

Adopted Annual Budget Fiscal Year 2015-16



City of Pittsburg, California

On The Cover:
Various sites in Pittsburg
Officer Spires with Daisy Troop
City of Pittsburg Holiday Parade
Pittsburg Marina (photo credit:Joe Dallman)

➤ **ACKNOWLEDGEMENTS**

City Council

Pete Longmire, Mayor

Ben Johnson, Vice-Mayor

Salvatore Evola, Council Member

Will Casey, Council Member

Merl Craft, Council Member

Other Elected Officials

Alice E. Evenson, City Clerk

Nancy L. Parent, City Treasurer

City Attorney

Ruthann G. Ziegler, Esquire, City Attorney

Management Staff

Joe Sbranti, City Manager

Garrett Evans, Assistant City Manager, Enterprise Services

Alice E. Evenson, Director of Records and Council Services

Brian Addington, Chief of Police

Don Buchanan, Director of Parks and Recreation

Hilario Mata, Director of Public Works

Fritz McKinley, Director of Community Development

Brad Farmer, Director of Finance

Walter Pease, Director of Water and Sewer System Enterprises

➤ **ACKNOWLEDGEMENTS**

Prepared by the Finance Department:

Brad Farmer, Director of Finance

Diane Agar, Finance Division Manager, Accounting & Budget

Karen Chang, Finance Division Manager, Reporting

Margaret Padua, Finance Division Manager, Revenue and Collections

Krista Nuxoll, Financial Analyst

Glescher Pinder, Accounting Technician

Special Thanks to City Department Staff:

Jill Hecht, City Manager's Office

Laura Wright, Environmental Affairs

Joyce Lowe, Police Department



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pittsburg
California**

For the Fiscal Year Beginning

July 1, 2014

A handwritten signature in black ink, reading 'Jeffrey R. Enos', is positioned above the title 'Executive Director'.

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, 2014. 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 5, 2015

Honorable Mayor and Members of the City Council:

I am pleased to submit the Fiscal Year 2015-16 Annual Budget for the City of Pittsburg (City), which provides a comprehensive financial framework for the coming year. The City's total revenues (excluding transfers) are \$156.7 million, of which 21.65 percent comprises the General Fund. The City's total expenditure budgets (excluding transfers) are \$159.8 million, of which 23.8 percent is the General Fund, the City's main source of unrestricted funds. These proposed budgets fund a total of 255 full time equivalent employees, including 11 new full-time positions that are being restored from prior eliminations during the recession, (pre-recession full-time equivalent positions were 308). This Budget reflect the City's continuing commitment to provide quality services to our residents, while maintaining the City's long-term financial sustainability target of having a structurally balanced General Fund by fiscal year 2018-19.

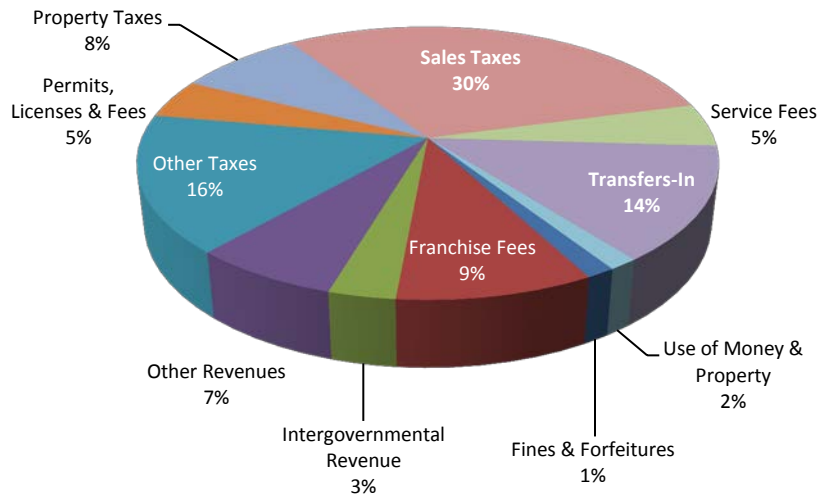
Overview of the General Fund Proposed Operating Budget for FY 2015-16

	FY 2014-15 Year-End Estimate	FY 2015-16 Budget	Difference	Percent Difference
Revenues	35,217,543	37,883,398	2,665,855	7.57%
Expenditures	36,910,555	39,239,629	2,329,074	6.31%
Surplus (Deficit)	(1,693,012)	(1,356,231)	(336,781)	19.89%
Use of Budget Stabilization Fund	1,693,012	1,356,231	336,781	

Revenues

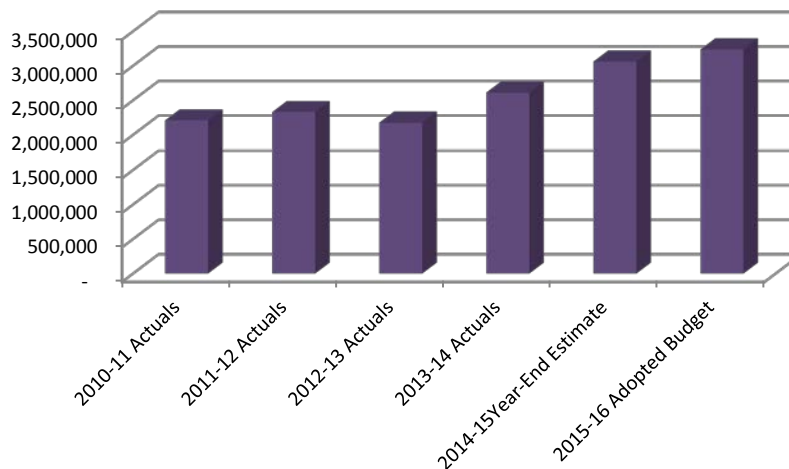
The City's revenue streams are influenced by overall economic conditions. Total General Fund revenues for FY 2015-16 are projected to be approximately \$39.2 million or 5.4 percent greater than the FY 2014-15 year-end estimate. The General Fund's major revenue sources include property and sales taxes, transfers and vehicle taxes and franchise taxes. Together these sources comprise 68 percent of total general fund revenues for FY 2015-16, as shown on the graph that follows. The remaining 32 percent includes revenues such as departmental revenues, cost reimbursements from other funds and interest revenues.

General Fund Revenues



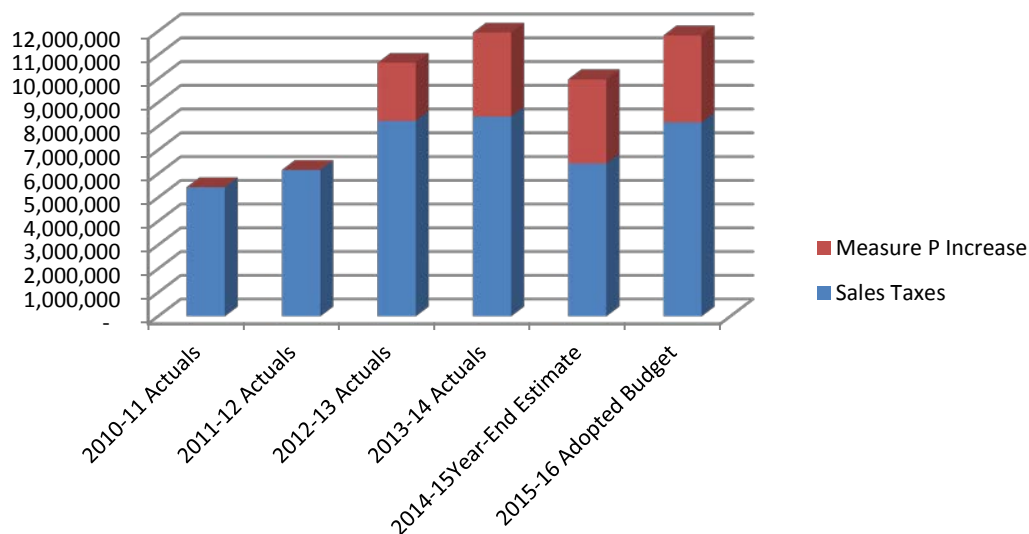
The City continues to see signs of improvement through increases in both property tax and sales tax revenues. Property tax revenue projections result in increases of approximately \$177,000 from year-end estimates, a 5.8 percent estimated increase. Property tax revenue increases are due to additional single family and commercial construction, and recovering property values.

Property Taxes



Sales tax revenues are projected to increase by \$1.8 million over year-end estimates, an 18.5% estimated increase. Sales tax revenue increases are mainly due to the one time catch-up and overlap as the “triple flip” unwinds. The “triple flip” was a mechanism adopted in 2004 to fund the state’s economic recovery bond program and balance the state’s deficit. The City and County portion of the sales and use tax were reduced by 0.25 percent to pay for the bonds. Cities and counties were then provided with ad valorem tax revenues in lieu of these revenues. The State Department of Finance expects the Economic Recovery Bonds to be fully paid in July 2015 and the full 1 percent of sales and use tax due to the cities and counties will then be restored on or about January, 2016. Since the triple flip reimbursements have been effectively one quarter behind since the beginning, due to the overlap of the reimbursement and the return of the full 1 percent rate, the City anticipates a one-time increase in sales tax revenues of \$897,000 in FY 2015-16. Additionally, the City expects to see consistent steady gains of approximately 2.7 percent through FY 2015-16 as upward trends in construction, transportation and general retail continues along with a one-time impact of \$250,000 from the construction of the Columbia Solar project.

Sales Taxes



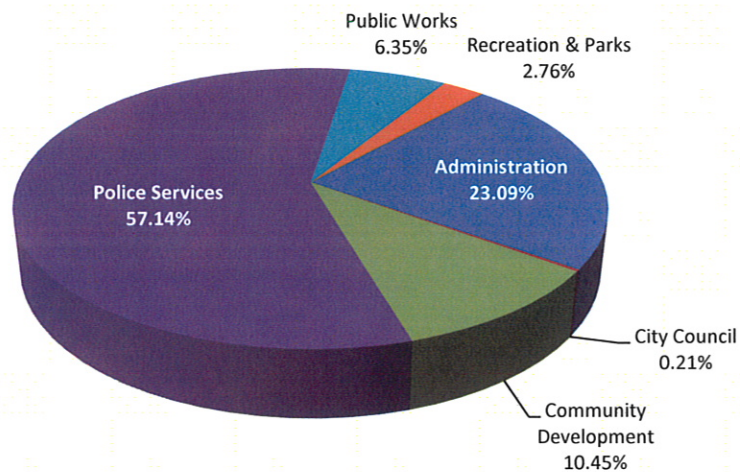
Expenditures

General Fund expenditures are projected to increase by \$2.3 million in FY2015-16. The increases are primarily due to increased personnel costs, retirement and health insurance rates, the assumption of full staffing for the entire year and financial impacts of new Memoranda of Understanding (MOUs) projected or approved for the City’s various employee groups.

Although revenues have improved, the costs to deliver current services are also growing. Per recently negotiated MOUs, Public Safety and Teamsters salaries are increasing by 4 percent. In

order to maintain the efficiency of City operations and to better serve our residents and the business community in a growing economy, the City is gradually restoring positions from prior eliminations. The FY2015-16 operating budget reflects increased staffing by 11 positions over the number of staff at the beginning of Fiscal Year 2013-14, for a total of 255 full time equivalent positions.

General Fund Expenditures



7-year General Fund Balancing Plan and Implementation of Fiscal Sustainability Ordinance

The current City budget is the fifth year in the 7-year General Fund Balancing Plan (Plan) that is included in this FY 2015-16 budget book. As described in the Plan, the Plan assumes relatively conservative revenue projections and expected expenditure assumptions currently available, with the underlining goal of obtaining a structurally balanced budget in FY 2018-19. The Plan, in combination with the actual revenues and expenses, has been favorable most years since FY 2011-12. This has resulted in the use of approximately \$1.7 million from the Budget Stabilization Fund to balance the General Fund, an amount that is significantly less than the \$7 million estimated to be needed to balance those budgets.

Fiscal Sustainability Ordinance – This is the third year the City’s General Fund budget has been developed under the requirements outlined in the City’s Fiscal Sustainability Ordinance. The balance of the Budget Stabilization Fund is projected to be \$6.2 million at the end of FY 2014-15 which is in excess of the \$2 million required by the Ordinance. Staff is currently estimating \$1.3 million will be needed from the Fund to balance the FY 2015-16 budget. This is slightly less than what was projected last year mainly due to an increase in property tax revenues.

20-year General Fund Forecast – In addition to the annual budget and the 7-year General Fund budgeting plan, the City also uses a long-range 20-year forecast. This forecast

incorporates both anticipated revenues from development, assessed market value and economic recovery as well as a systematically structured expenditure plan to cover current costs as well as the post retirement issues (Contra Costa County Employees' Retirement Association (CCCERA), Pension, and the Other Post-Employment Benefit (OPEB) liabilities).

CCCERA – In 2001, the City terminated participation in the Contra Costa County Employees Retirement Association (CCCERA) and converted to the CalPERS retirement system. The termination agreement with CCCERA required the City to cover unfunded pension liabilities for former employees receiving a pension from CCCERA. In FY 2013-14, the City reduced its CCCERA unfunded liability by \$5.8 million, borrowing and repaying by FY 2017-18, a \$3.8 million loan from the City's Water Fund balance. The City continues to pay down its unfunded liability with 13 annual payments of \$1,306,656.

Pension - One of the benefits offered by the City to its employees is participation in the CalPERS pension program. Following significant losses during the recession, CalPERS has been forced to recover their lost funds through rate increases. In addition to the loss recovery, several actuarial assumption changes also substantially increased projected pension costs.

Assembly Bill (AB) 340 pension reform created the Public Employees' Pension Reform Act (PERPA) that implemented new benefit formulas and the final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PERPA. This created a second tier for the City's pension plan. The impacts of the second tier will be realized as the City experiences employee attrition. The City is working on reducing this liability through employee attrition and negotiated employee contributions, along with City contributions.

OPEB Liabilities – In December 2013, the City established an agreement with the California Public Employees' Retirement System (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 on an annual basis in order to reduce its unfunded OPEB liability. At June 30, 2014, The City's CERBT account had a balance of \$1,283,465. The FY2015-16 budget contains a contribution of \$523,962 towards future OPEB costs.

Looking Forward

Staff will continue to streamline the City's organization and strive to optimize the existing workforce to meet the needs of our residents throughout the City. By continuing to improve efficiencies and focus on achieving the City's 7-Year General Fund Balancing Plan and longer-term 20-year forecast of the City's General Fund, staff feels the City, its residents, business leaders and community partners will continue to invest in these efforts and strengthen both the City and the community.

Crime Rates – The Pittsburg Police department, working with residents, strives to maintain record-low crime levels, as shown in the tables below. Over the past year, the City saw the rate of Violent Crimes decrease 3.8 percent, while Property Crime rates saw increases of 17.2 percent. Overall, Pittsburg continues to compare very well with nearby cities:

VIOLENT CRIME COMPARISON BY CITY			PROPERTY CRIME COMPARISON BY CITY		
PER 1,000 RESIDENTS			PER 1,000 RESIDENTS		
CITY/YEAR	2013	2014	CITY/YEAR	2013	2014
Walnut Creek	1.2	1.1	Brentwood	24.5	24.8
Brentwood	1.7	1.9	Walnut Creek	33.6	38.2
Pleasant Hill	3.2	2.6	Pittsburg	34.2	38.5
Pittsburg	2.8	2.7	Concord	49.1	45.4
Concord	3.3	3.7	Pleasant Hill	45.9	50.4
Antioch	9.1	8.9	Antioch	52.4	51.2

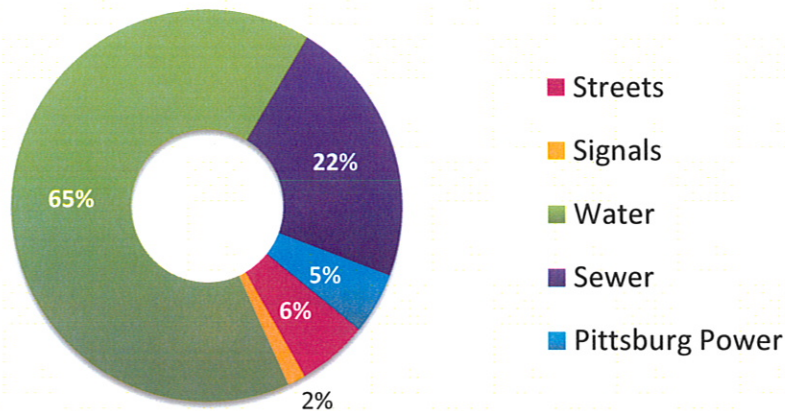
Violent Crime Includes: Murder, Rape, Robbery, and Aggravated Assault
Property Crime includes: Burglary, Larceny Theft, Vehicle Theft, and Arson

Development – Pittsburg is a great place with many talented people and a diversity of interests. The business community works hard and City government strives to maintain that tradition. The Fiscal Year 2015/16 Proposed Operating Budget again balances a variety of needs and wants, focuses both short and long-term, and reflects strategic planning priorities and results. Staff's objective now is to look outward and place attention on not just maintaining the quality of life in the Pittsburg, but improving it.

