Acceptance (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Basis Point: One basis point is one hundredth of one percent (.01).

Bid Price: The price a broker/dealer offers to purchase securities.

Bond: A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Book Entry: The system maintained by the Federal Reserve, by which most money market securities are delivered to an investor's custodial bank. The Federal Reserve maintains a computerized record of the ownership of these securities and records any changes in ownership corresponding to payments made over the Federal Reserve wire (delivery versus payment.)

Book Value: The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Broker: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not take a position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

Callable Bond: A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price: The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk: The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase: A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

Collateral: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Commercial Paper: A short-term, unsecured, and negotiable promissory note with a fixed maturity of no more than 270 days. By statute, these issues are exempt from registration with the U.S. Securities and Exchange Commission.

Comprehensive Annual Financial Report (CAFR): The official annual financial report for public sector entities/companies. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

Convexity: A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon: The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

Credit Analysis: A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Credit Risk: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security and a loss will result.

Current Yield: The interest paid on an investment expressed as a percentage of the current price of the security.

Custodian: A bank or other financial institution that keeps custody of stock certificates and other assets.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his or her own account.

Debenture: A bond secured only by the general credit of the issuer.

Defeased Bond Issues: Issues that have sufficient money to retire outstanding debt when due so that the agency is released from the contracts and covenants in the bond document.

Delivery versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free delivery). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Derivative: Securities that are based on, or derived from, some underlying asset, reference date, or index.

Discount: The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Duration: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Face Value: The principal amount owed on a debt instrument. It is the amount on which interest is computed and represents the amount that the issuer promises to pay at maturity.

Fair Value: The amount at which a security could be exchanged between willing parties, other than in a forced or liquidation sale. If a market price is available, the fair value is equal to the market value.

Federal Farm Credit Bank (FFCB): Government-sponsored institution that consolidates the financing activities of the Federal Land Banks, the Federal Intermediate Credit Banks and the Banks for Cooperatives. Its securities do not carry direct U. S. Government guarantees.

Federal Funds Rate: The rate of interest at which Federal funds are traded. This rate is considered the most sensitive indicator of the direction of interest rates, as it is currently pegged by the Federal Reserve through open-market operations.

Federal Home Loan Banks (FHLB): Government sponsored wholesale banks, which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac): Established in 1970 to help maintain the availability of mortgage credit for residential housing. FHLMC finances these operations by marketing guaranteed mortgage certificates and mortgage participation certificates. Its discount notes and bonds do not carry direct U.S. Government guarantees.

Federal National Mortgage Association (FNMA): FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (H.U.D.). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

Federal Reserve System: The central bank of the U.S., which consists of seven-member Board of Governors, 12 regional banks, and about 5,700 commercial banks that are members.

Fitch IBCA, Inc. (Fitch): One of the three best-known rating agencies in the United States, the others being Moody's Investment Service, Inc. and Standard and Poor's Corporation.

Government Accounting Standards Board (GASB): A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

Government National Mortgage Association (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA or VA mortgages. The term pass-through is often used to describe Ginnie Maes.

Government Securities: An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Guaranteed Investment Contracts (GICS): An agreement acknowledging receipt of funds, for deposit, specifying terms for withdrawal, and guaranteeing a rate of interest to be paid.

Inactive Deposits (Idle Funds): Funds not immediately needed for disbursement.

Investment-Grade Obligations: An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Interest Rate Risk: The risk of gain or loss in market values of securities due to changes in interest-rate levels. For example, rising interest rates will cause the market value of portfolio securities to decline.

Inverse Floating Rate Note: A debt security with an interest rate stated as a fixed rate minus an index. This calculation causes the rate on the inverse floater to move in the opposite direction of general interest rates. This instrument generally performs well in a declining interest rate environment but will lose value if rates rise.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between the bid and asked prices is narrow and reasonable size can be done at those quotes.

Local Agency: County, City, City and County, including a chartered city or county, school district, community college district, public district, or any public or municipal corporation.

Local Agency Investment Fund (LAIF): An investment pool managed by the California State Treasurer. Local government units, with consent of the governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment. Interest earned is distributed by the State Controller to the participating governmental agencies on a quarterly basis.

Make whole call: A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

Mark-to-market: The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk: Systematic risk of a security that is common to all securities of the same general class (stocks, bonds, notes, money market instruments) and cannot be eliminated by diversification (which may be used to eliminate non-systematic risk).

Market Value: The price at which a security is trading and could presumably be sold.

Master Repurchase Agreement: A written contract covering all future transactions between the parties to repurchase agreements and reverse repurchase agreements that establish each person's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Medium Term Notes: Instruments issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

Modified Duration: A measure of exposure to market risk of a security or a portfolio. It is the percent change in the price of a security (portfolio) or a 100-basis point change in the security's (portfolio's) yield.

Money Market: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund: Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Moody's: Moody's Investment Service, Inc. One of the three best-known rating agencies in the United States, the others being Standard and Poor's Corporation (S&P) and Fitch IBCA, Inc. (Fitch).

National Association of Securities Dealers (NASD): A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

NATIONAL RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO):
A rating organization designated by the SEC as being nationally recognized, such as Moody's Investor Service, Inc. (Moody's), Standard & Poor's (S&P), and Fitch Ratings (Fitch).

Net Asset Value: The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets, which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. [(Total assets) - (Liabilities)] / (Number of shares outstanding)

Negotiable Certificate of Deposit: A large denomination certificate of deposit, which can be sold in the open market prior to maturity.

Nominal Yield: The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

New Issue: Term used when a security is originally "brought" to market.

Note: A written promise to pay a specified amount to a certain entity on demand or on a specified date.

Open Market Operations: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the Federal Open Market Committee, (FOMC), to influence the volume of money and credit in

the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit: Sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

Par Value: The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in $1,000 increments per bond.

Portfolio: Collection of securities held by an investor.

Premium: The amount by which the price paid for a security exceeds the security's par value.

Primary Dealer: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities, broker/dealers, banks and a few unregulated firms.

Principal: The face value or par value of a debt instrument, or the amount of capital invested in a given security.

Prospectus: A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC that typically includes information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements (also known as an "official statement").

Prudent Investor Standard: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state, the so-called legal list. In other states, the trustee may invest in a security if it is one that would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

Purchase Date: The date in which a security is purchased for settlement on that or a later date.

Range Note: A debt security with a varied interest payment that depends on the number of days the designated index falls within (or in some cases outside) an established range of interest rates. Should rates move beyond the range on either end, the investor faces the risk of a reduced or zero interest payment for the applicable interest period.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Rating Agency: Nationally recognized credit rating agency such as Fitch, Moody's or S&P.

Rating Category: A credit rating assignment by a Rating Agency shall mean (a) with respect to any long-term rating category, all ratings designated by a particular letter or

combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier, and (b) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

Repurchase Agreement (RP or Repo): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement and the terms of the agreement are structured to compensate the buyer for this. Dealers use RP extensively to finance their positions. Exception: when the Fed is said to be doing RP, it is lending money, which is increasing bank reserves.

Reverse Repurchase Agreement (Reverse Repo): A counter party (e.g. investment dealer) buys the securities from the holder of securities (e.g. the Agency) with an agreement to sell them back at a fixed date. The counter party in effect lends the seller, (e.g. the Agency) money for the period of the agreement with terms of the agreement structured to compensate buyer.

Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

Secondary Market: A market for the repurchase and resale of outstanding issues following the initial distribution.

Securities: Investment instruments such as notes, bonds, stocks, money market instruments and other instruments of indebtedness of equity.

Sec Rule 15C3:1: See Uniform Net Capital Rule.

Securities and Exchange Commission: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Settlement Date: The date on which a trade is cleared by delivery of securities against funds.

Serial Bond: A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund: Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Spread: The difference between two figures or percentages. It may be the difference between the bid (price at which a prospective buyer offers to pay) and asked (price at which an owner offers to sell) prices of a quote, or between the amount paid when bought and the amount received when sold.

Standard and Poor's Corporation (S&P): One of the three best-known rating agencies in the United States, the others being Moody's Investment Service, Inc. and Fitch IBCA, Inc. (Fitch).

Strip (Bonds): Brokerage-house practice of separating a bond into its principal and interest, which are then sold as zero-coupon bonds.

Supranationals: Multi-national organizations whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in member countries.

Swap: An agreement between two parties (known as counterparties) where one stream of future interest payments is exchanged for another based on a specified principal amount.

Term Bond: Bonds comprising a large part or all of a particular issue, which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Time Certificate of Deposit: A non-negotiable certificate of deposit, which cannot be sold prior to maturity.