The proposed capital projects budget for FY 2015-16 totals approximately \$16.7 million, as summarized on the chart that follows. A majority of the capital projects are related to improvements to the City's water distribution system and Water Treatment Plant. Funds for infrastructure projects come from water and sewer operations funds, developer fees, grants and regional fees for storm drainage and fuel taxes.

Category	Project Name	Allocation FY 2015/16
Streets	Railroad Avenue Pavement Preservation	\$985,263
Signals	West Leland Road/Oak Hills Drive Signal	78,062
	Intelligent Transportation System (ITS) Upgrade	170,000
Water	WTP Intake Modifications/WTP Sludge Handling Facility Phase 1B	6,797,000
	Automatic Water Meter Reading System	250,000
	Western Loop 16-inch Main Loftus Road	950,000
	Water Main Buchanan Road (Phase 1)	2,350,000
	WTP Capital Repairs/Filter Rehabilitation	100,000
	2016/17 Water Main Installation	450,000
Sewer	2014/15 Sewer Replacement Program	3,700,000
Pittsburg Power	Substation K Switchgear Upgrade	470,000
	2015/16 Cable Replacement	175,000
	Substation P Switchgear Upgrade	200,000
	Totals	\$16,675,325

Summary of Capital Projects by Category



Columbia Solar - Columbia Solar, owned by Hanergy America, is a 19 MW solar photovoltaic electric generating facility located in Pittsburg. Hanergy America is a subsidiary of the world's largest thin-film solar company with more than 10,000 employees worldwide. Columbia Solar, constructed on more than 100 acres of brownfield land along Pittsburg-Antioch Highway, will directly convert sunlight to electricity. The Project will sell its entire output to Pacific Gas & Electric under a long-term power purchase agreement. Columbia Solar is expected to achieve commercial operation by Summer 2015.

eBART - eBART is a \$463 million extension of the BART system from the Pittsburg-Bay Point station to Hillcrest Avenue in Antioch. eBART will use diesel trains that are smaller than conventional BART trains, and will offer BART patrons a seamless transfer to the main BART system from eastern Contra Costa County communities. The \$12 million Pittsburg Center Station will be a platform located in the freeway median, with access to Railroad Avenue at the overcrossing. The station and the extension are scheduled to open in 2018. The City is constructing a passenger drop-off and pick-up area at the northeast corner of Railroad and California Avenues that will also be a hub for local bicycle trails and public transit in close proximity to the eBART station. The facility is scheduled to open in 2018.



Veterans Square - The Housing Authority of the City of Pittsburg is proposing to fund a loan to a private developer of up to \$947,000 for construction of thirty (30) units of housing and services specifically for veterans. As proposed, the project includes 28 one-bedroom units and two two-bedroom units, with a washer and dryer for every 10 units. The common area facilities in the project include a community room, on-site management office, and resident storage facilities. The Developer intends to include an on-site service center for veteran's services, such as health and wellness classes, education and employment services, and social activities.

Housing Rehabilitation Loan Program - The Housing Rehabilitation Loan Program (Program) will be funded by the Housing Authority of the City of Pittsburg and administered by Contra Costa County. The Program provides low interest loans of up to \$30,000 to qualified low-income households for improvements such as a new roof, bathroom remodel and ADA ramps. The Program will enable the City to preserve existing affordable units in the community.

Conclusion

I would like to thank the City Council for their guidance and support throughout the development of this proposed budget. In addition, I would like to thank the Finance Department Budget staff and staff in all other City Departments who have contributed to the Fiscal Year 2015-16 budget. I would like to give special thanks to Karen Chang who took the lead as Interim Finance Director and Diane Agar, Finance Accounting and Budget Manager throughout this year's budget process.



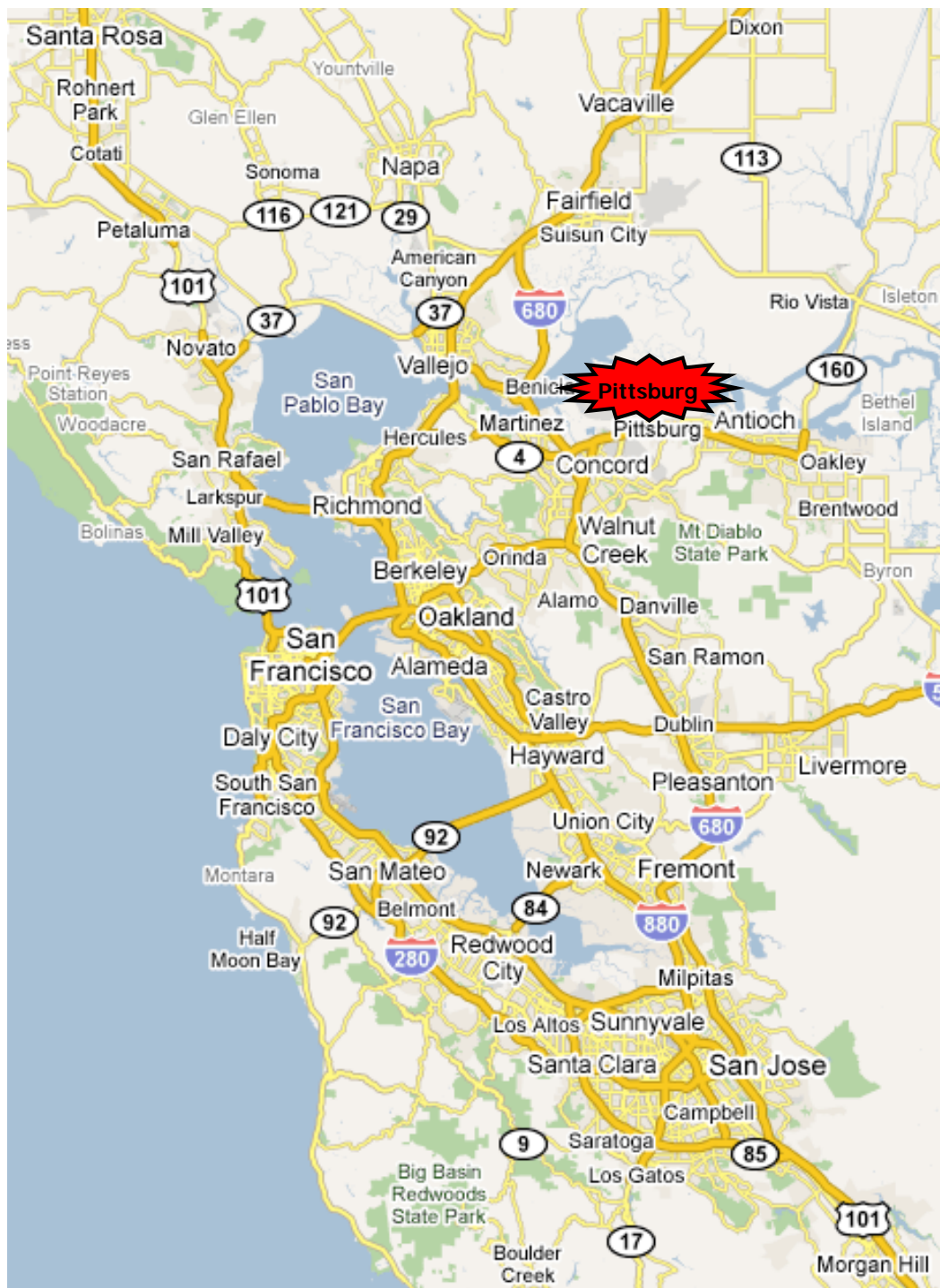
Joe Sbranti
City Manager

➤ 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 commitments
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.



➤ 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 City 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 was built. It has undergone extensive renovations in the past few years.

1974 – Los Medanos College opens, providing 2-year degrees and transfer programs to East 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 Highway 4 widening project began.

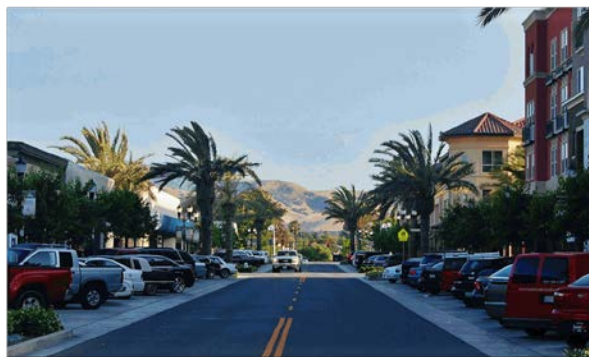
[2000 – 2010]

2000's – New High Occupancy Vehicle (HOV) lanes added to Hwy. 4, relieving congestion as Eastern Contra Costa County becomes increasingly populated. Hwy. 4 widening project continued through 2006.

2003 – Pittsburg's Centennial Celebration Year

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

2000 – 2010 - Pittsburg's population estimate grew by 37%. New e-BART proposed which will expand BART services east another 23 miles, further easing traffic congestion



[2011 – Present]

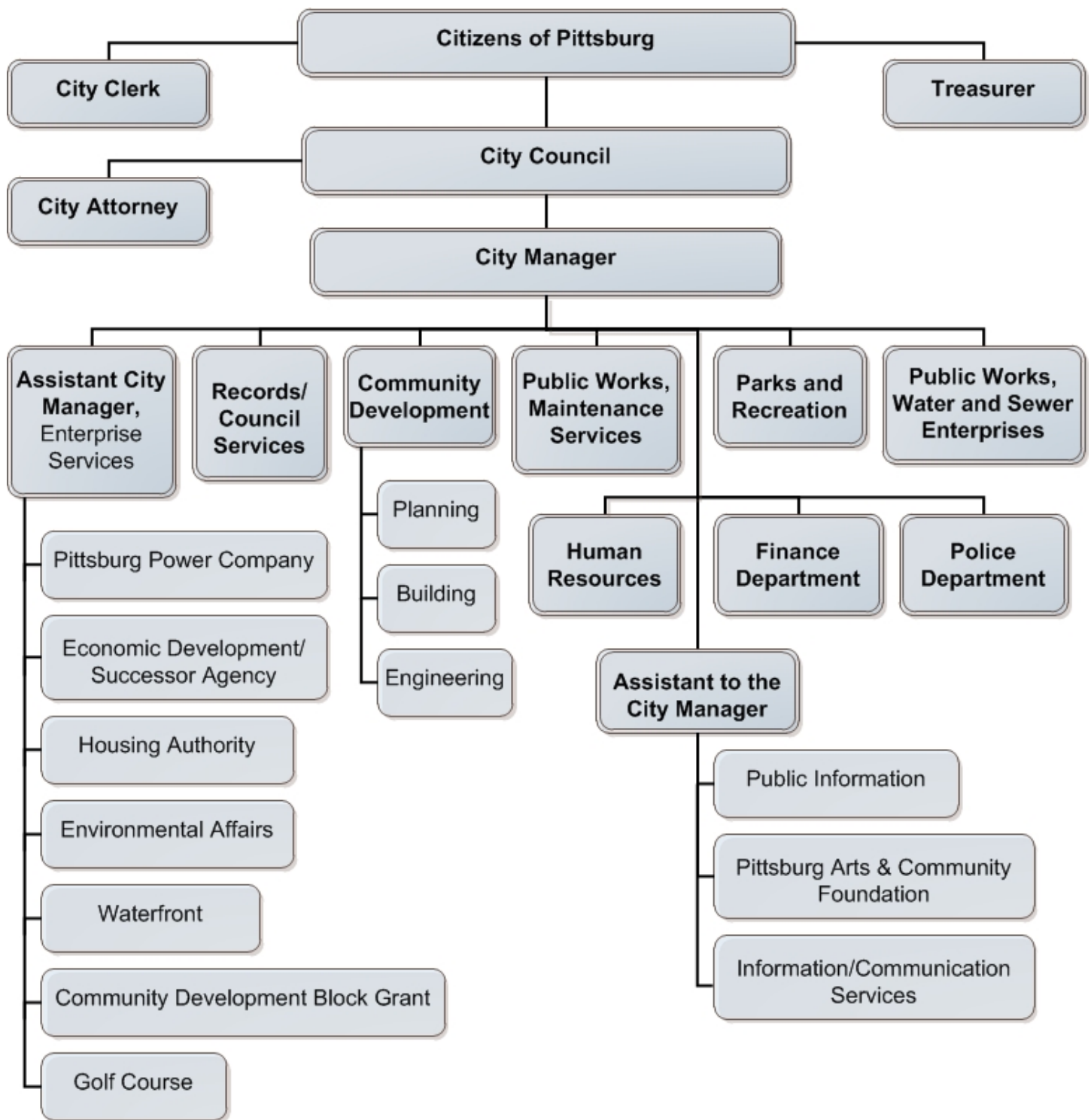
2011 – Begin project to widen State Route 4 from the existing four lanes to eight lanes. The widened freeway will provide one HOV lane and three mixed-flow lanes in each direction (which is expected to be completed in 2015).

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

➤ LONG TERM/SHORT TERM GOALS

LONG TERM GOALS	SHORT TERM GOALS	IMPLEMENTATION THROUGH DEPARTMENTS AND PROGRAMS
<p>Goal 1</p> <p>Achieve and Maintain a Structurally Balanced Budget</p>	<p>➔</p> <p>Seek grant funding, Study for future General Plan maintenance fee, Evaluate potential solar projects, Identify revenue opportunities for energy-related projects, Negotiate new Trust Lands Lease, Use sustainable revenues to pay ongoing expenses, Seek opportunities to reduce water accounts written off, Increase awareness of Small World Park, Energy cost savings at City Facilities</p>	<p>➔</p> <p>Community Development-Engineering, Community Development-Planning, PPC/Island Energy, Enterprise Services-Waterfront, Enterprise Services-Environmental Affairs, Finance, Parks and Recreation, Public Works, Water & Sewer Utilities</p>
<p>Goal 2</p> <p>Improve Public Facilities and Infrastructure</p>	<p>➔</p> <p>Broaden scope of live broadcast of meetings, Complete Capital Improvement projects underway or scheduled for construction in FY 2015/16, Liaison with outside agencies to construct facilities, Improvements to park facilities, Establish training at Integrated Pest Management Garden, Prepare design and cost estimates for a future skate park, Convert traffic loops to video detection system</p>	<p>➔</p> <p>City Council, Community Development-Engineering, Enterprise Services-Marina, Enterprise Services-Environmental Affairs, Parks and Recreation, Public Works, Water & Sewer Utilities</p>
<p>Goal 3</p> <p>Continue Economic Development, Diversified Housing and Facilitate Growth of Existing Businesses</p>	<p>➔</p> <p>Integrate data to expand City's Graphic Information System (GIS), Continue residential development inspections, Complete update of Housing Element, Retain large sales tax providers, Explore creation of Build Pittsburg Revolving Loan Fund for small businesses, Business attraction promotional campaign, Collaborate to bring water-based recreation to Marina and activate underutilized land</p>	<p>➔</p> <p>Community Development-Engineering, Community Development-Building, Community Development-Planning, Enterprise Services-Economic Development, Enterprise Services-Waterfront</p>
<p>Goal 4</p> <p>Increase Efficiency of City Operations and Services</p>	<p>➔</p> <p>Update Records Retention schedule, Develop model ordinance to develop low-impact industrial projects, Emergency Operation Center (EOC) preparedness, Commercial recycling program, Establish Cumberland Service support program, Cross training, Review/revise out of date policies, Automate budget imports, Increase staffing, Continue Automatic Meter Reading system, Maximize usage of technology to prevent crime</p>	<p>➔</p> <p>City Clerk, Enterprise Services-Economic Development, Enterprise Services-Environmental Affairs, Enterprise Services-Successor Agency, Housing Authority, Human Resources, Finance, Parks and Recreation, Public Works, Water & Sewer Utilities, Police</p>
<p>Goal 5</p> <p>Improve the Quality of Life for Pittsburg Residents</p>	<p>➔</p> <p>Offer homeownership opportunities, Implement fingerprinting for applicants, Expand partnership with local non-profits, Implement three-year plan identifying growth strategy, Develop programs for nature day camp, Construct Water Treatment Plant modifications, Increase efforts to address mail and vehicle thefts, Implement strategy to address homeless population, Expand community outreach</p>	<p>➔</p> <p>Housing Authority, Parks and Recreation, Water & Sewer Utilities, Police</p>

➤ 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 7-Year Balancing Plan and 20-Year Forecast

Preparing accurate General Fund revenue and expenditure forecasts is an important part of the budget process. The update of the 7-year balancing plan and 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 approves the proposed operating budget.

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

After approval 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/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/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 2015/16 Budget Development Calendar

Jan 2015						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

1/2 - 1/3 Winter Break - City Offices Closed
 1/7 Distribution of Mid-Year Reports for Dept. Year-End Estimates
 1/19 City Holiday - Martin Luther King - City Offices Closed
 1/23 Department Year End Estimates Due to Finance
 1/26 - 1/30 Finance Staff Review and Reporting of Year-End Estimates
 1/28 7-Year General Fund Balancing Plan and 20 Yr Projections Update

Jul 2015						
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Feb 2015						
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2/3 City Manager Review and Approval of Year-End Estimates
 2/6 Budget Kickoff Meeting/Distribution of Budget Packets
 2/12 City Holiday - Lincoln's Birthday - City Offices Closed
 2/16 City Holiday - Washington's Birthday - City Offices Closed
 2/26 Oversight Board - Successor Agency to Former RDA Review and approval of Proposed 2015/16 Operating Budget

Aug 2015						
S	M	T	W	T	F	S
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30	31					

Mar 2015						
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29	30	31				

3/2 Goals Workshop - City Council
 3/9 - 3/13 Finance Staff Analysis and Preparation of Draft Budget
 3/16 Department Narratives due to Finance
 3/16 7-Year General Fund Balancing Plan and 20 Yr Projections Update
 3/16 - 3/27 Senior Management and City Manager Begin Review of Budget
 3/25 Measure P Oversight Committee 1st Mtg/Intro/Responsibilities
 3/31 City Holiday - Cesar Chavez Day - City Offices Closed

Sep 2015						
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Apr 2015						
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4/3 Staff Operating Budgets due to Finance
 4/10 Budget Team Adjustments to General Fund Operating Budget
 4/14 Measure P Oversight Committee Review of Use of Funds for \$.05 Sales Tax Increase for FY 2015/16
 4/15 City Manager's Review - Operating Budget & 7 Yr Plan
 4/16 FY 2014/15 Mid Year Budget Review to City Council
 4/20 Update General Fund 7 Year Balancing Plan
 4/23 Finance Committee Review - Operating Budget & 7 Yr Plan

Oct 2015						
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May 2015						
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31						

5/5 - 6/3 Budget Staff's Compilation of Proposed Budget Document
 5/4 Public Workshop - Proposed FY 2015/16 Operating Budget
 5/13 Update General Fund 7 Year Balancing Plan
 5/18 Measure P Presentation to City Council
 5/18 Council Meeting - Proposed 2015/16 7 Yr Balancing Plan Changes
 5/25 City Holiday - Memorial Day - City Offices Closed

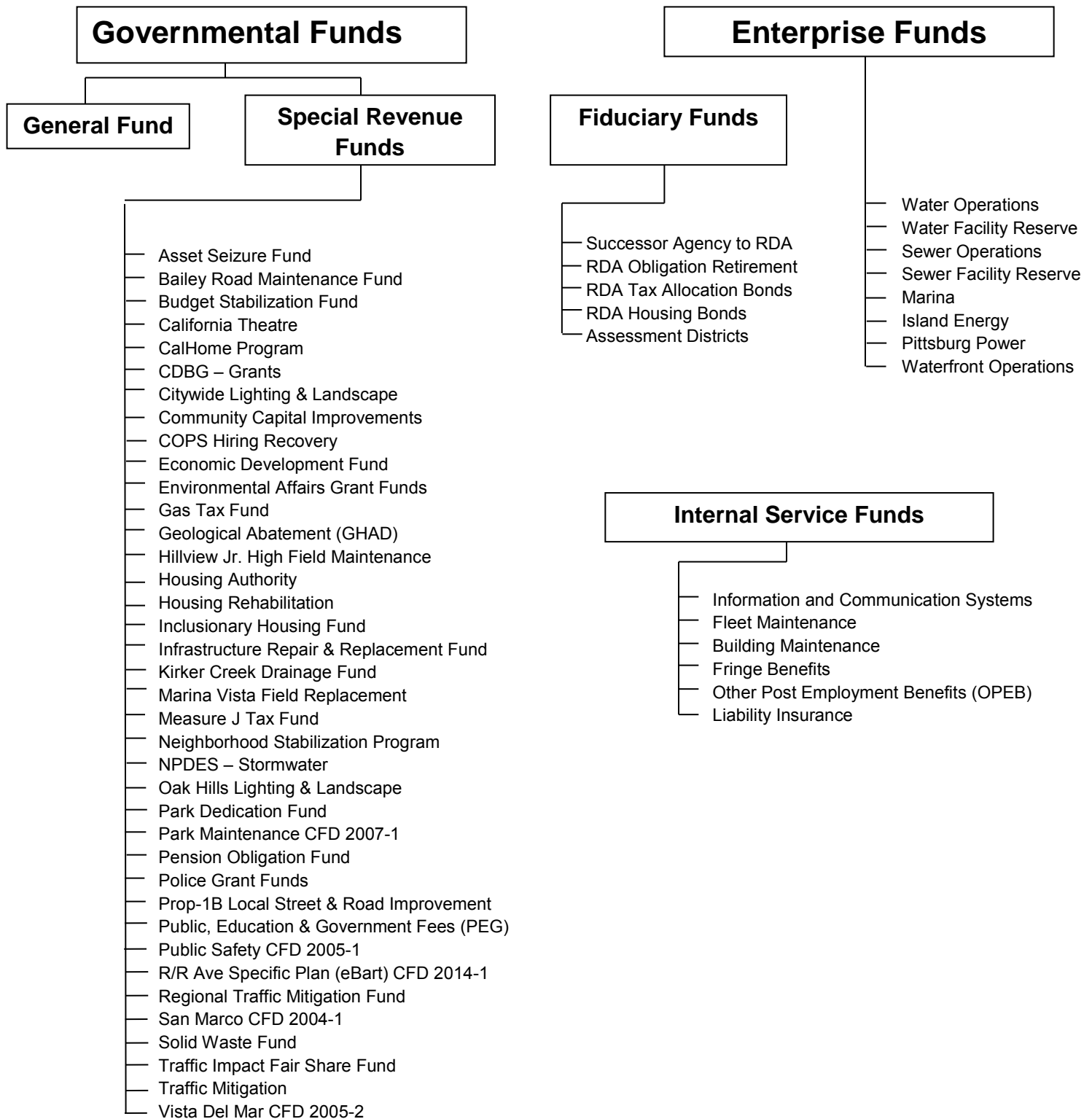
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6/5 Distribution of Proposed Budgets to Council & Senior Mgrs.
 6/15 Public Hearing and Adoption of the FY 2015/16 Budget
 6/15 Adoption of Gann Spending Limit
 6/18 Final Adopted Budget Posted to City Website
 7/20 2015/16 Capital Improvement Program to Council
 9/8 Update General Fund 7 Yr Balancing Plan & 20 Yr Projections
 9/11 End of FY 2014/15 Reports to CM (Actual Expenses/Revenues)
 9/17 Proposed Finance Committee Meeting - Year End Reporting

Dec 2015						
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➤ BUDGETARY FUND STRUCTURE



➤ 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. The major revenue sources for this fund are 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/fees and recreation program fees. Expenditures are made for general government, Human Resources, Finance, Police, Recreation, and Public Works and other services.

Administrative Recoveries

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

Business License Tax

This 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 3,387 active business licenses of which 1,855 are businesses located within the City and 1,532 businesses located outside of the City. Revenues had increased by 31 percent (\$492,000 to \$644,000) from FY2010 through FY2015 as a result of aggressive recovery and discovery efforts by City staff. Based on historical trend and opportunities for recovery and discovery of unlicensed and under reported businesses, Staff estimates revenues of \$652,200 for FY2015-16.

County Tipping Fees – Keller Canyon Mitigation

The Keller Canyon Mitigation Fund (Fund) 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). The Fund increased in 2000 after the Napa-Vallejo Waste Management Authority authorized the Devlin Road Transfer Station to transport its solid waste to Keller Canyon Landfill. The Operator, Republic Services, Inc. is requesting an increase in daily tonnage which would eventually increase the Tipping Fee amount to the City. The City presently receives approximately \$900,000 in revenue based on 720,000 tons of solid waste accepted at the Keller Canyon Landfill. Anticipated increases in solid waste tonnage resulting from new construction, and solid waste company contracts did not materialize so Staff estimates revenues to remain consistent with prior year at \$920,000 in FY2015-16.

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.

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 franchise fees on gross receipts from Comcast Cable and AT&T U-Verse. Based on previous gross receipts reported for the last three quarters, Staff estimates gross receipts to be the same as prior year at \$750,000 in FY2015-16.

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 the support of City services. The Franchise Fee for FY2015-16 will be \$877,609 based on prior year's results with an estimated annual CPI inflation factor of 3 percent. In addition, a Solid Waste Recycling and Inspection Fee of \$1.50 per ton plus CPI (now at \$1.67 per ton) on all solid waste received at the RCTS will be collected as a dedicated funding source for City's mandated Solid Waste Management Programs, the Local Enforcement Agency, litter abatement mandates, and other solid waste / sustainable related operations and activities. With anticipated tonnage of approximately 272,000 tons based from the recent three quarters reported, we expect solid waste recycling and inspection fees at \$455,000 in revenues for FY2015-16, a 2.5 percent increase over the current projection for FY 2014-15.

Franchise Fees on Refuse and Recycling

Pittsburg Disposal Service pays a Residential Franchise Fee, Commercial, and Industrial Franchise Fee of 12 percent based on gross receipts. The Franchise Fee will be evaluated every five years based on a countywide average to determine a fee increase. Because of previous adopted rate increases by Pittsburg Disposal (initially 15 percent in 2012 then subsequent 5 percent increases in 2013 and in 2014), their gross receipts has increased. As a result, the City's refuse and recycling franchise fees has increased an average of 4 percent for the past 3 years and anticipate similar increase in FY2015-16 to \$1.5 million in revenues. In addition, a new Community Benefit and City Services Fee was implemented. Approximately \$2.0 million in total will be collected and phased in over a four year period starting with the first

payment of \$300,000 in July 2011. The Community Benefit and City Services Fee for FY2015-16 is \$552,436 with an estimated annual CPI inflation factor of 2.8 percent. For these various fees to the City, Pittsburg Disposal Service has the exclusive right to collect refuse and recycling from all sectors in the community.

Franchise Fees on Utilities

This Franchise Fee is paid by Pacific Gas & Electric Company for the purpose of using City right-of-ways 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 5.0 percent and the Gas Franchise is 1.0 percent. In addition, the City is paid a Surcharge on electricity and natural gas to replace Franchise Fees lost due to deregulation. In FY2014-15, PG&E's gas gross receipts decreased by 6 percent (City portion is 1 percent of gross receipts) but electric gross receipts increased by 2 percent (City portion is 5 percent of gross receipts). Staff expects this trend to continue and estimate FY2015-16 revenues to come in the same as the prior year at \$490,000.

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. Although the General Fund has averaged over \$150,000 in investment income over the past few years, the continued persistence of historically low interest rates has greatly reduced the City's ability to earn a strong investment return. This operating budget projects a total of \$261,000 for FY 2015-16, which is based on the most recent interest rates earned on the City's funds.

Motor Vehicle In-Lieu Fees (VLF)

State residents pay a fee to the State each year that is computed as a percent of the depreciated value of their motor vehicles. Each city and county in California receives a portion of the total motor vehicle license fee collected through the State based on the assessed valuation growth or decline within a community. As of Fiscal Year 2010-11, this source of revenue was shifted to fund State Law Enforcement Grants. Cities and counties are only entitled to funding if total revenues are in excess of \$14 million which would be allocated and distributed annually. The City does not anticipate receiving excess allocation in FY2014-15 since previous disbursements were distributed in the first half of the fiscal year. Excess revenue is not guaranteed so we did not estimate any revenue for FY2015-16.

Police Fines/Fees

The Police Department's revenues consist largely of citations, moving violations, abandoned vehicle abatement, administrative citations and Proposition 172, the half-cent sales tax for public safety services. A smaller percentage of the revenues are generated from fees collected for various services which include document/report reproduction, research services, court appearances, vehicle inspections, and fingerprint services. Because of the nature of

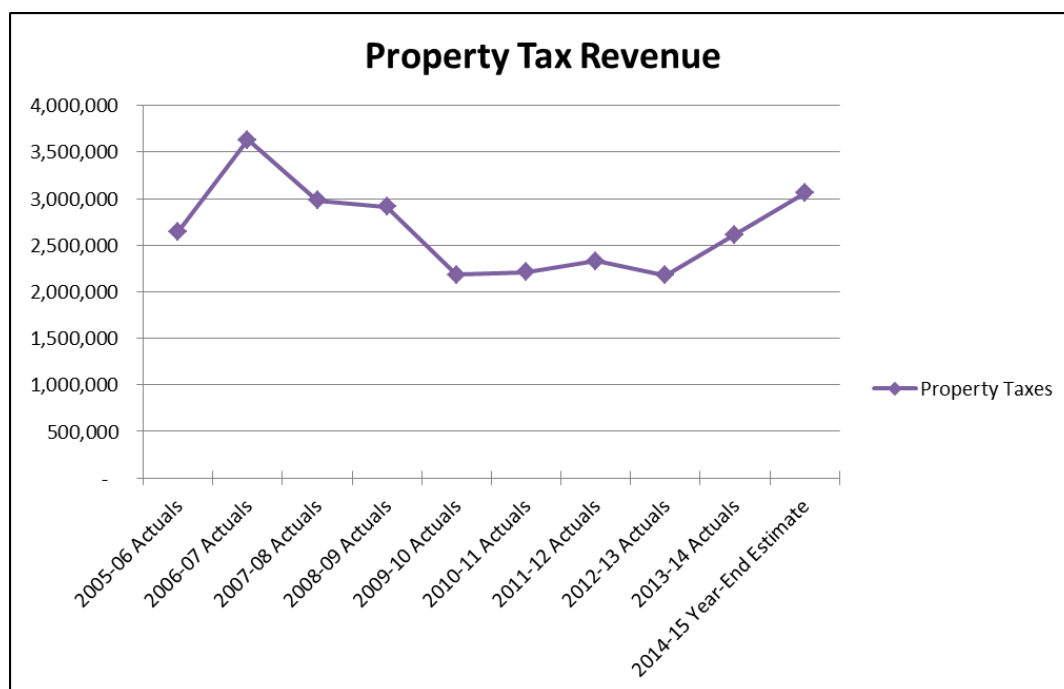
these fees and how they are derived, it is difficult to predict how much activities and revenue will come so estimates are based on the prior year's projected revenues.