Total Return: The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills: A noninterest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

Treasury Bonds: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

Treasury Notes: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

Trustee or trust company or trust department of a bank: A financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

Underwriter: A dealer which purchases a new issue of municipal securities for resale.

Uniform Net Capital Rule: Securities and Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

U.S. Government Agencies: Instruments issued by various U.S. Government Agencies most of which are secured only by the credit worthiness of the agency.

U.S. Treasury Obligations: Debt obligations of the United States Government sold by the Treasury Department in the forms of Bills, Notes, and Bonds. Bills are short-term obligations that mature in 1 year or less and are sold based on a rate of discount. Notes are obligations that mature between 1 year and 10 years. Bonds are long-term obligations that generally mature in 10 years or more.

Weighted Average Maturity (WAM): The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

Yield: The rate of annual income returns on an investment, expressed as a percentage. (a) Income Yield is obtained by dividing the current dollar income by the current market price for the security. (b) Net Yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Yield to Maturity: The rate of income returns on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Yield Curve: A graphic representation that shows the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

Zero-coupon Securities: Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Amending the City's Purchasing Policy To Require Project Stabilization Agreement and Update Requirements	)))	RESOLUTION NO. 18-13556

The City Council of the City of Pittsburg DOES RESOLVE as follows:

WHEREAS, the City has adopted a Purchasing Policy for the informal and formal bidding of supplies, general services, professional services, and public works projects; and

WHEREAS, the City Council authorized execution of a Project Stabilization Agreement and directed a revision to the Purchasing Policy accordingly; and

WHEREAS, the City Council in 2018 established and filled the in-house City Attorney position and City Council seeks to set forth the purchasing authority for the City Attorney; and

WHEREAS, it is prudent to expressly set forth contracting statutory requirements and/or best practices that contracts must be in writing and set forth the total maximum compensation, contract splitting is prohibited, subsequent years' appropriations for funding multi-year contracts are subject to authorization by City Council, contracts of $10,000 or more require review and signature by the City Attorney, and circumstances when staff may amend a contract to increase compensation.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. All the recitals above are true and correct and incorporated herein.

Section 2. The City Council hereby adopts this Resolution and amends the City's Purchasing Policy as shown in Exhibit A to this Resolution.

Section 3. The City Clerk shall certify to the adoption of this Resolution.

Section 4. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 5th day of November 2018, by the following vote:

AYES:	Banales, Craft, Evola, Killings, Longmire
NOES:	None
ABSTAINED:	None
ABSENT:	None

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

Exhibit A

CITY OF PITTSBURG
PURCHASING POLICY

REVISED NOVEMBER 2018

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CITY OF PITTSBURG
PURCHASING POLICY

1. **Authority Provided**

In compliance with Pittsburg Municipal Code Chapter 2.85.010, this Purchasing Policy was adopted by City Council Resolution No. 18-13556.

2. **Purchasing Authority**

Except as authorized below, no purchase may be made without the City Council's prior approval.

For purposes of this Policy, "Executive Team Member" shall mean the Assistant City Manager(s), Police Chief, Director of Finance, Human Resource Director, Public Works Director, Director of Community Services, Director of Community Development and Director of Records and Council Services.

Employees in the following positions are authorized to execute on behalf of the City agreements in the amounts as follows:

Position	Supplies	General Services	Professional Services	Public Works Projects
City Manager	$75,000 or less	$75,000 or less	$75,000 or less	$75,000 or less
City Attorney	$10,000 or less	$75,000 or less	$75,000 or less	N/A
Executive Team Member	$50,000 or less	$50,000 or less	$50,000 or less	$50,000 or less

As authorized by Pittsburg Municipal Code Section 2.85.030, the City Manager may delegate his or her duties as chief purchasing officer to other city positions so long as such delegation is in writing and consistent with this Policy. By way of example, the City Manager may delegate purchasing authority of $25,000 or less to the Planning Manager for professional services.

The City Attorney is authorized to purchase legal services, general services, and supplies for the City Attorney's Office.

All contracts must be in writing and set forth a total maximum compensation.

The contracting amounts set forth above are for one contract regardless of the duration of the contract. Contract splitting is prohibited. Contract splitting is dividing purchases into separate contracts, each below the amount of contracting authority, to avoid the requirement to obtain City Council approval or to competitive bidding.

For any multi-year contract, adequate funds must be available to fulfill the first fiscal year's obligation at the time of contract execution. Subsequent years' appropriations are subject to authorization by City Council unless allowed pursuant to state law and the terms of the contract.

Any contract for a duration of more than seven years must be approved by City Council regardless of the amount of compensation.

Any contract in an amount of $10,000 or more must be reviewed and signed approving as to form by the City Attorney.

Purchasers may amend a contract that has been approved by City Council to increase compensation when 1) the City Council has approved a contingency amount and the increase is equal or less than the contingency amount, or 2) the amount of the increase is equal or less than the amount authorized for the purchaser as set forth above.

All contracts for outside legal counsel must be approved by the City Attorney.

Supplies arethe purchase or lease of goods and equipment in the general conduct of the City's business, except supplies for a public works project governed by the California Public Contracts Code.

General Servicesare services such as uniform cleaning, maintenance or other services which do not require any unique skill, special background, training, and obtaining such services at the lowest cost is the highest weighted factor in selection, as opposed to personal performance.

Professional Servicesare services from a vendor who possesses a high degree of professional or technical skill. Professional services include legal, data processing and programming, planning, environmental, financial, architecture, engineering, etc. The selection must be based on demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services. State law does not require competitive bidding for these types of services.

Public Works Projecthas the same meaning as set forth in California Labor Code Section 1720. It is a project for the erection, improvement, painting or repair of public buildings and works; work in or about streams, bays, waterfronts, embankments, or other work for protection against overflow; street or sewer work except maintenance or repair;and/or furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers.

3. **Informal Bidding Permitted**

Informal bidding, as may be further defined through administrative procedures, is authorized with the following limitations:

	Supplies	General Services	Professional Services	Public Works Project
Suggestion of soliciting comparable quotes.	$10,000 or less	$10,000 or less	$10,000 or less	See Public Works Project "Informal Bidding Procedure"
Must solicit comparable quotes/informal proposals.	$10,001 to $50,000 must solicit a minimum of three quotes	$10,001 to $50,000 must solicit a minimum of three quotes	$10,001 to $50,000 must solicit a minimum of one quote	See Public Works Project "Informal Bidding Procedure"
Must solicit formal proposals/bids.	$50,001 or more	$50,001 or more	$50,001 or more *	More than $125,000

* State law does not require competitive bidding for Professional Services; however, to promote fairness, the City strongly encourages the solicitation of competitive proposals for these services.

4. Informal Bidding Procedure, not a Public Works Project

The City Managermay issue administrative procedures setting forth requirements of informal bidding procedures for the purchaseof supplies, general services, and professional services, consistent with state law and this Policy. Such procedures shall ensureuniformity of the City's purchasing practices.

5. Informal Bidding Procedure, Public Works Projects

As authorized by Pittsburg Municipal Code Chapter 2.86, a public works project of $175,000 or less may be accomplished by informal bidding in compliance with Pittsburg Municipal Code Sections 2.86.030-060:

6. Formal Bids

6.1 For Supplies, General Services, and Professional Services

All purchases of supplies, general services, or professional services which may not be purchased under the City's informal bid thresholds shall be procured using a formal bid process. The City Manager may direct those purchases which fall within the informal bid thresholds to be formally bid, although there is no policy requirement for such a formal bid.

Formal bids for supplies, general services, or professional services shall contain the following elements and the City Manager may develop administrative procedures which adhere to these elements:

- Shall be prepared using a Request for Proposal (RFP) or a Request for Quote (RFQ) format; and
- Shall solicit potential vendors through the use of informal and/or formalized bidders lists; and

- Shall advertise the RFP or RFQ through an invitation to bid in a newspaper of general circulation, or through direct mailing, or through notices posted on the City's website; and
- Shall be publicly opened when required, in accordance with State Law, by the City Clerk or his/her designee or assignee; and
- For supplies, shall be awarded to the lowest responsive bidder; or
- For general services, shall be awarded based on best value to the City; or
- For professional services, shall be awarded in accordance with state law and this Policy.

Note: Best value is the valuation of price in conjunction with quality of service.

6.2 For Public Works Projects

Public works project purchases (including emergency purchases) which exceed the informal bid threshold shall be made in conformance with the California Public Contract Code.

A public works project of more than $1 million is subject to a Project Stabilization Agreement unless exempt, as set forth in Resolution No. 18-13456, until November 5, 2023.

7. Exemptions from Bidding

7.1 Emergency Purchasing

In the event of an emergency for a non-public works project, the City Manager or designee may waive any purchasing procedure. An emergency is defined to mean any of the following:

- There is a great public calamity.
- There is immediate need to prepare for national or local defense.
- There is a breakdown in machinery or an essential service that requires the immediate purchase of supplies or services to protect the public health, welfare or safety, or to prevent financial loss, or for the continued conduct of City services.

7.2 "Piggyback" Purchasing

Purchases may be made through an agreement for supplies or services negotiated by another governmental agency if: (a) the agreement was awarded by a public agency situated within the State of California utilizing a quotation or bid procedure substantially similar to the City's required procedures for a contract of the same type and dollar amount; or (b) the agreement is identified on the California Multiple Award Schedules ("CMAS") listing maintained by the State of California Department of General Services – Procurement Division.

7.3 Other

Based on unique facts or circumstances and a recommendation with justification from the affected department director, the City Manager after consultation with the City Attorney may waive one or more purchasing procedures if he/she determines the interests of the City are best served; provided, however, such waiver is not in violation of City Council policy or applicable law.

8. Local Preference

The City shall provide a three percent (3%) preference for local vendors on all qualifying purchases up to $50,000. To qualify for this preference, the purchase must be subject to sales tax collection. Also, the purchase order or contract must be issued to a business holding a current, valid City of Pittsburg business license and said business must be located inPittsburg, California.

9. Minority and Women Owned Businesses

It is the City's policy to give minority suppliers an opportunity to compete on an equal basis with all other vendors in the competitive marketplace. One of the responsibilities of the Chief Purchasing Officer or his/her designee is to seek out and identify qualified, minority-owned firms and assist them in becoming familiar with the City's requirements for city purchases.

10. Recycled Products Preference

The City will consider preferences, when using competitive bids, in determining the lowest price(s) for products containing recycled materials. The following preferences are not cumulative; only one preference may be applied to a single product:

- Total aggregate purchase of ten thousand dollars ($10,000.00) or less. The City will consider a five percent (5%) preference for products containing fifty percent (50%) or more post-consumer recycled content.

- Total aggregate purchase of five thousand dollars ($5,000.00) or less. The City will consider a ten percent (10%) preference for products containing fifty percent (50%) or more post-consumer recycled content.

- Total aggregate purchase of one thousand dollars ($1,000.00) or less. The City will consider a ten percent (10%) preference for products containing fifty percent (50%) or more post-consumer recycled content.

The following procurements are exempt from the requirements as mentioned above:

- Purchases made with federal or state grant funds.
- Purchases of construction or public works projects.
- Purchases made in cooperation with other public entities.

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BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

A Resolution Establishing the City's Purchasing Policy for Use During a Proclaimed Emergency or Disaster	)))	RESOLUTION NO. 17-13389

The City Council of the City of Pittsburg DOES RESOLVE as follows:

WHEREAS, the City currently has an adopted purchasing ordinance for normal operations, however in the event of an emergency or disaster, this policy may not allow the flexibility needed for the required response. Without a specific emergency purchasing policy, costs incurred and requested for reimbursement from FEMA may be at risk if the City follows the existing normal operating purchasing policy.

WHEREAS, staff recommends that the City Council adopt the attached Resolution establishing a purchasing policy for use during an emergency or disaster.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1.
The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council set forth below.

Section 2.
The City of Pittsburg Purchasing Policy for use during a proclaimed emergency or disaster attached as Exhibit A.

Section 3.
The City Clerk shall certify to the adoption of this Resolution.

Section 4.
This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 6th day of November 2017, by the following vote:

AYES:	Banales, Evola, Killings, Longmire, Craft
NOES:	None
ABSTAINED:	None
ABSENT:	None

Marilyn Craft, Mayor

ATTEST:

Alice E. Evenson, City Clerk

City of Pittsburg – Purchasing Policy for Use During a Proclaimed Emergency or Disaster

§ 1 Purpose

This Policy modifies the City's normal purchasing practices to assure that, in both emergency and exigent circumstances caused by a proclaimed disaster or emergency, the City will able to acquire the goods and services required to address an immediate threat to life, Public health or safety, or to eliminate/reduce an immediate threat of significant damage to improve public and private property through cost-effective measures while still maintaining an effective purchasing process and complying with applicable local and state purchasing laws. Where the City is included in a major disaster or emergency declared by the President of the United States, this Policy also assures that City procurements comply with Federal regulations applicable to FEMA disaster grant reimbursement as defined in Title 2 of the Code of Federal Regulations, Part 200. (2CFR Part 200). This policy shall not apply to purchases subject to the requirements of the public contract code. Purchases made pursuant to this policy shall comply with applicable requirements of the California Environmental Quality Act (CEQA) and applicable emergency exceptions.

§ 2 Definitions
For purposes of this policy:

(a) proclaimed disaster or emergency exists if:

I. the Governor has declared a state of emergency for an area which includes the geographic territory of the City; or

II. the City Manager of the City has declared an emergency in the City;

(b) "Exigent Circumstances" are situations in which

I. a disaster or emergency has been proclaimed, and
II. the public exigency for goods and services required to address an immediate threat to life, public health, or safety, or to eliminate/reduce an immediate threat of significant damage to improved public and private property through cost-effective measures will not permit competitive solicitation.

(c) The City Manager is the EOC, if the City Manager is not available the EOC Director shall be the Assistant City Manager followed by the Policy Chief, a Police Captain then the Public Works Director.

§ 3 Delegations of Purchasing Authority in Exigent Circumstances.

(a) If the City Manager determines that goods and services must be procured before the Elected governing board is able to assemble and approve purchases, the City Manager has authority, subject to the limitations set forth in sub-paragraphs (a)(1) and (a)(II), to approve the immediate rental or purchase of any equipment, supplies,

services or other items necessary to respond to an immediate threat to life, public health, or safety, or to eliminate/reduce an immediate threat of significant damage to improved public and private property through cost-effective measures.

(I) Limits of Single Purchasing Authority.

(II) The City Manager, shall have the authority to make individual purchases up to $150,000 on his or her signature alone. The City Manager shall have the authority to make purchases in excess of $150,000 up to a maximum of $250,000 when countersigned by the Mayor or in the Mayor's absence countersigned by the Vice-Mayor. If both the Mayor and Vice-Mayor are unavailable another council member may countersign the authorization.Limits of Aggregate Purchasing Authority.

The City Manager shall have the authority to make aggregate purchases up to $150,000 on his or her signature alone. The City Manager shall have the authority to make purchases in excess of $150,000 up to a maximum of $250,000 when countersigned by the Mayor or in the Mayor's absence countersigned by the Vice-Mayor. If both the Mayor and Vice-Mayor are unavailable another council member may countersign the authorization.

(III) Purchases made during a Proclaimed Emergency or Disaster may be taken from the reserve balance of the General Fund to the extent they exceed previously budgeted items.

(b) Sub-delegation to EOC Director -

a. The EOC Director shall be a designee of the City Manager at any time the City Manager is not available to approve purchases as allowed in this section.

(c) Sub-delegation of Purchasing Authority to Department Heads:

a. If the EOC Director is not available, the City department heads, have authority to rent or purchase from the nearest available source any equipment, supplies, services, or otheritems necessary for his or her department to respond to animmediate threat to life, public health, or safety, or toeliminate/reduce an immediate threat of significant damageto improved public and private property through cost-effective measures, up to a maximum of $75,000.

(d) Administrative Procedures:

(1) As soon as possible after purchases are made under this section 3, the City Manager, EOC Director, or department head shall submit to the Purchasing Officer, a requisition and a notation that the commodity has been ordered on an emergency basis from the vendor designated.

(2) The Purchasing Officer will inform the City Manager and the Elected governing board of any individual purchase under this section with a contract amount greater than $75,000, and whenever the aggregate of purchases under this section is greater than $150,000 thousand dollars.

(3) the Purchasing Officer will obtain the City Manager's (or EOC Director as the City Manager's designee) approval prior to any purchase by a department head if the amount is $75,000 thousand dollars or more.

(4) If the City Manager/EOC Director is unavailable, and the delay in getting his/her signature would imperil life, safety or improved property, the police chief, and/or police department watch commander, or his/her designee may approve the emergency purchase of $75,000 thousand dollars or more.

(5) The Purchasing Officer shall have the authority to approve all disaster related purchases under $150,000 thousand dollars with the City Managers approval.

(6) The Purchasing Officer will expedite the verification of funds available and complete the preparation of the purchase order.

§ 4 Procurement Procedures in Exigent Circumstances.

Upon receipt of requisitions under Section 3, the Purchasing Officer shall prepare purchase orders for the emergency equipment, supplies, services or other items in accordance with the requirements of this section.