Property Tax

Homes, businesses, and other taxable real and personal property are subject to a property tax rate of 1 percent of assessed value. Assessed value is based on the 1975 value of property with subsequent increases limited to 2 percent or CPI (Consumer Price Index), whichever is less. However, when there is a transfer of property ownership, or when property is newly constructed, it is reappraised at its current full market value.

Pittsburg's tax rate for the area that is not included in the Pittsburg Redevelopment Agency project area is about 17 percent of the 1 percent property tax that homeowners pay to the County. For every \$100 paid the City receives approximately \$17.00. However, due to the fact that over 70 percent of the City is within the Successor Agency to the former Redevelopment Agency project area, the County has calculated that the City receives less than 6 percent of the net 1 percent base tax rate for the total City.

In addition, the City's property taxes have been severely reduced in the past several years due to the state's need to finance its own budget. Pittsburg property taxes shifted as a result of the passage of Educational Relief Augmentation Fund (ERAF) and AB 860 and are expected to continue.



Based on the Property Assessment Value (AV) report from the County and foreseen increases in property values as housing demand picks up within the City, Staff estimates property taxes

to increase by 9 percent (\$202,000) in FY2015-16. Also, Staff expects a decline in prior year adjustments/appeals for reductions of Property Assessment Value (AV) as property values continue to increase.

HISTORICAL ASSESSMENT VALUATION					
Fiscal Year	Land	Improvements	Personal Prop	Gross	(percent) PrYr Var
FY2000-01	719,493,211	2,316,291,798	96,055,194	\$ 3,131,840,203	25.6
FY2001-02	762,338,829	3,065,067,577	104,985,233	\$ 3,932,391,639	percent
FY2002-03	863,942,493	3,404,046,164	123,237,922	\$ 4,391,226,579	11.7
FY2003-04	1,065,703,737	3,737,733,209	120,569,117	\$ 4,924,006,063	percent
FY2004-05	1,232,755,118	3,794,398,115	107,600,340	\$ 5,134,753,573	12.1
FY2005-06	1,435,121,959	4,078,052,994	101,971,604	\$ 5,615,146,557	percent
FY2006-07	1,763,752,092	4,571,066,917	118,060,203	\$ 6,452,879,212	4.3
FY2007-08	2,090,812,424	4,586,882,253	120,147,498	\$ 6,797,842,175	percent
FY2008-09	1,900,179,131	4,641,377,192	134,495,806	\$ 6,676,052,129	9.4
FY2009-10	1,368,193,784	4,249,265,527	130,709,789	\$ 5,748,169,100	percent
FY2010-11	1,291,970,726	4,261,648,442	139,832,660	\$ 5,693,451,828	14.9
FY2011-12	1,212,412,953	4,256,357,435	141,090,919	\$ 5,609,861,307	percent
FY2012-13	1,165,223,630	4,223,853,661	137,267,135	\$ 5,526,344,426	5.3
FY2013-14	1,255,042,127	4,347,436,227	128,832,623	\$ 5,731,310,977	percent
FY2014-15	1,442,385,836	4,664,153,180	133,949,553	\$ 6,240,488,569	-1.8

Source: Contra Costa County Assessor

Property Transfer Tax

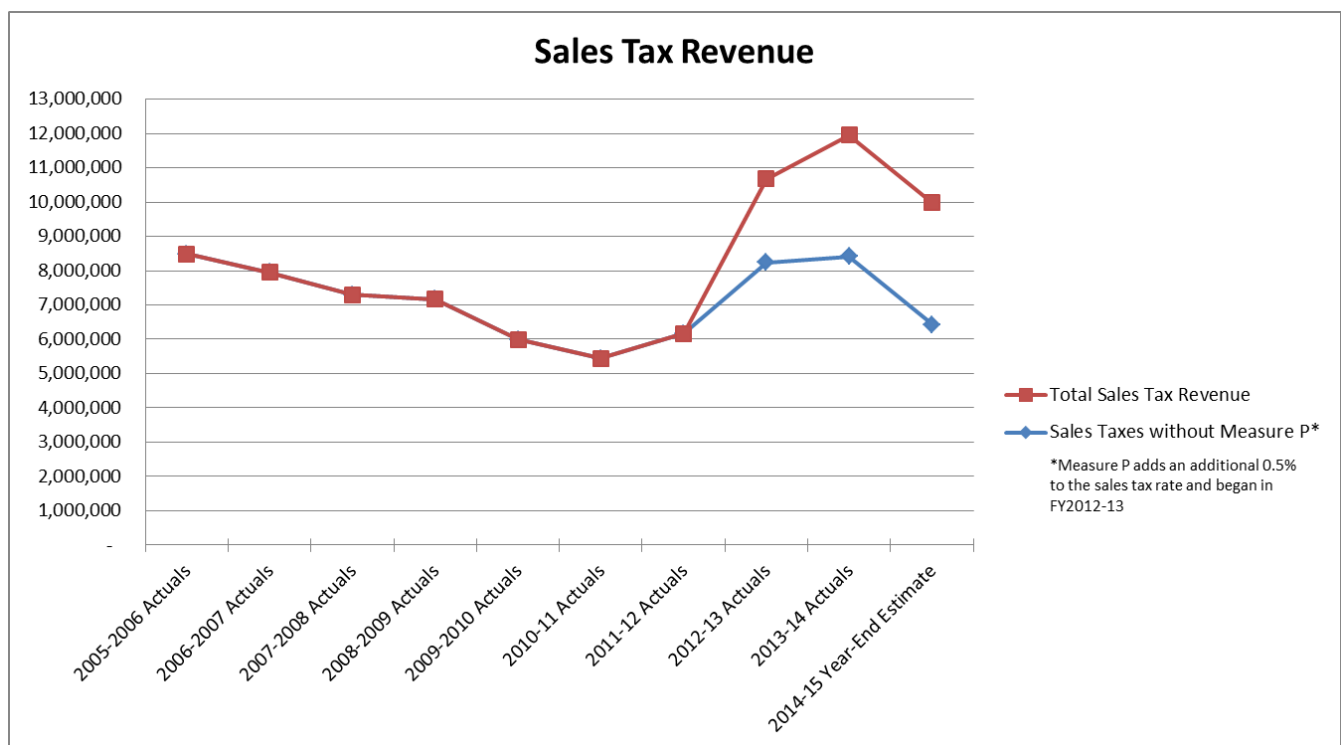
This is a tax imposed upon the transfer of real property. Pittsburg receives \$.55 per \$1,000 of property value that is the standard allowed under State law. Estimates are based on historical experience and market conditions. Staff anticipates revenues of \$245,000 for FY2015-16 based on the annualized actual revenue received to date.

Recreation Program Fees

These fees are charged to participants of recreation programs to cover the cost of operating the program. These include fees for facility rentals, community events, Small World Park, youth activities, sports, aquatics, and recreation classes. Most of these fees increase each July 1 based on the twelve month average percentage increase in the San Francisco-Oakland-San Jose All Urban Workers Consumer Price Index.

Sales Tax

Sales tax is levied on goods and services at the point-of-sale. Sales tax in Pittsburg is 8.25 percent of which 1 percent is returned to Pittsburg. Sales tax revenues are projected to increase by \$1.8 million from year-end estimates, resulting in an estimated 18.5 percent increase. Sales tax revenue increases are mainly due to the one time catch-up and overlap as the “triple flip” unwinds. The “triple flip” was a mechanism adopted in 2004 to fund the state’s economic recovery bond program to balance the state’s deficit. The City and County portion of the sales and use tax is reduced by 0.25 percent to pay for the bonds. Cities and Counties are then provided with ad valorem tax revenues in lieu of these revenues. The State Department of Finance expects the Economic Recovery Bonds to be fully paid in July 2015 and the full 1 percent of sales and use tax due to the cities and counties will then return starting January, 2016. Because the triple flip reimbursements have been effectively one quarter behind since implementation, the City anticipates a one-time increase of \$897,000 in FY 2015-16, as well as a one-time impact of \$250,000 from the construction of the Columbia Solar Farm. Projected growth of 2.7 percent is anticipated through FY 2015-16 as upward trends in construction, transportation and general retail continues.



Measure P – Temporary Sales Tax Increase

On June 5, 2012 the residents of Pittsburg approved Measure P, the Pittsburg Preservation of Citywide Services Temporary Funding Transactions and Use Tax Ordinance. The ordinance established a one-half of one percent (0.5 percent) use and transaction tax for the first five (5) years. It will decline to 0.25 percent for the subsequent five years. At the end of the 10-year

term, the sales tax increase will be eliminated. The implementation of Measure P requires the establishment of a Citizens Oversight Committee charged with making recommendations to the City Council for the use of the Measure P tax revenue. For FY 2015-16, revenue is allocated at 89 percent to support police services, 8 percent for senior services and the remaining 3 percent for the City's economic development. The initial year provided \$2.5 million in revenues and \$3.6 million in Fiscal Year 2014-15. The transportation industry, mainly auto sales activities has been the largest revenue generator segment and we expect this growth to continue but anticipate this to be offset by decreasing revenues from service stations as gas prices declines. Staff estimates Fiscal Year 2015-16 to remain consistent at \$3,758,000 in Fiscal Year 2015-16.

Transfer-in from other Funds

These amounts represent the 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 for Utility Billing services, 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 has a TOT rate of 10 percent that is assessed upon the guests staying in any of the City's four (4) hotels. This rate was increased from 8 percent effective January 1, 2012. TOT revenue has increased from \$361,000 in FY2011-12 to a projected \$550,000 in FY2014-15. This increase is attributable to increased construction activity for the Highway 4 infrastructure repair and widening. The Hampton Inn, which is centrally located within the construction area contributes almost 58 percent of the total TOT revenue. Staff expects the Highway 4 construction activity to continue and occupancy rates to become stable at or slightly above current occupancy as the construction project moves forward. Staff therefore estimates TOT revenues to remain at \$550,000 for FY2015-16.

➤ **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 (DPW) maintains and/or oversees maintenance and service contracts for all City owned buildings. User charges to respective City departments based on square footage provide the revenues to support the building maintenance function.

Fleet Maintenance Fund

The Fleet Maintenance Division provides maintenance of the City's 250 vehicle fleet. User charges to respective City departments based on the number of vehicles 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 administration costs. Each department contributes to this fund based on the number of employees.

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 the Contra Costa County Municipal Pooling Authority (MPA). Charges to City departments are based on the number of employees and claims received.

Information and Communications Fund

Centrally budgeted for the operation, maintenance and replacement of the Citywide network infrastructure, telephone, computer equipment and other hardware and software needs. User charges to other departments provide the revenues to support this function.

➤ 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 of its revenues through the use of its berthing facilities and the sale of gasoline. The annual operation of the Marina Fund generates approximately \$2 million in gross revenue and \$2 million in operating expenses.

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 on Mare Island located in Vallejo, California. The PPC develops revenue streams for the City of Pittsburg while retaining existing businesses and attracting new business.

Island Energy is an Enterprise Fund, which 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.

Sewer Operating Fund

The City maintains the collection system that transports the sewage to the treatment plant at Delta Diablo Sanitation District. The City charges water customers who use the City's sewer system sewer fees to cover the cost to operate and maintain the system. The monthly sewer charge for a single 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 annual operation of the Sewer Fund generates approximately \$4.7 million in gross revenue and \$2 million in operating expenses.

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 of \$860,250 in FY2015-16.

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

18,099 customers of which 94 percent (17,013) of these accounts are for residential locations. The annual operation of the Water Fund generates approximately \$19 million in gross revenue and \$12.8 million in operating expenses.

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 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 total FRC established for a particular utility and zone of benefit can result from either or both of these fundamental requirements. The unit cost of new capital facilities are established by calculating the cost of these facilities in the City's Capital Improvement Program (CIP) and apportioning these total costs to various developments in an equitable manner through the development of documents such as the Water and Wastewater Master Plans and the Water and Sewer Facility Reserve Charges report.

The unit cost of, or value to be recouped for, existing facilities is established by determining the replacement value of these facilities and equitably apportioning this cost to various developments in proportion with their use of the utility facilities.

The City has established the following water and sewer facility reserve charges that are maintained in separate fund accounts.

Water Facility Reserve Charge Funds:

- Water Facility Reserve – Water Treatment Plant Expansion
- Water Facility Reserve – Water Distribution
- Water Facility Reserve – Zone I/II Reservoir

- Water Facility Reserve – SE 20” Transmission Line
- Water Facility Reserve – SW Hills CIP (Phase I & II)
- Water Facility Reserve – SW Hills Phase III Pipe
- Water Facility Reserve – SW Hills Phase III Pump
- Water Facility Reserve – Water Treatment Plant Sludge Handling
- Water Facility Reserve – Zone 1 Reservoir
- Water Facility Reserve – Zone 2 Reservoir

Sewer Facility Reserve Charge Funds:

- Sewer Facility Reserve Fees – Buy In Fees for Collection System Expansion
- Sewer Facility Reserve Fees – Pipe

➤ 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, 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 fund was established by the City Council on October 18, 2004 for the purpose of covering General Fund budget shortfalls or other future unexpected contingencies. Year-end General Fund surpluses as well as one-time revenues and projected recurring revenues that exceed eight percent (8 percent) or more from previous fiscal years are deposited into the fund.

Economic Development Fund

On August 3, 1999 the Pittsburg Power Company sold its 60 percent share of a proposed power plant to Calpine for \$15.6 million dollars. Six million dollars of the proceeds from that sale was set aside to be used for economic development activities in the City.

It was determined that this reserve for economic development would have more flexibility and fewer restrictions if the \$6 million was transferred from the Pittsburg Power Company to the City's General Fund. This transfer took place during Fiscal Year 1999-00.

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.

Gas Tax Fund

This is a special revenue fund used to account for the receipt and disbursement of State and Federal gas taxes and grant monies to be used for the maintenance, repair, and design of streets. State gas tax funds are distributed to cities based on population from gas taxes collected at the point of sale. The use of gas tax funds is restricted to street expenditures by State and Federal legislation.

Beginning with the 2010-11 fiscal year, Section 2103 was added to allocate funds from a new motor vehicle fuel excise tax that replace previous city and county allocations

from the Proposition 42 sales tax on gasoline. This is the change known as the “fuel tax swap of 2010.” Section 2103 funds are allocated to cities on a per capita basis and to counties 75 percent based on the proportion of registered vehicles and 25 percent based on the proportion of maintained county road miles. Revenue from Section 2103 has significantly increased since its inception, making up an average of 40 percent total revenue in the Gas Tax Fund. In February of each year, the Board of Equalization adjusts the variable fuel tax rate effective the following July 1. On February 24, 2015, the BOE directed that the rate be reduced by 6 cents per gallon from the 2014-15 composite rate of 36 cents per gallon. Since the 2010 swap, the rates have been:

Effective Date	Variable Rate	Total Rate/Gallon
07/01/2010	\$0.173	\$0.353
07/01/2011	\$0.177	\$0.357
07/01/2012	\$0.180	\$0.360
07/01/2013	\$0.215	\$0.395
07/01/2014	\$0.180	\$0.360
07/01/2015	\$0.120	\$0.300

With the reduced rate in Section 2103 along with falling gasoline prices and consumption, Staff anticipates a significant downturn in revenues for FY2015-16. Staff estimates revenue reductions of 18 percent from \$1.7 million in FY2014-15 to \$1.4 million in FY2015-16.

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 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.

Lighting and Landscape District

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

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

The assessments collected are estimated to be \$2.8 million. This amount reflects the increase approved by voters in June 2007 of \$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.

Measure J Fund

In 1988, the Contra Costa County voters approved a ½ cent sales tax called Measure C for the purpose of funding transportation projects within the County. The imposition of the sales tax expired 03/31/2009 and was replaced with Measure J. This measure allocates sales tax to the cities within the County based on population and road mileage. These funds may be used only for transportation and transit related projects.

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.

This revenue is 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.

Oak Hills Assessment District

The Oak Hills Landscape Division is dedicated to enhancing the quality of the life for the residents and visitors of the Oak Hills District by providing a level of grounds care and customer service that promotes a positive community image.

Park Dedication Fee Fund

The City Pittsburg Park Dedication Fees 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 within the City. These funds are restricted to new park construction and the expansion and rehabilitation of existing parks.

Park Maintenance Community Facility District

The Park Maintenance Community Facility District 2007-1 is dedicated to enhancing the quality of life for the citizens and visitors of The Community Facility District and provides a level of grounds care and customer service that promotes a positive community image. There are a total of 788 parcels in the district. In FY2015-16 the revenues are estimated to be \$44,286 with maximum special tax rate per residential unit of \$556.20.

Public Safety Community Facilities District (CFD) 2005-1

On August 1, 2005 the City Council approved the formation of the Public Safety Services Community Facilities District (CFD) 2005-1 ("the District") to provide funding for public safety services to residents and businesses in the District. There are a total of 387 residential and non-residential parcels. In FY2015-16 the revenues are estimated to be \$261,374 with maximum special tax rate per residential unit of \$555.86 and \$1,111.72 per acre for non-residential.

San Marco Community Facilities District 2004-01

On June 7, 2004 the City Council approved the formation of the San Marco Community Facilities District (CFD) 2004-01 for the purpose of providing funding for Police services. There is a total of 1,029 units (284 units = 1 parcel) in the district. In FY2015-16 revenues are estimated to be \$571,980 with maximum special tax rate of \$555 per unit.

Solid Waste Fund

Under the Recycling Center and Transfer Stations (RCTS) operating agreement with the Contra Costa Waste Service, Inc., the City receives a Recycling and Inspection Fee of a flat rate of \$1.67/ton 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 anticipated tonnage of approximately 272,000 tons based from the recent three quarters reported, Staff expects solid waste recycling and inspection fees of \$455,000 for FY2015-16.

Southwest Pittsburg GHAD II

On February 20, 2001 the City Council created the Southwest Pittsburg Geological Hazard Abatement District (GHAD) in order to provide maintenance of slope stability 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 1,819 parcels included in the district, most are single-family units under two acres in Oak Hills and San Marco and are assessed \$213.78 per year. Detached single family unit parcels located in the Vista Del Mar subdivision are assessed \$369.40 per year. Multi-family parcels in San Marco are assessed at \$142.52 per unit per year. This fund centralizes the accounting for the revenues and expenses associated with GHAD as required by law.

Traffic Mitigation Fee Fund

The City collects the Pittsburg Transportation Mitigation Fee from developers of properties and deposits these monies in this separate special revenue fund for the purpose of funding the City's Traffic Mitigation capital projects.

➤ MAJOR REVENUE SOURCES – FIDUCIARY FUNDS

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) every six months 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. AB1X 26 also required Successor Agencies to create a Redevelopment Obligation Retirement Fund to which they are to deposit tax increment revenues received from the County.

➤ **General Fund 7-Year Balancing Plan and 20-Year Forecast**

Since FY 2007-08, the City of Pittsburg's General Fund has experienced total General Tax annual revenue decline of \$6.3 million. During that same timeframe, the City's health and pension benefit expenses dramatically increased. Fortunately, the City Council established a Budget Stabilization Fund in 2004 to which they required one-time General Fund monies be deposited. The Budget Stabilization Fund can be used to help balance future General Fund budgets in the event revenues decline or the City experiences unexpected and/or uncontrollable cost increases. There is currently approximately \$7.5 million available in the Budget Stabilization Fund.

To help City management and City Council plan the City's General Fund budget and use of the Budget Stabilization Fund such that the City's General Fund operating revenues equal or exceed operating expenses, the City developed a 7-year General Fund Forecast and Balancing Plan ("7-year Plan"). The 7-year Plan is periodically updated throughout the fiscal year based on current revenue and expenditure information.

Major assumptions used to develop forecasts are as follows:

<u>Revenue Assumptions</u>	<u>Expenditure Assumptions</u>
Annual Increase in Operating Revenues:	Misc. Employees Salary, Pension and Health Benefits reflects most recent negotiated MOUs, then 2% thereafter
Operating Revenues Increase by 2.5% Annually	Safety Salary & Pension per POA recently negotiated MOUs, then 2% thereafter
Administrative Recoveries grow by 1% annually	Salary Savings – 3% vacancy average annual rate
AV increases by 9% in FY 2015-16	New staff funding – additional \$75K starting in FY 2016-17 and each year thereafter
CFDs increase from \$75K to \$100K starting in FY 2016-17	OPEB Liability Reduction – reduced to \$200,000 in FY 2015-16, then increase by 5% annually
Measure P Sales Tax Revenue projections based on FY 2014-15 year-end estimates	Other Expenses – freeze for FY 2016-17, then increase 2% annually
Measure P Sales Tax Revenue will decrease to .25% in Oct 2014 and end in Sep 2022	

Based on the 7-year Plan, the City should have a structurally balanced General Fund budget by FY 2018-19 assuming the City reduces expenditures and/or secures new revenues of almost \$1.8 million and expending \$4.9 million of the currently available Budget Stabilization Fund balance.

While the 7-Year General Fund Balancing Plan has been a great tool for City management and City Council to develop a structurally balanced budget per the City's Fiscal Sustainability Ordinance, the City has also established a longer range 20-Year Forecast for the City's General Fund to incorporate some anticipated fluctuations of revenues and expenditures. For instance, the City anticipates growth in Property Tax Revenues due to new development but at the same time will see a decrease in Sales tax due to the expiration of the Measure P temporary sales tax. On the other hand, the City will realize the long term benefit in expense reductions associated with the City's continued effort to prefund its CCCERA, Pension Obligation and OPEB liabilities.

**City of Pittsburg
20-Year General Fund Forecast**

7-Year Balancing Plan

Projected

<u>Annual Revenues</u>	YE Actuals FY 2011-12	YE Actuals FY 2012-13	YE Actuals FY 2013-14	Estimate FY 2014-15	Proposed FY 2015-16	FY 2016-17	FY 2017-18
Annual Revenues (taxes, fees, fines & interest earnings) 2.5% annual growth 2016-17onwards.	22,929,481	22,132,456	24,358,424	25,664,473	27,778,129	28,472,582	29,184,397
One-time revenues	618,905	1,770,815	1,975,372				
Transfers-in from other City Funds to fund administration and other General Fund services (except Budget Stabilization Fund monies) 1% annual growth rate	5,766,372	5,706,296	5,401,030	5,453,420	5,657,055	5,713,626	5,770,762
RDA Pass-through Payments							
New Transfer Station Franchise Fees	300,000	357,000	408,202	483,650	548,674	559,647	570,840
Measure P Sales Tax	-	2,442,117	3,531,650	3,492,000	3,668,540	3,760,254	2,408,912
Total Annual Revenues	29,614,757	32,408,684	35,674,678	35,093,543	37,652,398	38,506,109	37,934,911

<u>Potential New Revenues</u>							
Community Facility District (CFD) Public Safety Fees Related to Anticipated New Development				100,000	300,000	450,000	550,000
Increased Landfill Fees from Pittsburg Disposal Using Keller Canyon Landfill				124,000	180,000	200,000	225,000
Increased Revenues from Commercial and Industrial Development						177,640	192,024
Increased Property Taxes from Housing Development Projects					51,000	104,550	159,439
Total Potential New Revenues				124,000	231,000	932,190	1,126,463

Total Revenues	29,614,757	32,408,684	35,674,678	35,217,543	37,883,398	39,438,299	39,061,374
Not a General Fund Revenue and therefore excluded from total revenues below.							

<u>Annual Expenses</u>	FY 2011-12	FY 2012-13	FY 2013-14	Estimate FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Salaries - Misc	4,218,074	4,333,628	4,685,972	5,323,775	6,048,684	6,230,145	6,541,652
Salaries - Sworn	6,624,687	6,390,675	6,774,618	7,827,064	8,124,032	8,448,993	8,617,973
Salaries - Part-time	715,027	732,747	583,293	628,635	539,678	555,868	583,662
Salaries - Overtime	869,443	1,153,766	1,014,685	957,130	944,737	944,737	944,737
Salaries - Step Increases & Other Adjustments						125,000	125,000
Pension - Non-sworn (combined)	636,357	564,041	598,361	733,520	892,733	1,009,283	1,118,622
Pension - Sworn	2,354,715	2,164,923	2,111,274	2,342,354	2,254,002	2,771,270	2,999,055
Health Care (combined)	1,961,829	2,115,498	2,367,294	2,596,624	2,900,775	3,074,822	3,259,311
FICA & Medicare (combined)	475,291	489,102	509,111	583,134	628,945	647,813	680,204
Assume \$75k toward new non-sworn position					200,000	275,000	350,000
Expected Attrition Savings at 3% Vacancy Rate				(582,194)	(615,208)	(669,220)	(700,255)
Add'l Attrition Savings				(219,869)			
Savings from New Police Hires (assume 2 annually @ \$27,200 savings per FTE)						(108,800)	(163,200)
Pension Bonds, CCCERA Liability & CCCERA Water Fund Loan Payment	2,012,695	1,658,639	2,520,941	4,132,689	4,206,507	4,231,302	3,363,847
OPEB Liability Reduction (5%)			342,793	342,793	200,000	210,000	220,500
Building Maintenance Reserves						40,000	40,000
Retiree Health	725,858	768,443	869,162	927,428	940,252	1,015,472	1,096,710
EBRCSA Costs			94,920	95,000	100,000	100,000	100,000
One-time Expenses		1,770,815	1,975,372				
Other Expenses	8,916,799	10,463,112	11,137,573	11,222,472	11,874,492	11,874,492	12,111,982
Total Annual Expenses	29,510,775	32,605,389	35,585,369	36,910,555	39,239,629	40,776,177	41,289,800

Proposed Adjustments (Increased by 3% annually to reflect cost escalation that would have otherwise occurred)

	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
FY 2013-14 Cuts and/or New Revenues Not Yet Identified					-	-	-
FY 2014-15 Cuts and/or New Revenues Not Yet Identified					-	-	-
FY 2015-16 Cuts and/or New Revenues Not Yet Identified					-	-	-
FY 2016-17 Cuts and/or New Revenues Not Yet Identified						(550,000)	(566,500)
FY 2017-18 Cuts and/or New Revenues Not Yet Identified							(550,000)
FY 2018-19 Cuts and/or New Revenues Not Yet Identified							
FY 2019-20 Cuts and/or New Revenues Not Yet Identified							
FY 2020-21 Cuts and/or New Revenues Not Yet Identified							
Subtotal Proposed Adjustments	-	-	-	-	-	(550,000)	(1,116,500)
Total Annual Expense + Proposed Adjustments	29,510,775	32,605,389	35,585,369	36,910,555	39,239,629	40,226,177	40,173,300

Surplus/(Deficit) (Revenues - Expenditures)	103,982	(196,705)	89,309	(1,693,012)	(1,356,231)	(787,879)	(1,111,926)
Use of Budget Stabilization Fund - to Balance Budget		196,705	-	1,693,012	1,356,231	787,879	1,111,926
Net Surplus/(Deficit)	103,982	-	89,309	-	-	-	-
Cumulative Use of BSF	-	-	-	1,693,012	3,049,243	3,837,122	4,949,047
Available Balance of BSF		7,020,400	7,872,207	6,179,195	4,822,964	4,035,086	2,923,160

Indicates significant change in revenues and expenses.

Assumption Changes

Total available BSF excluded the disputed Sales Tax and funds for stipend. Fiscal Sustainability Ordinance requires a minimum of \$2 million.

**City of Pittsburgh
20-Year General Fund Forecast**

Annual Revenues	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Annual Revenues (taxes, fees, fines & interest earnings) 2.5% annual growth 2016-17onwards.	29,914,007	30,661,857	31,428,403	32,214,113	33,019,466	33,844,953
One-time revenues						
Transfers-in from other City Funds to fund administration and other General Fund services (except Budget Stabilization Fund monies) 1% annual growth rate	5,828,469	5,886,754	5,945,622	6,005,078	6,065,129	6,125,780
RDA Pass-through Payments	169,283	179,037	150,005	182,914	202,009	227,196
New Transfer Station Franchise Fees	582,257	593,902	605,780	617,896	630,254	642,859
Measure P Sales Tax	1,974,133	2,023,486	2,074,074	2,125,925		
Total Annual Revenues	38,468,149	39,345,037	40,203,884	41,145,927	39,916,858	40,840,788

Potential New Revenues	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Community Facility District (CFD) Public Safety Fees Related to Anticipated New Development	650,000	750,000	850,000	950,000	1,050,000	1,150,000
Increased Landfill Fees from Pittsburgh Disposal Using Keller Canyon Landfill	250,000	250,000	250,000	250,000	250,000	250,000
Increased Revenues from Commercial and Industrial Development	865,637	1,132,253	2,435,351	2,496,235	3,688,703	3,780,921
Increased Property Taxes from Housing Development Projects	215,700	273,367	332,476	393,063	455,165	518,819
Total Potential New Revenues	1,981,337	2,405,620	3,867,827	4,089,298	5,443,868	5,699,740

Total Revenues	40,449,486	41,750,657	44,071,711	45,235,225	45,360,726	46,540,528
Not a General Fund Revenue and therefore excluded from total revenues below.						

Annual Expenses	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Salaries - Misc	6,672,485	6,805,934	6,942,053	7,080,894	7,222,512	7,366,962
Salaries - Sworn	8,790,333	8,966,139	9,145,462	9,328,371	9,514,939	9,705,237
Salaries - Part-time	595,335	607,242	619,387	631,774	644,410	657,298
Salaries - Overtime	944,737	963,632	982,904	1,002,562	1,022,614	1,043,066
Salaries - Step Increases & Other Adjustments	125,000	127,500	130,050	132,651	135,304	138,010
Pension - Non-sworn (combined)	1,140,995	1,163,815	1,187,091	1,210,833	1,235,050	1,259,751
Pension - Sworn	3,059,036	3,120,216	3,182,621	3,246,273	3,311,199	3,377,423
Health Care (combined)	3,454,869	3,662,162	3,881,891	4,114,805	4,361,693	4,623,395
FICA & Medicare (combined)	693,808	707,684	721,838	736,275	751,000	766,020
Assume \$75k toward new non-sworn position	425,000	500,000	575,000	650,000	725,000	800,000
Expected Attrition Savings at 3% Vacancy Rate	(718,096)	(736,604)	(755,730)	(775,503)	(795,951)	(817,104)
Add'l Attrition Savings						
Savings from New Police Hires (assume 2 annually @ \$27,200 savings per FTE)	(217,600)	(272,000)	(326,400)	(380,800)	(435,200)	(489,600)
Pension Bonds, CCCERA Liability & CCCERA Water Fund Loan Payment	3,395,995	3,433,149	3,468,409	3,505,075	3,505,075	3,622,638
OPEB Liability Reduction (5%)	231,525	243,101	255,256	268,019	281,420	295,491
Building Maintenance Reserves	40,000	40,000	40,000	40,000	40,000	40,000
Retiree Health	1,206,381	1,327,019	1,459,721	1,532,707	1,609,342	1,689,809
EBRCSA Costs	100,000	102,000	104,040	106,121	108,243	110,408
One-time Expenses						
Other Expenses	12,304,221	12,550,306	12,801,312	13,057,338	13,318,485	13,584,855
Total Annual Expenses	42,244,024	43,311,296	44,414,905	45,487,396	46,555,135	47,773,660

Proposed Adjustments (Increased by 3% annually to reflect cost e

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
FY 2013-14 Cuts and/or New Revenues Not Yet Identified						
FY 2014-15 Cuts and/or New Revenues Not Yet Identified	-	-	-	-	-	-
FY 2015-16 Cuts and/or New Revenues Not Yet Identified	-	-	-	-	-	-
FY 2016-17 Cuts and/or New Revenues Not Yet Identified	(583,495)	(601,000)	(619,030)	(637,601)	(656,729)	(676,431)
FY 2017-18 Cuts and/or New Revenues Not Yet Identified	(566,500)	(583,495)	(601,000)	(619,030)	(637,601)	(656,729)
FY 2018-19 Cuts and/or New Revenues Not Yet Identified	(644,543)	(663,879)	(683,796)	(704,310)	(725,439)	(747,202)
FY 2019-20 Cuts and/or New Revenues Not Yet Identified						
FY 2020-21 Cuts and/or New Revenues Not Yet Identified						
Subtotal Proposed Adjustments	(1,794,538)	(1,848,374)	(1,903,825)	(1,960,940)	(2,019,768)	(2,080,361)
Total Annual Expense + Proposed Adjustments	40,449,486	41,462,922	42,511,080	43,526,456	44,535,366	45,693,298

Surplus/(Deficit) (Revenues - Expenditures)	(0)	287,735	1,560,631	1,708,769	825,360	847,229
Use of Budget Stabilization Fund - to Balance Budget	0	(287,735)				
Net Surplus/(Deficit)	-	-	1,560,631	1,708,769	825,360	847,229
Cumulative Use of BSF	4,949,047	4,661,313				
Available Balance of BSF	2,923,160	3,210,895				

Indicates significant change in revenues and expenses.