(a) Exempt Purchases.

Purchases below $25,000 shall not be required to be formally bid. Purchases greater than $25,000 may be made following the procedures specified in this section. The signature(s) of the City Manager, Purchasing Officer and or Department Head are still required as provided in Section 3.

(b) Justification of Sole Source or No-bid Contracts.

Where exigent circumstances require immediate procurement from the nearest available source,

(i) the Procurement Officer shall use the "Justification Form for Emergency Sole Source or No-Bid Purchase."

(ii) procurement should be limited to that portion of the work that must be performed immediately, allowing subsequent procurement by competitive proposals of the remainder of the work.

(iii) "sole source" or "no-bid" acquisitions shall be necessary for one of the following reasons: placement of emergency protective measures, procurement of a scarce commodities, goods, or services or acquisition or rental of emergency equipment, emergency consulting services, emergency road clearance or other emergency requirements.

(c) Provision for Alternate Bid Solicitation Procedures.

The City's normal requirements for sealed bids shall not apply to acquisitions under Section 3. However, the Procurement Officer shall conduct telephonic or other electronic bid solicitation from potential vendors or suppliers, in lieu of written and/or sealed bids, in an effort to obtain multiple competitive proposals when and if time allows in light of the exigent circumstances.

(d) Locations of Postings for Requests for Proposals or Solicitation of Bids.

The Procurement Officer may waive normal requirements for public posting of requests for proposals or solicitation of bids. Notices soliciting bids or requests for proposals shall be posted at the Emergency Operations Center or Alternate Emergency Operations Center, if the Primary Emergency Operations Center is not

being used.

(e) Length of Time for Posting Requests for Proposals or Solicitation of Bids.
The Procurement Officer may shorten the normal bid period from 10 days to expedite the award of contracts for emergency equipment, goods, or services. The Procurement Officer should seek to assure that the shortened bid period allows multiple suppliers to submit bids.

(f) Number of Bids Required.
Solicited bids that are non-responsive shall count towards the minimum numbers of bids required when there is a declared emergency or disaster in the Jurisdiction." All such no-bids must be documented as to time, date and person or company contacted, with a reason for the no-bid, if possible.

§ 5 Notification and Ratification

(a) Posting of Contract Awards.
Under this section, all contracts awarded, that exceed $150,000 shall be presented to the Elected governing board for ratification and thereafter, shall publicly posted within sixty (60) days of the award.

(b) Authority to Cancel Emergency Procurements.
As a provision of this ordinance, the City has the absolute authority to rescind a contract for non-performance within 24 hours when a contractor or vendor, once awarded a contract, is unable to perform under the terms of the contract and the resulting delay or non-performance presents an immediate threat to life, public health, or safety, or to eliminate/reduce an immediate threat of significant damage to improved public and private property through cost-effective measures.

(c) Notification Requirement for Emergency Purchases. For any purchase in excess of $150,000, the City Manager shall report all such purchases to the Elected governing board within thirty (30) days of the onset of the disaster.

(d) Requirement for Separate invoicing.
All purchases or rentals made during proclaimed emergency or disaster conditions shall require separate invoicing from routine (non-disaster related) purchases. All invoices shall state the goods, services or equipment provided and shall specify where the goods or services were delivered. All invoices shall specify the locations where the goods or services were used if at all possible.

(e) Auditing of Invoices for Debris Clearance Prior to Payment. All invoices for debris clearance and removal shall be audited by the City prior to payment to the vendor. Vendors shall be notified of this requirement prior to the awarding of any contract for debris clearance and/or removal. Audits shall be in accordance with procedures for debris removal monitoring specified in FEMA's Publication 325, Debris Management Guide.

(f) Limitations of Disaster Purchasing Policy.
For the purposes of this section, an emergency or disaster shall be deemed to exist when a condition exists that presents an immediate threat to life, public health, or

safety, or to eliminate/reduce an immediate threat of significant damage to improved public and private property through cost-effective measures and a local emergency or disaster has been proclaimed. Any purchases that do not meet the standard of being necessary for responding to an immediate threat to life, public health, or safety, or to eliminate/reduce an immediate threat of significant damage to improved public and private property through cost-effective measures shall follow the City's regular purchasing provisions.

Notwithstanding the terms of this policy, nothing contained herein shall conflict with Federal procurement regulations as currently defined in 2 CFR Part 200.

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

DATE: 10/25/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Approving Purchasing Policy for Use During a Proclaimed Emergency or Disaster

MEETING DATE: 11/6/2017

EXECUTIVE SUMMARY

During a declared emergency or disaster the City needs to have a purchasing policy in place which allows staff the flexibility to acquire goods and services required to address immediate threats to life, public health and safety, or to eliminate/reduce damage to property.

FISCAL IMPACT

There is no fiscal impact to adopting this policy. Adoption of this policy will reduce the possibility of reduced reimbursement funding from the Federal Emergency Management Agency (FEMA) should the City apply for aid due to a proclaimed emergency or disaster.

RECOMMENDATION

Staff recommends that City Council adopts the attached resolution approving a Purchasing Policy for use during a proclaimed Emergency of Disaster.

BACKGROUND

The City currently has an adopted purchasing ordinance for normal operations, however in the event of an emergency or disaster, this policy may not allow the flexibility needed for the required response. Without a specific emergency purchasing policy, costs incurred and requested for reimbursement from FEMA may be at risk if the City follows the existing normal operating purchasing policy.

SUBCOMMITTEE FINDINGS

At a meeting held on October 18, 2017, the finance subcommittee recommended staff prepare and have in place a policy establishing the Purchasing Policy for use during a proclaimed emergency or disaster.

STAFF ANALYSIS

During the spring of 2017, the City experienced flooding which became partially eligible for reimbursement due to federal and state declarations of an emergency. As a result of the time and energy staff spent on the application for reimbursement, staff attended a Disaster Cost Recovery Training class. At this class, staff discovered that the City should implement a policy to handle purchasing in case of a proclaimed emergency or disaster to ensure the costs incurred comply with the FEMA reimbursement guidelines as defined in Title 2 Code of Federal Regulations Part 200 (2CFR Part 200) and may be eligible for federal relief.

The attached purchasing policy will enable the City to acquire the goods and services required to address an immediate threat to life, Public health or safety, or to eliminate/reduce an immediate threat of significant damage to improve public and private property through cost-effective measures while still maintaining an effective purchasing process and complying with applicable local, state and federal purchasing laws.

ATTACHMENTS: Resolution
Exhibit A – Purchasing Policy for use during a proclaimed emergency or disaster

Report Prepared By: Brad Farmer, Director of Finance

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Housing Authority City of Pittsburg Resolution for Approval of the Operating Budget Plan for Fiscal Year 2020-21 for the Housing Authority City of Pittsburg and Appropriation of Funds for Fiscal Year 2020-21

MEETING DATE: June 29, 2020

EXECUTIVE SUMMARY

On June 8, 2020, a budget workshop meeting was held to review and receive public input regarding the City's Preliminary Operating Budget for Fiscal Year 2020-21, which included the Housing Authority of the City of Pittsburg's Fiscal Year 2021-21 budget. The budget must be appropriated for Fiscal Year 2020-21 by July 1, 2020 to provide on-going financing for the Housing Authority of the City of Pittsburg's activities during the next fiscal year.

FISCAL IMPACT

The Housing Authority City of Pittsburg's budget for Fiscal Year 2020-21 estimates revenues of $18,583,311 and expenditures of $18,406,848.

RECOMMENDATION

Housing Authority Board approve the Operating Budget for Fiscal Year 2020-21 and adopts the budget for the Housing Authority City of Pittsburg, for the Fiscal Year 2020-21.

BACKGROUND

The Preliminary Operating Budget for Fiscal Year 2020-21 for the City of Pittsburg was presented to the City Council at a budget workshop meeting held on June 8, 2020, which included the Housing Authority of the City of Pittsburg.

SUBCOMMITTEE FINDINGS

The City of Pittsburg Preliminary Operating Budget for the Fiscal Year 2020-21, which included the Housing Authority's budget, was presented to the Finance Subcommittee on June 12th, 2020. The Finance Subcommittee did not have any changes related to the Housing Authority budget.

STAFF ANALYSIS

A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2020-21 will be placed on the City's website before the June 29, 2020 City Council meeting and can be located by navigating to the City Services/Finance/Budget and Other Financial Documents/2020-21 Proposed Budget.

In January 2012, the Department of Housing and Urban Development (HUD) implemented a new cash management policy aimed at reducing the amount of excess Net Restricted Assets ("NRA") or fund balance retained by individual public housing authorities since 2005. As a result of this policy, the Housing Authority of the City of Pittsburg's ("HACP") fund balance decreased dramatically over the past couple of years. In April 2017, HACP received notification from HUD that it is in a shortfall position and continued thru calendar year 2019. Shortfall status means HACP might not have enough funding to support the current leasing levels. HACP has been working closely with HUD to ensure that measures have been in place for cost control and have stopped additional leasing activities. In January 2020, HACP received a notice from HUD that HACP was out of shortfall status for calendar year 2020. The shortfall status is evaluated yearly by HUD.

The Fiscal Year 2020-21 budgeted revenue projections are based on estimates derived from the number of units leased. Additional provisions have been made to include the potential set aside funding and utilization of the existing HUD reserve.

HACP continues to be challenged to maintain the level of service with significant increases in costs from the rising rental market coupled with lower earned administrative fees. HACP's plan is to closely balance units leased with a healthy dose of administrative revenue and attempt to cover all the costs.

The City of Pittsburg Finance Department has established a 7-year forecast to help manage the HACP's budget. HACP anticipates using existing reserves to supplement any forecasted shortfalls in future years.

Staff will update this forecast periodically according to the latest revenue and expenditure information.

ATTACHMENTS: Resolution

Report Prepared By: Laura Mendez, Finance Division Manager - Reporting
Reviewed by: Brad Farmer, Director of Finance

BEFORE THE GOVERNING BOARD OF THE HOUSING AUTHORITY

In the Matter of:

Approval of the Budget for Fiscal Year 2020-21 for the Housing Authority of the City of Pittsburg and Appropriation of Funds for Fiscal Year 2020-21	)	RESOLUTION NO. -

The Housing Authority Board of the City of Pittsburg FINDS AND DETERMINES as follows:

WHEREAS, the Executive Director has prepared, transmitted and presented the one year Preliminary Operating Budget Plan for Fiscal Year 2020-21 to the Housing Authority Board for its consideration; and

WHEREAS, a Housing Authority Budget is prepared with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS, on June 8, 2020, a budget workshop meeting was held to review and receive public input regarding the City's Preliminary Operating Budget for Fiscal Year 2020-21, which included the Housing Authority of the City of Pittsburg, and recommends estimated revenues of $18,583,311 and expenditures of $18,406,848.

NOW, THEREFORE, the Housing Authority Board DOES RESOLVE as follows:

Section 1. Findings and Authorization

A. The recitals set forth above are true and correct statements and are hereby incorporated in conjunction with the respective staff report.

B. That the Budget for Fiscal Year 2020-21 is hereby approved as set forth in a copy of said budget summary on file with the Housing Authority and which by this reference is incorporated herein and authorizes the preparation of the final Budget Review document for Fiscal Year 2020-21.

C. Those funds are hereby and shall be appropriated in the estimated revenue of $18,583,311 and expenditures of $18,406,848.

D. That the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the Housing Authority in accordance with the Housing Authority's approved budget, programs and policies.

E. That the Housing Authority Board authorizes changes to be made to the annual budget as follows:

Items Requiring Board Action:

- Appropriation of fund balance reserves.
- Transfers of appropriations between funds.
- New interfund loans or advances.
- Creation of new capital projects.
- Transactions which increase total fund budgets.

Items Delegated to the Executive Director:

- Items in excess of $5,000.00.
- Transfers between departments and divisions so that the total fund budget remains the same.
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same.

Items Delegated to Department Heads:

- Allocation of departmental appropriations to line item except for salary and benefit appropriations.
- Changes which exceed current funds disbursement authorizations must be approved by the Executive Director. These changes cannot increase the department budget.

Section 2. Effective Date

This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by The Housing Authority Board at a special meeting held on the 29th day of June 2020, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Jelani Killings, Chair

ATTEST:

_____
Alice E. Evenson, Agency Secretary

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a GHAD II Resolution for Approval of the Budget for Fiscal Year 2020-21 for the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD II) and Appropriation of Funds for Fiscal Year 2020-21

MEETING DATE: June 29, 2020

EXECUTIVE SUMMARY

Budget workshop meetings were held on April 20, May 4 and June 8, 2020 to review the Preliminary Operating Budget for Fiscal Year 2020-21, including the GHAD II budget. The Fiscal Year 2020-21 budget must be appropriated before July 1, 2020 to provide on-going funding for the Southwest GHAD II activities during the next fiscal year.

FISCAL IMPACT

The Southwest GHAD II budget for Fiscal Year 2020-21 estimates revenues in the amount of $1,002,075 and a spending plan of $615,175.

RECOMMENDATION

GHAD II Board approve the Operating Budget for Fiscal Year 2020-21 and adopt the budget for the Southwest GHAD II, for the Fiscal Year 2020-21.

BACKGROUND

The Preliminary Operating Budget for Fiscal Year 2020-21 for the City of Pittsburg, including the Southwest GHAD II, was presented at budget workshop meetings held on April 20, May 4, and June 8, 2020.

SUBCOMMITTEE FINDINGS

The City of Pittsburg Preliminary Operating Budget for the Fiscal Year 2020-21 was presented to the Finance Subcommittee on April 17, May 1, May 15 and May 29, 2020. A Final Finance Subcommittee Meeting was held on June 12, 2020 to review the proposed budget. The Subcommittee members did not express any changes related to the GHAD II Fiscal Year 2020-21 budget.

STAFF ANALYSIS

A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2020-21 will be placed on the City of Pittsburg's website before the June 29, 2020 City Council/GHAD Board Meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents/2020-21 Proposed Budget.

The Southwest GHAD II will see an increase in fund balance of $386,900.

ATTACHMENTS: Resolution

Report Prepared By: Janielyn Bayona, Division Manager – Accounting & Budget
Reviewed By: Brad Farmer, Director of Finance

BEFORE THE SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT DISTRICT II BOARD

In the Matter of:

Approval of the Budget Plan for Fiscal Year 2020-21 for the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD II) and Appropriation of Funds for Fiscal Year 2020-21	)	RESOLUTION NO. 20-

The Southwest Pittsburg Geologic Hazard Abatement District (GHAD) II Board FINDS AND DETERMINES as follows:

WHEREAS, the Executive Director has prepared, transmitted and presented the one-year Preliminary Operating Budget for Fiscal Year 2020-21 to the City Council for its consideration; and

WHEREAS, the District prepares and adopts the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD II) Budget with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS, the GHAD II Board held a meeting on June 29, 2020 for the purpose of reviewing and discussing the Southwest Pittsburg GHAD II budget for the Fiscal Year 2020-21 and recommend estimated revenues in the amount of $1,002,075 and a spending plan of $615,175.

NOW, THEREFORE, Southwest Pittsburg GHAD II Board DOES RESLOVE as follows:

Section 1. Findings and Authorization

A. The recitals set forth above are true and correct statements and are hereby incorporated in conjunction with the respective staff report.

B. That the Budget for Fiscal Year 2020-21 is hereby approved as set forth in a copy of said budget summary on file with the City of Pittsburg and which by this reference is incorporated herein and authorizes the preparation of the final Budget Review document for Fiscal Year 2020-21.

C. Those funds are hereby and shall be appropriated in the estimated revenue amount of $1,002,075 and a spending plan of $615,175.

D. That the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the Southwest Pittsburg GHAD II in accordance with the City's approved budget, programs and policies.

E. That Southwest Pittsburg GHAD II Board authorizes changes to be made to the annual budget as follows:

Items Requiring GHAD Board of Directors Action:

- Appropriation of fund balance reserves.
- Transfers of appropriations between funds.
- New interfund loans or advances.
- Creation of new capital projects.
- Transactions which increase total fund budgets.

Items Delegated to the GHAD II Executive Director:

- Items in excess of $5,000.00.
- Transfers between departments and divisions so that the total fund budget remains the same.
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same.

Items Delegated to the General Manager:

- Allocation of departmental appropriations to line item except for salary and benefit appropriations.
- Changes which exceed current funds disbursement authorizations must be approved by the Executive Director. These changes cannot increase the department budget.

Section 2. Effective Date

This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the Southwest Pittsburg GHAD II Board at a special meeting held on the 29th day of June 2020, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Jelani Killings, Chair

ATTEST:

_____
Alice E. Evenson, City Clerk

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Chair and Governing Board Members

FROM: Garrett Evans, Executive Director

SUBJECT: Adoption of a Pittsburg Power Company Resolution for Approval of the Budget for Fiscal Year 2020-21 for the Pittsburg Power Company (PPC) and Appropriation of Funds for Fiscal Year 2020-21

MEETING DATE: June 29, 2020

EXECUTIVE SUMMARY

Budget workshop meetings were held on April 20, May 4 and June 8, 2020 to review the Preliminary Operating Budget for Fiscal Year 2020-21, including the Pittsburg Power Company Budget. The budget must be appropriated for Fiscal Year 2020-21 before July 1, 2020 to provide on-going funding for the Pittsburg Power Company activities during the next fiscal year.