Assumption Changes

Total available BSF excluded the disputed Sales Tax and funds for stipend. Fiscal Sustainability Ordinance requires a minimum of \$2 million.

**City of Pittsburg
20-Year General Fund Forecast**

<u>Annual Revenues</u>	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Annual Revenues (taxes, fees, fines & interest earnings) 2.5% annual growth 2016-17onwards.	34,691,077	35,558,354	36,447,312	37,358,495	38,292,458	39,249,769
One-time revenues						
Transfers-in from other City Funds to fund administration and other General Fund services (except Budget Stabilization Fund monies) 1% annual growth rate	6,187,038	6,248,908	6,311,397	6,374,511	6,438,256	6,502,639
RDA Pass-through Payments	247,196	267,437	320,239	341,157	407,299	557,730
New Transfer Station Franchise Fees	655,716	668,831	682,207	695,851	709,768	723,964
Measure P Sales Tax						
Total Annual Revenues	41,781,027	42,743,529	43,761,156	44,770,015	45,847,781	47,034,102

<u>Potential New Revenues</u>						
Community Facility District (CFD) Public Safety Fees Related to Anticipated New Development	1,250,000	1,350,000	1,450,000	1,550,000	1,650,000	1,750,000
Increased Landfill Fees from Pittsburg Disposal Using Keller Canyon Landfill	250,000	250,000	250,000	250,000	250,000	250,000
Increased Revenues from Commercial and Industrial Development	3,634,569	3,725,433	3,818,569	3,914,033	4,011,884	4,285,406
Increased Property Taxes from Housing Development Projects	584,064	650,941	719,490	789,752	861,771	935,590
Total Potential New Revenues	5,718,633	5,976,374	6,238,059	6,503,785	6,773,655	7,220,996
Total Revenues	47,499,660	48,719,903	49,999,215	51,273,800	52,621,436	54,255,098

Not a General Fund Revenue and therefore excluded from total revenues below.

<u>Annual Expenses</u>	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Salaries - Misc	7,514,302	7,664,588	7,817,879	7,974,237	8,133,722	8,296,396
Salaries - Sworn	9,899,342	10,097,329	10,299,276	10,505,261	10,715,366	10,929,674
Salaries - Part-time	670,444	683,853	697,530	711,480	725,710	740,224
Salaries - Overtime	1,063,927	1,085,206	1,106,910	1,129,048	1,151,629	1,174,662
Salaries - Step Increases & Other Adjustments	140,770	143,586	146,457	149,387	152,374	155,422
Pension - Non-sworn (combined)	1,284,946	1,310,644	1,336,857	1,363,595	1,390,866	1,418,684
Pension - Sworn	3,444,971	3,513,871	3,584,148	3,655,831	3,728,948	3,803,526
Health Care (combined)	4,900,798	5,194,846	5,506,537	5,836,929	6,187,145	6,558,374
FICA & Medicare (combined)	781,341	796,967	812,907	829,165	845,748	862,663
Assume \$75k toward new non-sworn position	875,000	950,000	1,025,000	1,100,000	1,175,000	1,250,000
Expected Attrition Savings at 3% Vacancy Rate	(838,994)	(861,655)	(885,122)	(909,432)	(934,625)	(960,742)
Add'l Attrition Savings						
Savings from New Police Hires (assume 2 annually @ \$27,200 savings per FTE)	(544,000)	(598,400)	(652,800)	(707,200)	(761,600)	(816,000)
Pension Bonds, CCCERA Liability & CCCERA Water Fund Loan Payment	3,662,411	3,702,972	3,539,649	3,577,343	3,613,028	3,653,403
OPEB Liability Reduction (5%)	310,266	325,779	342,068	359,171	377,130	395,986
Building Maintenance Reserves	40,000	40,000	40,000	40,000	40,000	40,000
Retiree Health	1,774,300	1,863,015	1,956,166	2,053,974	2,156,673	2,264,506
EBRCSA Costs	112,616	114,869	117,166	119,509	121,899	124,337
One-time Expenses						
Other Expenses	13,856,552	14,133,683	14,416,357	14,704,684	14,998,777	15,298,753
Total Annual Expenses	48,948,992	50,161,152	51,206,984	52,492,982	53,817,791	55,189,869

Proposed Adjustments (Increased by 3% annually to reflect cost e

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
FY 2013-14 Cuts and/or New Revenues Not Yet Identified						
FY 2014-15 Cuts and/or New Revenues Not Yet Identified	-	-	-	-	-	-
FY 2015-16 Cuts and/or New Revenues Not Yet Identified	-	-	-	-	-	-
FY 2016-17 Cuts and/or New Revenues Not Yet Identified	(696,724)	(717,625)	(739,154)	(761,329)	(784,168)	(807,694)
FY 2017-18 Cuts and/or New Revenues Not Yet Identified	(676,431)	(696,724)	(717,625)	(739,154)	(761,329)	(784,168)
FY 2018-19 Cuts and/or New Revenues Not Yet Identified	(769,618)	(792,707)	(816,488)	(840,982)	(866,212)	(892,198)
FY 2019-20 Cuts and/or New Revenues Not Yet Identified						
FY 2020-21 Cuts and/or New Revenues Not Yet Identified						
Subtotal Proposed Adjustments	(2,142,772)	(2,207,055)	(2,273,267)	(2,341,465)	(2,411,709)	(2,484,060)
Total Annual Expense + Proposed Adjustments	46,806,219	47,954,097	48,933,717	50,151,517	51,406,082	52,705,808

Surplus/(Deficit) (Revenues - Expenditures)	693,440	765,807	1,065,497	1,122,283	1,215,355	1,549,290
Use of Budget Stabilization Fund - to Balance Budget						
Net Surplus/(Deficit)	693,440	765,807	1,065,497	1,122,283	1,215,355	1,549,290
Cumulative Use of BSF						
Available Balance of BSF						

Indicates significant change in revenues and expenses.

Assumption Changes

Total available BSF excluded the disputed Sales Tax and funds for stipend. Fiscal Sustainability Ordinance requires a minimum of \$2 million.

**City of Pittsburg
20-Year General Fund Forecast**

<u>Annual Revenues</u>	<u>FY 2030-31</u>	<u>FY 2031-32</u>	<u>FY 2032-33</u>	<u>FY 2033-34</u>	<u>FY 2034-35</u>
Annual Revenues (taxes, fees, fines & interest earnings) 2.5% annual growth 2016-17 onwards.	40,231,013	41,236,789	42,267,708	43,324,401	44,407,511
One-time revenues					
Transfers-in from other City Funds to fund administration and other General Fund services (except Budget Stabilization Fund monies) 1% annual growth rate	6,567,665	6,633,342	6,699,675	6,766,672	6,834,339
RDA Pass-through Payments	6,364,778	6,492,073	6,621,915	6,754,353	6,889,440
New Transfer Station Franchise Fees	738,443	753,212	768,276	783,642	799,314
Measure P Sales Tax					
Total Annual Revenues	53,901,899	55,115,416	56,357,574	57,629,068	58,930,604

<u>Potential New Revenues</u>					
Community Facility District (CFD) Public Safety Fees Related to Anticipated New Development	1,850,000	1,950,000	2,050,000	2,150,000	2,250,000
Increased Landfill Fees from Pittsburg Disposal Using Keller Canyon Landfill	250,000	250,000	250,000	250,000	250,000
Increased Revenues from Commercial and Industrial Development	4,392,541	4,502,355	4,614,914	4,761,037	4,880,063
Increased Property Taxes from Housing Development Projects	1,063,530	1,194,668	1,329,085	1,466,862	1,608,083
Total Potential New Revenues	7,556,071	7,897,023	8,243,999	8,627,899	8,988,146
Total Revenues	61,457,971	63,012,439	64,601,573	66,256,967	67,918,750

Not a General Fund Revenue and therefore excluded from total revenues below.

<u>Annual Expenses</u>	<u>FY 2030-31</u>	<u>FY 2031-32</u>	<u>FY 2032-33</u>	<u>FY 2033-34</u>	<u>FY 2034-35</u>
Salaries - Misc	8,462,324	8,631,571	8,804,202	8,980,286	9,159,892
Salaries - Sworn	11,148,267	11,371,233	11,598,657	11,830,630	12,067,243
Salaries - Part-time	755,029	770,129	785,532	801,243	817,267
Salaries - Overtime	1,198,155	1,222,118	1,246,560	1,271,492	1,296,921
Salaries - Step Increases & Other Adjustments	158,530	161,701	164,935	168,234	171,598
Pension - Non-sworn (combined)	1,447,057	1,475,999	1,505,519	1,535,629	1,566,341
Pension - Sworn	3,879,597	3,957,189	4,036,333	4,117,059	4,199,401
Health Care (combined)	6,951,876	7,368,989	7,811,128	8,279,796	8,776,583
FICA & Medicare (combined)	879,916	897,515	915,465	933,774	952,450
Assume \$75k toward new non-sworn position	1,325,000	1,400,000	1,475,000	1,550,000	1,625,000
Expected Attrition Savings at 3% Vacancy Rate	(987,827)	(1,015,926)	(1,045,087)	(1,075,362)	(1,106,805)
Add'l Attrition Savings					
Savings from New Police Hires (assume 2 annually @ \$27,200 savings per FTE)	(870,400)	(924,800)	(979,200)	(1,033,600)	(1,088,000)
Pension Bonds, CCCERA Liability & CCCERA Water Fund Loan Payment	2,732,098	2,764,206	2,769,485	2,808,664	2,850,595
OPEB Liability Reduction (5%)	415,786	436,575	458,404	481,324	505,390
Building Maintenance Reserves	40,000	40,000	40,000	40,000	40,000
Retiree Health	2,377,732	2,496,618	2,621,449	2,752,522	2,890,148
EBRCSA Costs	126,824	129,361	131,948	134,587	137,279
One-time Expenses					
Other Expenses	15,604,728	15,916,822	16,235,159	16,559,862	16,891,059
Total Annual Expenses	55,644,693	57,099,298	58,575,488	60,136,139	61,752,362

Proposed Adjustments (Increased by 3% annually to reflect cost e

	<u>FY 2030-31</u>	<u>FY 2031-32</u>	<u>FY 2032-33</u>	<u>FY 2033-34</u>	<u>FY 2034-35</u>
FY 2013-14 Cuts and/or New Revenues Not Yet Identified					
FY 2014-15 Cuts and/or New Revenues Not Yet Identified	-	-	-	-	-
FY 2015-16 Cuts and/or New Revenues Not Yet Identified	-	-	-	-	-
FY 2016-17 Cuts and/or New Revenues Not Yet Identified	(831,924)	(856,882)	(882,589)	(909,066)	(936,338)
FY 2017-18 Cuts and/or New Revenues Not Yet Identified	(807,694)	(831,924)	(856,882)	(882,589)	(909,066)
FY 2018-19 Cuts and/or New Revenues Not Yet Identified	(918,964)	(946,533)	(974,929)	(1,004,177)	(1,034,302)
FY 2019-20 Cuts and/or New Revenues Not Yet Identified					
FY 2020-21 Cuts and/or New Revenues Not Yet Identified					
Subtotal Proposed Adjustments	(2,558,582)	(2,635,340)	(2,714,400)	(2,795,832)	(2,879,707)
Total Annual Expense + Proposed Adjustments	53,086,111	54,463,959	55,861,088	57,340,307	58,872,655

Surplus/(Deficit) (Revenues - Expenditures)	8,371,860	8,548,480	8,740,485	8,916,660	9,046,095
Use of Budget Stabilization Fund - to Balance Budget					
Net Surplus/(Deficit)	8,371,860	8,548,480	8,740,485	8,916,660	9,046,095
Cumulative Use of BSF					
Available Balance of BSF					

Indicates significant change in revenues and expenses.

Assumption Changes

Total available BSF excluded the disputed Sales Tax and funds for stipend. Fiscal Sustainability Ordinance requires a minimum of \$2 million.

➤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. As a result of this policy, the Housing Authority of the City of Pittsburgh's fund balance has decreased to less than one month of operating expenses. According to HUD's Calendar Year 2015 Renewal Funding, as of 12-31-2014, the Housing Authority has approximately \$893,766 fund balance available to supplement the Pittsburgh Housing Authority's (PHA) funding from HUD.

The FY 2015-16 budget revenue projection is based on the HUD's Calendar Year 2015 Renewal Funding increment. The administrative funding is based on HUD's funding letter, which has prorated the Housing Authority's eligibility to 99% of the FY 2013-14 funding. As a result of HUD's cash management policy, we estimate utilizing \$ 47,533 in reserves to balance the Housing Authority's FY 2014-15 budget.

It's been a challenge for the Housing Authority to maintain the level of service with significant reductions of earned administrative fees. The Housing Authority's plan is to increase the leasing of units in order to compensate for the lowered administrative fee rate. However, the Housing Authority may still anticipate a net loss in program revenue should HUD make future reductions to the current administrative fee proration.

The attached 7-year forecast helps City management and City Council plan and manage the Housing Authority's budget such that the Housing Authority does not end a fiscal year with a negative fund balance. The 7-year forecast anticipates using the existing fund balance from the Housing Authority and HUD to supplement the shortfall through the end of FY 2014-2015 at which point the Housing Authority anticipates HUD will increase funding by at least 1%. There will be no sequestration in funding for the federal FY2014-2015.

It should also be noted that the FY 2014-2015 House appropriations bill provides the needed funding increase to cover any anticipated negative fund balance, and would supplement shortfalls through the FY 2019-2020 for program costs, excluding administrative fees.