FISCAL IMPACT

The Pittsburg Power Company budget for Fiscal Year 2020-21 estimates revenues in the amount of $2,760,465 and a spending plan of $2,308,358 for the Pittsburg Power Fund. In addition, the budget estimates revenues in the amount of $5,682,000 and a spending plan of $5,680,825 for the Island Energy Fund.

RECOMMENDATION

PPC Board approve the Operating Budget Plan for Fiscal Year 2020-21 and adopt the budget for the Pittsburg Power Company for the Fiscal Year 2020-21.

BACKGROUND

The Preliminary Operating Budget for Fiscal Year 2020-21 for the City of Pittsburg, including the Pittsburg Power Company, was presented to the City Council at budget workshop meetings held on April 20, May 4 and June 8, 2020.

Copies of the proposed budget and supporting documentation were submitted to interested parties prior to the meeting. A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2020-21 will be placed on the City's website before the June 29, 2020 City Council meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents/2020-21 Proposed Budget.

SUBCOMMITTEE FINDINGS

The City of Pittsburg Preliminary Operating Budget Plan for the Fiscal Year 2020-21 was presented to the Finance Subcommittee on April 17, May 1, May 15, and May 29, 2020. A Final Finance Subcommittee Meeting was held on June 12, 2020 to review the proposed budget. The Subcommittee members did not express any changes to the Pittsburg Power Fiscal Year 2020-21 budget.

STAFF ANALYSIS

The Pittsburg Power Company will see an increase in fund balance of $452,107. Island Energy will experience an increase in fund balance of $1,175 according to the Fiscal Year 2020-21 proposed budget. Both Pittsburg Power Company and Island Energy are and will continue to follow and comply with the City's Fiscal Sustainability Ordinance.

ATTACHMENTS: Resolution

Report Prepared By: Janielyn Bayona, Division Manager – Accounting & Budget
Reviewed By: Brad Farmer, Director of Finance

BEFORE THE PITTSBURG POWER COMPANY GOVERNING BOARD

In the Matter of:

Approval of the Budget for Fiscal Year 2020-21 for the Pittsburg Power Company and Appropriation of Funds For Fiscal Year 2020-21	))))	RESOLUTION NO. 20-

The Board of Directors of the Pittsburg Power Company, a Joint Powers Authority, FINDS AND DETERMINES as follows:

WHEREAS, the Executive Director has prepared, transmitted and presented the one-year Preliminary Operating Budget for Fiscal Year 2020-21 to the Governing Board for its consideration; and

WHEREAS, staff prepares and adopts the Pittsburg Power Company Budget with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS, the Governing Board held budget workshop meetings on April 20, May 4 and June 8, 2020 for the purpose of reviewing and discussing the Preliminary Operating Budget for Fiscal Year 2020-21, and for providing opportunities for public input and discussion on said Preliminary Pittsburg Power Company Budget; and

WHEREAS, the Governing Board, having fully reviewed the Preliminary Pittsburg Power Company Budget for Fiscal Year 2020-21 and being fully advised, found and determined that the said Preliminary Pittsburg Power Company Budget should be adopted and prepared in final form.

NOW, THEREFORE, the Pittsburg Power Company Governing Board DOES RESOLVE as follows:

Section 1. Findings and Authorization

A. The recitals set forth above are true and correct statements and are hereby incorporated in conjunction with the respective staff report.

B. That the Budget for Fiscal Year 2020-21 is hereby approved as set forth in a copy of said budget summary on file with Pittsburg Power Company at City Hall and which by this reference is incorporated herein and authorizes the preparation of the final Budget Review document for Fiscal Year 2020-21.

C. Those funds are hereby and shall be appropriated in the estimated revenue amount of $2,760,465 and a spending plan of $2,308,358 for the Pittsburg Power Fund. In addition, the budget recommends estimated revenues in the amount of $5,682,000 and a spending plan of $5,680,825 for the Island Energy Fund for Fiscal Year 2020-21.

D. That the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the Pittsburg Power Company in accordance with Pittsburg Power Company approved budgets, programs and policies.

E. That the Governing Board of the Pittsburg Power Company of the City of Pittsburg authorizes changes to be made to the annual budget as follows:

Items Requiring Governing Board/Agency Action:

- Appropriation of fund balance reserves.
- Transfers of appropriations between funds.
- New interfund loans or advances.
- Creation of new capital projects.
- Transactions which increase total fund budgets.

Items Delegated to the Executive Director:

- Items in excess of $5,000.00.
- Transfers between departments and divisions so that the total fund budget remains the same.
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same.

Items Delegated to Department Heads:

- Allocation of departmental appropriations to line item except for salary and benefit appropriations.
- Changes which exceed current funds disbursement authorizations must be approved by the Executive Director. These changes cannot increase the department budget.

Section 2. Effective Date

This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the Pittsburg Power Company Governing Board at a special meeting held on the 29th day of June 2020, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Jelani Killings, Chair

ATTEST:

_____
Garrett Evans, Executive Secretary

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Adopt Resolution Establishing the Appropriations Limit for the 2020-21 Fiscal Year in Accordance with Proposition III and Article XIII (B)

MEETING DATE: June 29, 2020

EXECUTIVE SUMMARY

In November 1979, the voters of California approved Proposition 4, commonly known as the Gann Initiative. This proposition created Article XIII (B) of the State Constitution placing limits on the amount of revenue which can be appropriated by all government entities in any fiscal year. The legislation mandates all governing bodies including the City of Pittsburg to annually establish the Appropriations Limit.

FISCAL IMPACT

There is no impact to the City of Pittsburg budget. The FY 2020-21 Appropriations Limit is $176,709,600 and will exceed the General Fund estimated spending plan of $43,124,579.

RECOMMENDATION

Staff recommends that the City Council adopt this Resolution in compliance with the State of California legislative requirement for the City Council to annually establish the Appropriations Limit.

BACKGROUND

In 1979, Proposition 4, known as the Gann Initiative was approved by the California voters. As a result, Article XIII (B) of the State Statute (Government Code Section 7900-10) was enacted and it requires that each year thereafter, the governing body of each local jurisdiction shall by resolution, establish its Appropriations (spending) limit for the following fiscal year. The determination of the appropriations limit is considered to be a legislative act and should be adopted at a regular council meeting.

Proposition III, approved by California voters in 1990, amended Article XIII (B) further, and Council action is necessary to implement the amendments effective for FY 2005-06 and thereafter.

The amendments of Proposition III specify that the annual adjustment factors in calculating the Appropriations Limit will be increased by:

- The change in population growth for City OR County (whichever is higher); OR
- The change in California Per Capita Personal Income; OR
- The growth in the average change in the County Consumer Price Index (whichever is higher).

Pursuant to Proposition III amendments, staff has calculated the Fiscal Year 2020-21 Appropriations Limit (see attached Gann Calculations) using the City Population change and the change in California per Capita Personal Income factors. The basis for the selection methodology is that the City's Population Change is higher than the County's population growth and the change in the California Per Capita Personal Income factor is higher than the Change in the Contra Costa County Consumer Price Index. The City's Appropriations limit for Fiscal Year 2020-21 is $176,709,600.

SUBCOMMITTEE FINDINGS

This item was not presented to a subcommittee.

STAFF ANALYSIS

Establishing the Appropriations Limit is a State of California mandate which requires all cities to adopt a respective Resolution at the beginning of each fiscal year.

The Appropriations subject to Limitation for Fiscal Year 2020-21 is $43,124,579 against the calculated limit of $176,709,600.

Appropriations subject to the limit for Fiscal Year 2019-20 totaled $47,743,323 against the Adopted Limit of $168,618,605 for that same year.

ATTACHMENTS: Resolution
California Department of Finance Letter dated May 2020
Gann Calculations

Report Prepared By: Laura Mendez, Finance Manager - Reporting

Brad Farmer, Director of Finance

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adopt Resolution Establishing the Appropriations Limit for the Fiscal Year 2020-21 in Accordance with California Constitution Article XIII (B)	))))	RESOLUTION NO.