We 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		Expenditure Assumptions	
Annual Increase in Operating Revenues		Annual Increase in Operating Expenditures	
FYs 2015-16 through 2019-21	1%	1% increase in Program	
		3% increase in Personnel Costs	
		1%-3% increase in Other Admin. Expenses	
Estimate Avail. Ending Fund Bal in PHA @ 6/30/15	893,766		

Section 8 HCV and VASH program 7 year Forecast

Model:			Projected				
	YE Estimate FY 14-15	Proposed Budget FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 19-21
Annual Revenue							
Program Revenue from HUD	\$ 11,980,056	\$ 12,291,298	\$ 12,414,211	\$ 12,538,353	\$ 12,663,737	\$ 12,790,374	\$ 12,918,278
Operating Expenses							
Program Expenses	(12,140,400)	(12,172,080)	(12,293,801)	(12,416,739)	(12,540,906)	(12,666,315)	(12,792,978)
Net Operating Income / (Loss)	(160,344)	119,218	120,410	121,614	122,830	124,059	125,299
Administrative Revenue							
Administrative Overhead from HUD	\$ 1,198,997	\$ 1,161,141	\$ 1,232,441	\$ 1,244,800	\$ 1,257,200	\$ 1,269,800	\$ 1,282,500
Other Svcs fee (incl. Port In & Unreported Income)	50,000	50,000	105,570	106,626	107,692	108,769	109,857
Interest Income	3,200	-	-	-	-	-	-
Rental Income	57,386	57,266	57,839	58,417	59,001	59,591	60,187
Total Admin. Revenue	\$ 1,309,583	\$ 1,268,407	\$ 1,395,850	\$ 1,409,843	\$ 1,423,893	\$ 1,438,160	\$ 1,452,544
Annual Expenses							
Salaries and Benefits	\$ (634,447)	\$ (700,221)	\$ (728,230)	\$ (757,359)	\$ (772,506)	\$ (787,956)	\$ (803,715)
Retirement	(144,117)	(176,952)	(184,030)	(191,391)	(195,219)	(199,123)	(203,106)
Pension Bonds & CCCERA Loan Payment	(42,696)	(42,696)	(43,977)	(45,296)	(46,655)	(48,055)	(49,496)
Admin. O/H for Port Out	(119,851)	(112,679)	(113,806)	(114,944)	(116,093)	(117,254)	(118,427)
Rental Property Expenses	(7,391)	(7,480)	(7,555)	(7,630)	(7,707)	(7,784)	(7,862)
Other Admin. Exps	(248,270)	(273,232)	(278,418)	(283,729)	(289,170)	(294,743)	(300,452)
Total Admin. Expenses	\$ (1,196,772)	\$ (1,313,260)	\$ (1,356,015)	\$ (1,400,350)	\$ (1,427,350)	\$ (1,454,915)	\$ (1,483,058)
Sub-total Surplus / (Deficit) Admin.	112,811	(44,853)	39,835	9,493	(3,457)	(16,755)	(30,514)
Total Surplus / (Deficit) (Revenues - Expenditures)	(47,533)	74,365	160,245	131,107	119,374	107,304	94,785
Available Beginning Fund Balance	\$ 941,299	\$ 893,766	\$ 968,131	\$ 1,128,376	\$ 1,259,483	\$ 1,378,857	\$ 1,486,161
Use of Fund Balance	\$ 47,533	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Surplus / (Deficit)	\$ -	\$ 74,365	\$ 160,245	\$ 131,107	\$ 119,374	\$ 107,304	\$ 94,785
Available Ending Fund Balance	\$ 893,766	\$ 968,131	\$ 1,128,376	\$ 1,259,483	\$ 1,378,857	\$ 1,486,161	\$ 1,580,946

Summary of Fund Conditions
Table 1

	¹ Estimated Reserves June 30, 2015	Projected Revenues 2015-16	Transfers-In	Projected Expenditures 2015-16	Transfers-Out	Estimated Balance June 30, 2016
General Fund						
General Fund	8,455,057	33,934,921	5,304,708	38,014,875	1,224,754	8,455,057
Subtotal, General Fund	<u>\$ 8,455,057</u>	<u>\$ 33,934,921</u>	<u>\$ 5,304,708</u>	<u>\$ 38,014,875</u>	<u>\$ 1,224,754</u>	<u>\$ 8,455,057</u>
Internal Service Funds						
Building Maintenance	366,102	1,614,140	-	1,600,976	10,639	368,627
Fleet Maintenance	946,176	1,715,462	-	1,906,497	15,883	739,258
Fringe Benefits	866,163	1,423,396	-	1,380,102	83,240	826,217
Information Communication Services	510,530	1,112,380	-	1,106,792	4,325	511,793
Insurance	394,541	973,753	-	973,753	-	394,541
Other Post-Employment Benefits (OPEB)	153,488	2,648,992	523,962	3,183,554	-	142,888
Subtotal, Internal Service Funds	<u>\$ 3,237,000</u>	<u>\$ 9,488,123</u>	<u>\$ 523,962</u>	<u>\$ 10,151,674</u>	<u>\$ 114,087</u>	<u>\$ 2,983,324</u>
Enterprise Funds						
Golf Course	13,893	-	15,000	15,444	-	13,449
Island Energy	1,555,063	5,554,227	-	5,883,855	45,504	1,179,931
Marina	618,516	2,143,245	-	2,194,046	21,126	546,589
Pittsburg Power	2,709,787	1,819,981	50,000	1,339,245	844,281	2,396,242
Sewer Utility	5,273,107	5,034,380	700,000	6,528,700	797,747	3,681,040
Water Front Operations	21,843	860,250	-	787,060	-	95,033
Water Utility	8,804,278	30,041,294	4,287,500	27,277,513	6,031,484	9,824,075
Subtotal, Enterprise Funds	<u>\$ 18,996,487</u>	<u>\$ 45,453,377</u>	<u>\$ 5,052,500</u>	<u>\$ 44,025,863</u>	<u>\$ 7,740,142</u>	<u>\$ 17,736,359</u>
Special Revenue Funds						
Assets Seizure	33,283	-	-	-	-	33,283
Budget Stabilization	7,795,505	-	-	-	1,381,231	6,414,274
CA Energy Conservation Program	38,405	-	74,500	74,500	-	38,405
CalHome Program	33,383	-	-	-	-	33,383
California Theatre	13,784	100,025	250,000	349,616	-	14,193
City Housing Fund	673,503	215,438	-	269,148	-	619,793
Economic Development	222,665	294,017	162,000	494,798	50,000	² 133,884
Gas Tax	1,147,901	1,416,086	-	-	2,058,874	505,113
Hillview Jr. High Athletic Field	135,185	50,000	-	-	-	185,185
Housing Authority-Section 8	1,113,524	13,559,705	-	13,473,626	11,714	1,187,889
HUD Community Development Block Grant	137,704	678,983	-	714,231	1,414	101,042
Lighting and Landscape	168,458	2,801,420	1,102,154	3,978,696	93,336	-
Lighting and Landscaping Oak Hill	31,223	33,959	-	65,182	-	-
Marina Vista Field Replacement	192,245	20,000	-	-	-	212,245
Measure C Tax Fund	153,056	726,050	985,263	985,263	687,774	191,332
Miscellaneous Grants	-	5,000	-	-	-	5,000
Neighborhood Stabilization	43,169	-	-	-	-	43,169
Park Maintenance CFD 2007-1	(129,055)	72,446	-	85,616	266	(142,491)
Public Safety CFD 2005-1	7,573	261,394	-	256,736	3,228	9,003
Public, Education & Gov't Fees (PEG)	389,165	151,600	-	150,000	-	390,765
San Marco CFD 2004-1	171,313	572,250	-	679,393	6,722	57,448
Small Cities Grant	1,138	-	-	-	-	1,138
Solid Waste	236,651	456,300	-	538,248	101,980	52,723
Southwest Pittsburg GHAD II	2,702,818	787,000	-	556,596	6,430	2,926,792
Storm Water Utility NPDES	199,961	846,932	100,000	1,090,925	55,309	659
Traffic Congestion Relief	5,263	32	-	-	-	5,295
Vista Del Mar CFD 2005-2	6,402	204,065	-	197,946	865	11,656
Subtotal, Special Revenue Funds	<u>\$ 15,524,222</u>	<u>\$ 23,252,702</u>	<u>\$ 2,673,917</u>	<u>\$ 23,960,520</u>	<u>\$ 4,459,143</u>	<u>\$ 13,031,178</u>
Capital Projects Funds						
Bailey Road Maintenance	698,066	165,000	-	-	-	863,066
Debt Service	-	-	-	-	-	-
Capital Improvement	3,479	-	78,062	78,062	-	3,479
Community Capital Improvement	283,813	-	-	-	-	283,813
Inclusionary Housing	381,514	-	-	-	-	381,514
Infrastructure Repair & Replacement	419,245	-	-	-	-	419,245
Kirker Creek Drainage Fees	356,680	-	-	-	16,961	339,719
Park Dedication	54,300	-	-	54,300	-	-
Proposition 1B Local ST Road Impr.	1,879	-	-	-	-	1,879
RDA - Project Fund	35	-	-	-	-	35

	Estimated Reserves June 30, 2015	Projected Revenues 2015-16	Transfers-In	Projected Expenditures 2015-16	Transfers-Out	Estimated Balance June 30, 2016
Regional Traffic Mitigation	1,746,289	-	-	-	-	1,746,289
Traffic Impact Fair Share	502,482	-	-	-	-	502,482
Traffic Mitigation	2,075,238	14,800	-	246,298	78,062	1,765,678
Subtotal, Capital Projects Funds	<u>\$ 6,523,020</u>	<u>\$ 179,800</u>	<u>\$ 78,062</u>	<u>\$ 378,660</u>	<u>\$ 95,023</u>	<u>\$ 6,307,199</u>
Successor Agency to RDA Funds						
RDA-Tax Increment	447,092	505,051	300,000	295,957	925,000	31,186
Redevelopment Obligation Retirement Fund	-	34,586,951	925,000	-	34,586,953	924,998
Subtotal, Successor Agency to RDA Funds	<u>\$ 447,092</u>	<u>\$ 35,092,002</u>	<u>\$ 1,225,000</u>	<u>\$ 295,957</u>	<u>\$ 35,511,953</u>	<u>\$ 956,184</u>
Debt Service Funds						
Assessment Districts Funds	3,792,958	3,739,306	-	2,897,309	-	4,634,955
Pension Obligations	1,826,145	4,808,851	-	4,803,522	-	1,831,474
RDA Debt Service and Bond Funds	88,395,043	728,000	32,676,693	33,359,693	300,000	88,140,043
RDA - Housing Debt Service and Bond Funds	3,692,512	45,000	1,910,260	1,955,260	-	3,692,512
³Subtotal, Debt Service Funds	<u>\$ 97,706,658</u>	<u>\$ 9,321,157</u>	<u>\$ 34,586,953</u>	<u>\$ 43,015,784</u>	<u>\$ 300,000</u>	<u>\$ 98,298,984</u>
Total, All Funds	<u>\$ 150,889,536</u>	<u>\$ 156,722,082</u>	<u>\$ 49,445,102</u>	<u>\$ 159,843,333</u>	<u>\$ 49,445,102</u>	<u>\$ 147,768,285</u>

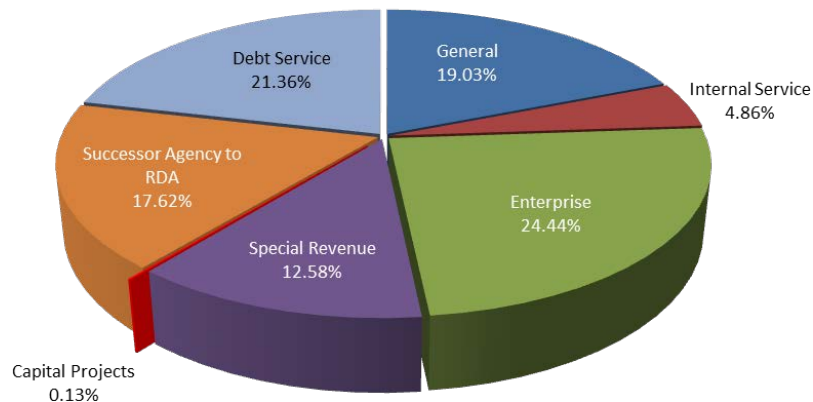
1. Represents working capital and does not include fixed assets, inventory, long term advances or loans.
2. Decreased fund balance is due to a loan agreement between the City of Pittsburg and Century Plaza Development Corporation. Loan disbursements of \$350,000 in FY 2014/15 and \$150,000 in FY 2015/16 will maintain current anchor tenant structure and occupants in the Shopping Center which in turn will save jobs, increase value of property, retain the sales tax base, and add overall economic vitality of the City.
3. Debt Service fund balances include debt service reserves held by trustee.

Summary of Revenues and Expenditures – All Funds

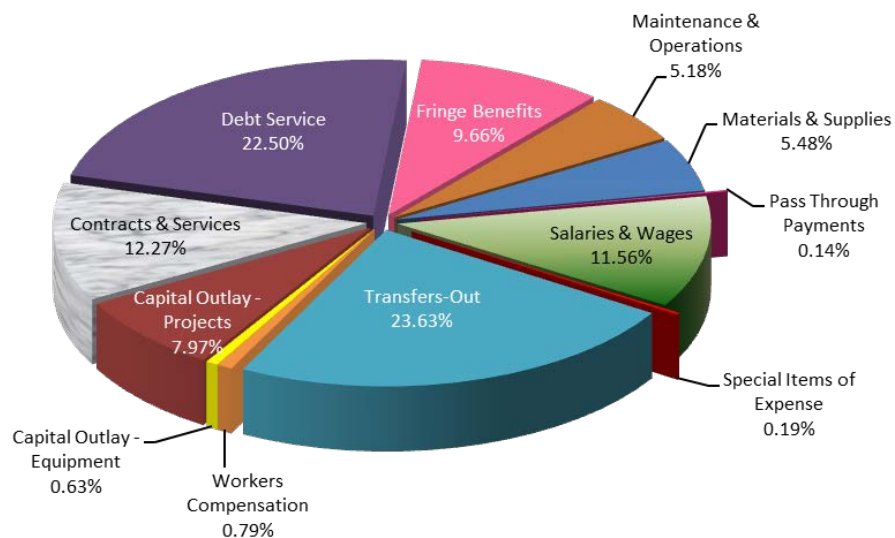
Table 2

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
Revenue					
General Fund	35,774,781	37,130,178	39,239,629	2,109,451	5.68
Internal Service Funds	9,222,431	7,949,949	10,012,085	2,062,136	25.94
Enterprise Funds	33,929,071	40,739,674	50,385,227	9,645,553	23.68
Special Revenue Funds	26,614,626	30,653,785	25,926,625	(4,727,160)	-15.42
Capital Projects Funds	3,689,519	5,354,797	257,862	(5,096,935)	-95.18
Successor Agency to RDA Funds	40,906,368	37,305,858	36,317,002	(988,856)	-2.65
Debt Service Funds	137,273,155	39,989,119	44,028,754	4,039,635	10.10
Total, Revenues	\$ 287,409,951	\$ 199,123,360	\$ 206,167,184	\$ 7,043,824	3.54 %
Expenditure					
Capital Outlay - Equipment	1,670,343	2,475,327	1,309,752	(1,165,575)	-47.09
Capital Outlay - Projects	8,515,541	36,921,823	16,675,325	(20,246,498)	-54.84
Contracts & Services	23,462,518	26,337,432	25,670,878	(666,554)	-2.53
Debt Service Funds	133,327,084	42,048,466	47,094,246	5,045,780	12.00
Fringe Benefits	16,456,673	19,422,716	20,226,513	803,797	4.14
Maintenance & Operations	10,312,651	10,494,470	10,848,727	354,257	3.38
Materials & Supplies	10,911,073	11,610,789	11,467,273	(143,516)	-1.24
Pass Through Payments	260,488	312,513	297,640	(14,873)	-4.76
Salaries & Wages	21,435,998	23,783,001	24,200,928	417,927	1.76
Special Items of Expense	920,821	280,979	401,356	120,377	42.84
Transfers-Out	140,726,187	54,227,560	49,445,102	(4,782,458)	-8.82
Workers Compensation	1,014,994	1,422,512	1,650,695	228,183	16.04
Total, Expenditures	\$ 369,014,371	\$ 229,337,588	\$ 209,288,435	\$ (20,049,153)	-8.74 %