The Pittsburg City Council FINDS AND RESOLVES as follows:

WHEREAS, Article XIII(B) of the California Constitution, which was added by Proposition 4, establishing expenditure limits for cities; and

WHEREAS, State-implementing legislation (Government Code Section 7910) requires the City of Pittsburg to annually adopt a resolution establishing its Appropriations Limit for the following fiscal year; and

WHEREAS, effective FY 1990-91 Proposition III has amended Article XIII (B) to allow a selection of annual adjustment factors (price and population) which must also be adopted at a regularly scheduled meeting; and

WHEREAS, the City selected the County's population change and the change in California per Capita Personal Income factors to compute the Appropriations Limit; and

WHEREAS, the Division Manager – Reporting has made the calculations specified in said Law and concludes that the appropriations subject to limitation is the sum of one hundred seventy-six million, seven hundred nine thousand, six hundred dollars ($176,709,600); and

WHEREAS, pursuant to said law the calculations have been made available to the public for two (2) weeks prior to the date of the adoption of this resolution. A copy of the calculation is on file in the City of Pittsburg Finance Department.

NOW, THEREFORE, the City Council DOES RESOLVE as follows:

Section 1.
The recitals set forth are true and correct statements and hereby incorporated.

Section 2.
The City Council does hereby authorize and approve that the Fiscal Year 2020-21 Appropriations Limit of the City of Pittsburg is established at $176,709,600 using the City's Population Change and the change in the California per Capita Personal Income factors; and

Section 3.
That this Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a special meeting on the 29th of June 2020, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Jelani Killings, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

GAVIN NEWSOM • GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 2020

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit
California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2020, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2020-21. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2020-21 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts
Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: http://leginfo.legislature.ca.gov/faces/codes.xhtml.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification
The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2020.**

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data. Given the stay-at-home orders due to COVID-19, growth in the coming years may be substantially lower than recent trends.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

/s/ Keely Martin Bosler

KEELY MARTIN BOSLER
Director

Attachment

A. **Price Factor**: Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2020-21 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2020-21	3.73

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2020-21 appropriation limit.

2020-21:

Per Capita Cost of Living Change = 3.73 percent
Population Change = 0.22 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.73 + 100}{100} = 1.0373$

Population converted to a ratio: $\frac{0.22 + 100}{100} = 1.0022$

Calculation of factor for FY 2020-21: $1.0373 \times 1.0022 = 1.0396$

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2019 to January 1, 2020 and Total Population, January 1, 2019

County City	Percent Change 2019-2020	--- Population Minus Exclusions --- 1-1-19	 1-1-20	Total Population 1-1-2020
Contra Costa				
Antioch	0.09	112,423	112,520	112,520
Brentwood	1.17	64,365	65,118	65,118
Clayton	-0.09	11,347	11,337	11,337
Concord	-0.22	130,435	130,143	130,143
Danville	-0.11	43,923	43,876	43,876
El Cerrito	0.41	24,852	24,953	24,953
Hercules	0.16	25,488	25,530	25,530
Lafayette	-0.16	25,644	25,604	25,604
Martinez	-0.85	37,424	37,106	37,106
Moraga	0.04	16,939	16,946	16,946
Oakley	1.15	41,979	42,461	42,461
Orinda	0.52	18,911	19,009	19,009
Pinole	-0.30	19,563	19,505	19,505
Pittsburg	1.03	73,565	74,321	74,321
Pleasant Hill	-0.06	34,286	34,267	34,267
Richmond	0.38	110,793	111,217	111,217
San Pablo	-0.22	31,481	31,413	31,413
San Ramon	1.24	82,100	83,118	83,118
Walnut Creek	-0.14	70,958	70,860	70,860
Unincorporated	0.06	174,061	174,173	174,257
County Total	0.26	1,150,537	1,153,477	1,153,561

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2019 to January 1, 2020

County	Percent Change 2019-20	--- Population Minus Exclusions --- 1-1-19	1-1-20
Alameda			
Incorporated	0.44	1,512,751	1,519,431
County Total	0.37	1,661,577	1,667,800
Alpine			
Incorporated	0.00	0	0
County Total	-0.61	1,149	1,142
Amador			
Incorporated	0.49	12,452	12,513
County Total	-0.50	33,785	33,616
Butte			
Incorporated	-1.34	144,595	142,651
County Total	-5.07	221,521	210,291
Calaveras			
Incorporated	0.68	4,095	4,123
County Total	-0.07	44,984	44,951
Colusa			
Incorporated	-0.15	11,619	11,601
County Total	-0.40	21,990	21,902
Contra Costa			
Incorporated	0.29	976,476	979,304
County Total	0.26	1,150,537	1,153,477
Del Norte			
Incorporated	0.62	4,050	4,075
County Total	0.58	24,491	24,633
El Dorado			
Incorporated	1.10	33,140	33,505
County Total	1.70	189,915	193,143

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

City of Pittsburg Fiscal Year 2020-21
Gann Appropriations Limit Calculations

	City Population Change		County Population Change
Population Change as of January 1, 2020	**1.0103** (1)		1.0026 (1)

	Per Capita Change		Consumer Price Index CPI of Contra Costa County
Cost of Living FY 2020-21	**1.0373** (1)		1.035 (2)
FY 20-21 Gann Limit Growth Factor			
1 + Larger of County and City Population			1.0103
1 + Larger of Per Capita Change and 12-Month Change in CPI for County		**x**	1.0373
INCREASE in City's Appropriations Limit for FY 2020-21			**1.047984**
FY 2019-20 Appropriations Limit			$ 168,618,605 (3)
Growth Factor		**x**	1.047984
FY 2020-21 APPROPRIATIONS LIMIT			**$ 176,709,600**

NOTE:
(1) California Department of Finance Letter Dated May, 2020
(2) Bureau of Labor Statistics CPI, 2019 Avg Change - SF Area (includes Contra Costa County)
(3) FY2019-20 General Fund Appropriations Limit

OFFICE OF THE CITY MANAGER/EXECUTIVE DIRECTOR
65 Civic Avenue
Pittsburg, CA 94565

TO: Mayor and Council Members

FROM: Garrett Evans, City Manager

SUBJECT: Measure M Citizens Oversight Committee Report – Proposed Use of Measures M Funds for FY 2020-21

MEETING DATE: June 29, 2020

EXECUTIVE SUMMARY

On June 5, 2012 the voters of Pittsburg passed, the Pittsburg Preservation of Citywide Services Temporary Funding Transactions and Use Tax Ordinance. The ordinance established a one-half of one percent (0.5%) use and transaction tax. On June 7, 2016, the voters of Pittsburg passed Measure M, extending the use and transaction tax to June 30, 2035. The measures require the establishment of a Citizens Oversight Committee ("Committee") charged with making recommendations to the City Council for the use of the Measures revenue. This item is the Committee's report on the use of the Measures revenues and proposed use for Fiscal Year 2020-21.

FISCAL IMPACT

There is no fiscal impact in accepting the Committee's report on the proposed uses of Fiscal Year 2020-21 Measure M funds.

RECOMMENDATION

Accept the Committee's report.

BACKGROUND

On June 5, 2012 the voters of Pittsburg passed Measure P, establishing a one-half of one percent (0.5%) use and transaction tax. On June 7, 2016, the voters passed Measure M extending the use and transaction tax to June 30, 2035.

Both ballot measures required a Citizens Oversight Committee that is charged with reviewing the use of and making recommendations to the City Council for future uses of the tax revenues.

SUBCOMMITTEE FINDINGS

This item was presented to the Finance Subcommittee on June 12, 2020, with a recommendation to accept the report.

STAFF ANALYSIS

The Committee is to (1) receive information from City staff on the receipt of revenue and the expenditure of funds from the Measures, (2) provide recommendations to the City Council on the use of the Measures revenue, (3) produce a report that records the results of its recommendations for expenditure of the revenue generated from the tax, and (4) present the report to the City Council at a public meeting and be made a public record. Committee meetings are open to the public and subject to the Brown Act.

The Measure M Oversight Committee met on June 5, 2020 to review staff's recommended allocation of the projected Measure M Sales Tax revenues for Fiscal Year 2020-21 and the revenues and expenses prescribed under Measure M for the current Fiscal Year 2019-20. The attached report describes the background of the Measures and City staff's proposed uses of the funds as well as the Committee's recommendation.

ATTACHMENTS: Citizens Oversight Committee Opinion
Citizens Oversight Committee Report

Report Prepared By: Brad Farmer, Director of Finance

City of Pittsburg, CA
Measures M Oversight Committee Report
Proposed Use of 2020-21 Measure P – M Funds

Background of City of Pittsburg's Financial Condition

In 2012, the City faced decreasing revenues, including a 26 percent decrease in sales and property taxes since 2008, amounting to a loss of approximately $2.6 million annually. In addition, the costs to provide essential city services to residents continued to increase. The City had already reduced staff and consolidated City Departments to cut costs. The City had 275 full-time employees in 2008, through early retirements and not filling vacant positions, the City reduced this number to 239 employees in 2011. To further reduce costs, the fiscal year ("FY") 2011-12 budget called for leaving four (4) police department positions vacant, eliminating the budget for police and maintenance employees at public events, closing the Buchanan Swim center, and eliminating 14 positions, including eight layoffs.

The City predicted that without an increase in revenues, the City would have a General Fund deficit in FY 2012-13 of approximately $2.7 million, which would have required the City to make additional cuts to City services including a reduction in Police Department services and closing the Senior Center. Faced with severe reductions in income to the General Fund, it would have been very difficult for the City Council to balance the City's budget without cutting the Police Department's budget.

To avoid reductions in vital City services, the City Council placed Measure P on the June 2012 ballot to temporarily increase the City's sales tax. Pittsburg's voters approved Measure P and the City began collecting the new sales tax beginning in October 2012.

City of Pittsburg's 2012 Sales Tax - Measure P Language

"To provide funding that stays in Pittsburg and cannot be seized by the State, to be used for Public Safety, gang prevention, job creation programs for local residents, to keep the Senior Center open, to maintain other City services, shall the City of Pittsburg enact a temporary, half-cent sales tax for five years, reduced to one-quarter cent for five years, then the increase be terminated, altogether, with citizen's oversight committee, mandatory audits and consistent community reporting?"

To which 73.69% of Pittsburg's voters said "yes".

Again, in FY 2015-16, the City projected that without an extension of Measure P, vital City services currently funded by Measure P would face reductions as Measure P would reduce by 50% in FY 2017-18 and 50% in FY 2022-23. An election to extend Measure P was placed upon the June 2016 ballot, referred to as Measure M.

City of Pittsburg's 2016 Sales Tax - Measure M Language

"To provide funding that stays in Pittsburg and cannot be seized by the State, to be used for Public Safety, gang preventions, job creation programs for local residents, Senior Center operations, repair roads, operate youth programs, and maintain other City Services, shall the City of Pittsburg extent its current half-cent sales tax through fiscal year 2034-35, providing $3.6-$3.8 million annually, then the increase be terminated, altogether, with citizens' oversight, mandatory audits and consistent community reporting?"

To which 81.31% of Pittsburg voters once again said "yes".

Since the passage of Measure M in June 2016, both Measure P and Measure M are referred to as Measure M starting with FY 2017-18.

Measure M Citizen's Oversight Committee

Measure M required the establishment of a Citizens Oversight Committee ("Committee") charged with making recommendations to the City Council for the use of the Measure P and M tax revenue. The Committee is charged with:

1. Receiving information from City staff on the receipt of revenues and the expenditures of funds from Measure M,
2. Providing recommendations to the City Council on the future use of Measure M revenues,
3. Producing an annual report that records the results of its recommendations for expenditure of the revenue generated from the tax, and
4. Presenting this report to the City Council at a public meeting making it part of the public record.

The Committee is represented by two representatives from the Chamber of Commerce and three current members of the City's Community Advisory Commission ("CAC"). Committee Members must be a Pittsburg resident and registered voter. Members serve two-year terms.

The Committee consists of the following:

Chamber of Commerce Representatives - Nancy Hairsine and Wolfgang Croskey

CAC Representatives – Candida Duperroir, Dennisha Marsh and Patt Young

The Committee met to review the current uses of the Measurers funds in FY 2019-20 and to recommend future uses to the revenues generated for FY 2020-21.

Oversight Committee Findings

The Committee reviewed the City's actual current receipts and uses of funds for FY 2019-20, finding their uses followed the original requirements as passed by the voters.

The Committee plans on meeting in the fall of 2020-21 to review the final revenues and expenditures for FY 2019-20 and again in the spring of 2021 to make budget recommendations for the FY 2021-22.

Recommended Uses for FY 2020-21

As described in the ballot, the specific services noted are Public Safety, Senior Center operations, Economic Development and Youth/City services. To adhere to the intent of Measure M, as part of the upcoming budget the subcommittee proposed the following percentages be allocated for FY 2020-21. Below is a table, which shows prior and proposed uses for Measures funds:

	Public Safety - Police	%	Senior Center	%	Economic Dev	%	Youth	%	Streets	%	Total
FY 2012/13 Actuals	2,143,082	86.00%	299,035	12.00%	49,839	2.00%					**2,491,956**
FY 2013/14 Actuals	3,099,204	86.00%	432,447	12.00%	72,074	2.00%					**3,603,725**
FY 2014/15 Actuals	3,647,341	89.00%	327,851	8.00%	122,944	3.00%					**4,098,136**
FY 2015/16 Actuals	3,687,655	89.00%	331,475	8.00%	124,303	3.00%					**4,143,433**
FY 2016/17 Actuals	3,823,357	89.00%	343,673	8.00%	128,877	3.00%					**4,295,907**
FY 2017/18 Actuals	3,826,264	86.00%	355,932	8.00%	133,474	3.00%	88,983	2%	44,492	1%	**4,449,145**
FY 2018/19 Actuals	3,977,790	85.75%	371,106	8.00%	127,568	2.75%	79,954	2%	82,404	2%	**4,638,822**
FY 2019/20 Budget	4,047,174	85.77%	377,579	8.00%	128,673	2.73%	82,595	2%	82,595	2%	**4,718,616**
FY 2020/21 Recommended Budget	2,751,606	82.82%	320,942	9.66%	109,372	3.29%	70,206	2.11%	70,206	2.11%	**3,322,332**

At the June 5, 2020 Committee meeting, the committee submitted the following rationales for the proposed allocation:

<u>Public Safety</u> – The Subcommittee recommends maintaining the 82.82% allocation of the Measure M revenue to provide public safety through City. This level of funding provides reassurance to the residents and businesses of Pittsburg, and reflects the City Council's priority to fund Public Safety while keeping Pittsburg's crime rates low. These levels of funding provide the Police Department the ability to:

(1) Maintain current staffing levels,
(2) Continue the work of the Narcotics Division,
(3) Commit resources to identification and investigation of human trafficking,
(4) Continue to use Community Service Specialists to provide support to Police Officers including handling bookings of arrestees,
(5) Track illegal gun ownership, and
(6) Continue the Violent Crime and Gang Suppression enforcement activities.

Senior Center – The proposed allocation of 9.66% of Measure M revenues will provide funding to be used toward the operating budget for the Senior Center. Activity fees, rental income and donations cover the balance of the annual costs. Maintaining and operating the Senior Center was specifically identified in the Measure M ballot language. This funding will maintain existing staffing levels providing similar activities and programing as previously provided at the Senior Center.

Economic Development – The proposed allocation of 3.29% of Measure M revenues to Economic Development provides the ability to fund the Future Build job training program, provide permit fee waivers to reduce blighted properties, and to fund the staffing of business attraction and retention activities throughout the City.

Youth Programs – The proposed allocation of 2.11% of Measure M will be used for youth programs.

Streets Program – The proposed allocation of 2.11% will be used for minor road repairs.

In addition, the committee requested that the committee be brought back together in the Fall of 2020 after the City has a better indication of the actual Measures P&M sales tax collections for the remaining of FY 2019-20 and the first quarter of FY 20-21 to reconsider the recommended allocation should additional revenues be generated through the Measure P and M Sales Tax.

In addition, the committee requested that the committee be brought back together in the Fall of 2020 after the City has a better indication of the actual Measures P&M sales tax collections for the remaining of FY 2019-20 and the first quarter of FY 20-21 to reconsider the recommended allocation should additional revenues be generated through the Measure P and M Sales Tax.

June 5, 2020

To: City Council

From: Measure M Oversight Committee

Re: Measure M Fund usage for FY 2019-20 year to date and recommendations for FY 2020-21

We the members of the Measure M Oversight Committee have reviewed both the revenues generated and the expenditures of Measure M funds by the City of Pittsburg for the current revenues and expenses for the current fiscal year through June 3, 2020 (FY 2019-20). We find the City has met the requirements and is following the allowed expenditures as established by the ballot presented to the voters for the original Measures.

We have reviewed and recommend making to the allocation of initially budgeted Measure M Sales and Use Taxes per the attached report. The committee also requests that the committee be brought back together once the City has collected or has an indication of what the Sales and Use Taxes for FY 20-21 will actually be as the shelter in place is reduced for Pittsburg.

The Committee will meet again to review the results of the fiscal year 2019-20 Measures revenues and expenditures in the fall of 2020. After this review, the Committee will once again report our findings and any recommendations we may have at that point, if warranted.

Respectfully,

Dennish Marsh, Chairperson & Member
Candida Duperroir, Member
Nancy Hairsine, Member
Patt Young, Member
Wolfgang Croskey, Member

June 5, 2020

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