2015-16 Revenues by Fund Type



2015-16 Expenditures by Category





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Revenue Source by Category and Object – All Funds
Table 3

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
General Fund					
Fines & Forfeitures	577,106	510,870	534,950	24,080	4.71
Franchise Fees	3,493,640	3,549,224	3,635,003	85,779	2.42
Intergovernmental Revenue	1,049,236	1,339,802	1,236,078	(103,724)	-7.74
Other Revenues	2,016,973	2,457,354	2,717,962	260,608	10.61
Other Taxes	5,586,833	5,731,249	6,379,598	648,349	11.31
Permits, Licenses & Fees	1,760,840	1,515,511	1,815,609	300,098	19.80
Property Taxes	2,613,320	2,712,987	3,237,582	524,595	19.34
Sales Taxes	11,950,533	10,006,156	11,831,031	1,824,875	18.24
Service Fees	2,096,676	1,950,678	2,005,674	54,996	2.82
Transfers-In	3,854,811	6,765,483	5,304,708	(1,460,775)	-21.59
Use of Money & Property	774,813	590,864	541,434	(49,430)	-8.37
Subtotal, General Fund	\$ 35,774,781	\$ 37,130,178	\$ 39,239,629	\$ 2,109,451	5.68 %
Internal Service Funds					
Other Revenues	4,740,464	4,353,705	5,720,778	1,367,073	31.40
Service Fees	3,851,128	2,929,489	3,767,345	837,856	28.60
Transfers-In	641,755	666,755	523,962	(142,793)	-21.42
Use of Money & Property	(10,916)	-	-	-	-100.00
Subtotal, Internal Service Funds	\$ 9,222,431	\$ 7,949,949	\$ 10,012,085	\$ 2,062,136	25.94 %
Enterprise Funds					
Debt Service	26,957	46,000	20,000	(26,000)	-56.52
Franchise Fees	580,000	580,000	580,000	-	-
Intergovernmental Revenue	815,486	260,000	11,273,524	11,013,524	4,235.97
Other Revenues	581,707	2,525,979	2,483,568	(42,411)	-1.68
Service Fees	30,390,358	28,859,507	29,647,583	788,076	2.73
Transfers-In	660,619	7,069,392	4,937,000	(2,132,392)	-30.16
Use of Money & Property	873,944	1,398,796	1,443,552	44,756	3.20
Subtotal, Enterprise Funds	\$ 33,929,071	\$ 40,739,674	\$ 50,385,227	\$ 9,645,553	23.68 %
Special Revenue Funds					
Fines & Forfeitures	6,946	-	-	-	-100.00
Franchise Fees	151,720	145,000	150,000	5,000	3.45
Intergovernmental Revenue	13,268,902	15,289,361	13,425,281	(1,864,080)	-12.19
Other Revenues	1,786,932	1,375,409	1,361,450	(13,959)	-1.01
Other Taxes	2,803,930	2,525,500	2,240,986	(284,514)	-11.27
Permits, Licenses & Fees	45,000	25,000	-	(25,000)	-100.00
Sales Taxes	72,075	111,750	113,460	1,710	1.53
Service Fees	135,138	112,102	127,800	15,698	14.00
Special Assessments	4,871,435	5,146,922	5,549,531	402,609	7.82
Transfers-In	3,262,165	5,673,688	2,673,917	(2,999,771)	-52.87
Use of Money & Property	210,383	249,053	284,200	35,147	14.11
Subtotal, Special Revenue Funds	\$ 26,614,626	\$ 30,653,785	\$ 25,926,625	\$ (4,727,160)	-15.42 %
Capital Projects Funds					
Intergovernmental Revenue	1,353,795	2,178,499	165,000	(2,013,499)	-92.43
Other Revenues	98,688	131,522	-	(131,522)	-100.00
Service Fees	528,241	9,816	-	(9,816)	-100.00
Transfers-In	1,689,429	2,942,938	78,062	(2,864,876)	-97.35
Use of Money & Property	19,366	92,022	14,800	(77,222)	-83.92
Subtotal, Capital Projects Funds	\$ 3,689,519	\$ 5,354,797	\$ 257,862	\$ (5,096,935)	-95.18 %
Successor Agency to RDA Funds					
Intergovernmental Revenue	461,977	-	-	-	-100.00
Other Revenues	1,361,452	234,478	437,058	202,580	86.40
Property Taxes	38,486,428	36,543,918	34,586,951	(1,956,967)	-5.36
Transfers-In	429,439	366,962	1,225,000	858,038	233.82
Use of Money & Property	167,072	160,500	67,993	(92,507)	-57.64
Subtotal, Successor Agency to RDA Funds	\$ 40,906,368	\$ 37,305,858	\$ 36,317,002	\$ (988,856)	-2.65 %

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
Debt Service Funds					
Debt Service	997,420	585,460	741,910	156,450	26.72
Other Revenues	215	-	-	-	-100.00
Service Fees	2,568,147	4,814,718	4,868,351	53,633	1.11
Special Assessments	3,520,814	3,555,406	3,697,920	142,514	4.01
Transfers-In	130,187,969	31,011,385	34,702,453	3,691,068	11.90
Use of Money & Property	(1,410)	22,150	18,120	(4,030)	-18.19
Subtotal, Debt Service Funds	<u>\$ 137,273,155</u>	<u>\$ 39,989,119</u>	<u>\$ 44,028,754</u>	<u>\$ 4,039,635</u>	<u>10.10 %</u>
Total, All Funds	<u>\$ 287,409,951</u>	<u>\$ 199,123,360</u>	<u>\$ 206,167,184</u>	<u>\$ 7,043,824</u>	<u>3.54 %</u>

Summary of Expenditures by Program – All Funds
Table 4

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
City Council					
City Council	85,456	79,345	81,537	2,192	2.76
Subtotal, City Council	\$ 85,456	\$ 79,345	\$ 81,537	\$ 2,192	2.76 %
Administration					
City Manager	165,582	256,905	235,684	(21,221)	-8.26
City Clerk	202,363	345,304	451,385	106,081	30.72
City Attorney	457,024	508,641	518,092	9,451	1.86
Human Resources	629,676	768,033	832,167	64,134	8.35
Debt service:					
Treasurer	6,629	6,622	16,766	10,144	153.19
Finance	2,204,641	2,566,161	2,990,270	424,109	16.53
General Fund - Non Departmental	5,088,470	3,653,047	4,015,315	362,268	9.92
Information Technology	899,147	1,099,323	1,111,117	11,794	1.07
Employee Fringe Benefits	1,716,904	1,788,506	1,463,342	(325,164)	-18.18
Other Post-Employment Benefits (OPEB)	2,487,460	2,096,905	3,183,554	1,086,649	51.82
Insurance	918,083	796,644	973,753	177,109	22.23
Budget Stabilization	-	3,126,345	1,381,231	(1,745,114)	-55.82
Subtotal, Administration	\$ 14,775,979	\$ 17,012,436	\$ 17,172,676	\$ 160,240	0.94 %
Police Department					
Police Services	19,385,017	21,677,617	22,421,879	744,262	3.43
San Marco CFD	539,039	465,681	686,115	220,434	47.34
Vista Del Mar CFD	163,135	158,313	198,811	40,498	25.58
Public Safety CFD	269,402	232,339	259,964	27,625	11.89
Asset Forfeitures	60,680	-	-	-	-100.00
Police Grants	306,599	345,146	-	(345,146)	-100.00
Subtotal, Police Department	\$ 20,723,872	\$ 22,879,096	\$ 23,566,769	\$ 687,673	3.01 %
Enterprise Services					
Marina	1,807,404	2,163,136	2,215,172	52,036	2.41
Golf Course	15,772	165,487	15,444	(150,043)	-90.67
R/R Ave e-BART CFD	830	3,533,184	-	(3,533,184)	-100.00
Environmental Affairs	581,036	930,427	864,728	(65,699)	-7.06
CDBG Entitlements	593,389	751,985	715,645	(36,340)	-4.83
Waterfront Operations	712,837	939,639	787,060	(152,579)	-16.24
Economic Development	1,112,402	959,250	544,798	(414,452)	-43.21
TOTAL Enterprise Services	4,823,670	9,443,108	5,142,847	(4,300,261)	-0.46
Community Development					
Planning Division	932,863	998,560	1,025,389	26,829	2.69
Building Division	902,542	1,035,358	1,041,914	6,556	0.63
Engineering Division	1,724,936	1,860,757	2,033,510	172,753	9.28
Gas Tax	2,169,664	2,749,676	2,058,874	(690,802)	-25.12
Measure J Tax	911,157	3,220,528	1,673,037	(1,547,491)	-48.05
NPDES	816,105	1,278,726	1,146,234	(132,492)	-10.36
Southwest Pittsburg GHAD	411,040	467,998	563,026	95,028	20.31
Pittsburg CIP	-	966,938	78,062	(888,876)	-91.93
Developer Fee Fund	861,041	10,611,715	395,621	(10,216,094)	-96.27
Community Capital Improvements	2,000,451	1,571,161	-	(1,571,161)	-100.00
Infrastructure Repair & Replacement	-	1,261,000	-	(1,261,000)	-100.00
TOTAL Community Development	10,729,799	26,022,417	10,015,667	(16,006,750)	-0.62
Public Works - Maintenance Services					
Public Works Administration	91,804	90,804	102,447	11,643	12.82
Streets	1,832,982	2,193,176	2,248,667	55,491	2.53
Street Lighting	538,055	788,623	858,042	69,419	8.80
Street Trees	357,965	445,311	421,593	(23,718)	-5.33
Concrete	112,253	91,019	98,331	7,312	8.03
Fleet Maintenance	1,549,160	2,174,265	1,922,380	(251,885)	-11.58
Building Maintenance	1,275,800	1,911,280	1,611,615	(299,665)	-15.68
Graffiti Removal Program	131,061	167,034	141,472	(25,562)	-15.30
Subtotal, Public Works - Maintenance Services	\$ 5,889,080	\$ 7,861,512	\$ 7,404,547	\$ (456,965)	-5.81 %
Recreation and Parks					
Recreation & Parks Administration	120,019	91,437	141,509	50,072	54.76
Recreation Services	642,345	800,419	829,535	29,116	3.64

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
Parks & Recreation - Swim Center Maint.	77,909	88,937	112,091	23,154	26.03
Parks & Recreation - Landscape	2,392,615	2,431,570	2,694,066	262,496	10.80
Landscape - Oak Hills Assessment	47,569	62,930	65,182	2,252	3.58
Park Maintenance CFD	53,145	66,122	85,882	19,760	29.88
Recreation Grants	12,151	4,280	-	(4,280)	-100.00
Police Department					
California Theatre	237,062	394,315	349,616	(44,699)	-11.34
Subtotal, Recreation and Parks	\$ 3,582,815	\$ 3,940,010	\$ 4,277,881	\$ 337,871	8.58 %
Public Works - Water and Sewer Enterprises					
Water Operating	13,727,965	18,080,366	18,127,595	47,229	0.26
Water CIP	1,585,688	6,346,227	7,400,000	1,053,773	16.60
Water Facility Reserve Fee Funds	974,793	8,695,955	4,487,500	(4,208,455)	-48.40
Sewer Maintenance	2,073,040	2,719,805	2,812,983	93,178	3.43
Sewer CIP	2,490,302	3,508,501	3,700,000	191,499	5.46
Sewer Facility Reserve Fee Funds	-	133,113	-	(133,113)	-100.00
Water Bond Debt Service	2,431,992	5,379,927	3,293,902	(2,086,025)	-38.77
Sewer Bond Debt Service	1,039,786	821,765	813,464	(8,301)	-1.01
Subtotal, Public Works - Water & Sewer Enterprises	\$ 24,323,566	\$ 45,685,659	\$ 40,635,444	\$ (5,061,215)	-11.05 %
Housing Authority					
Housing Authority - Section 8	12,666,242	13,348,466	13,485,340	136,874	1.03
City Housing	252,954	188,721	269,148	80,427	42.62
Subtotal, Housing Authority	\$ 12,919,196	\$ 13,537,187	\$ 13,754,488	\$ 217,301	1.61 %
Pittsburg Power Company					
Island Energy	4,015,258	5,684,074	5,084,359	(599,715)	-10.55
Pittsburg Power	1,746,290	2,396,276	2,103,526	(292,750)	-12.22
Power Company Capital Projects	2,367,610	1,707,849	925,000	(782,849)	-45.84
Subtotal, Pittsburg Power Company	\$ 8,129,158	\$ 9,788,199	\$ 8,112,885	\$ (1,675,314)	-17.12 %
Successor Agency to Former RDA					
RDA Property Maintenance	(286)	-	-	-	-100.00
RDA General	38,415,940	31,087,427	(1)35,511,953	4,424,526	14.23
RDA Administration	562,387	360,503	295,957	(64,546)	-17.90
RDA Capital Projects Fund	336,992	949,849	-	(949,849)	-100.00
RDA Tax Allocation Bonds	195,199,398	30,157,624	(1)33,659,693	3,502,069	11.61
RDA Housing Bonds	1,934,671	1,956,694	(1)1,955,260	(1,434)	-0.07
Subtotal, Successor Agency to Former RDA	\$ 236,449,102	\$ 64,512,097	\$ 71,422,863	\$ 6,910,766	10.71 %
Debt Service Funds					
Pension Obligation Bond	1,983,627	4,079,490	4,803,522	724,032	17.75
Assessment Districts	24,599,051	4,497,032	2,897,309	(1,599,723)	-35.57
Subtotal, Debt Service Funds	\$ 26,582,678	\$ 8,576,522	\$ 7,700,831	\$ (875,691)	-10.21 %
Total, Uses by Program	\$ 369,014,371	\$ 229,337,588	\$ 209,288,435	\$ (20,060,153)	-8.74 %

(1) Includes transfers between funds in the Successor Agency program budget to pay for debt obligation in the amount of \$ 35,511,953; therefore uses appear to be overstated by \$35,511,953

Expenditures by Fund Type - All Funds

Table 5

	General	Internal Service	Enterprise	Special Revenue
City Council				
City Council	81,537	-	-	-
Subtotal, City Council	<u>\$ 81,537</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Administration				
City Manager	235,684	-	-	-
City Clerk	451,385	-	-	-
City Attorney	518,092	-	-	-
Human Resources	832,167	-	-	-
Treasurer	16,766	-	-	-
Finance	2,990,270	-	-	-
General Fund - Non Departmental	4,015,315	-	-	-
Information Technology	-	1,111,117	-	-
Employee Fringe Benefits	-	1,463,342	-	-
Other Post-Employment Benefits (OPEB)	-	3,183,554	-	-
Insurance	-	973,753	-	-
Budget Stabilization	-	-	-	1,381,231
Subtotal, Administration	<u>\$ 9,059,679</u>	<u>\$ 6,731,766</u>	<u>\$ -</u>	<u>\$ 1,381,231</u>
Police Department				
Police Services	22,421,879	-	-	-
San Marco CFD	-	-	-	686,115
Vista Del Mar CFD	-	-	-	198,811
Public Safety CFD	-	-	-	259,964
Asset Forfeitures	-	-	-	-
Police Grants	-	-	-	-
Subtotal, Police Department	<u>\$ 22,421,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,144,890</u>
Enterprise Services				
Marina	-	-	2,215,172	-
Golf Course	-	-	15,444	-
R/R Ave e-BART CFD	-	-	-	-
Environmental Affairs	-	-	-	864,728
CDBG Entitlements	-	-	-	715,645
Waterfront Operations	-	-	787,060	-
Economic Development	-	-	-	544,798
Subtotal, Enterprise Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,017,676</u>	<u>\$ 2,125,171</u>
Community Development				
Planning Division	1,025,389	-	-	-
Building Division	1,041,914	-	-	-
Engineering Division	2,033,510	-	-	-
Gas Tax	-	-	-	2,058,874
Measure J Tax	-	-	-	1,673,037
NPDES	-	-	-	1,146,234
Southwest Pittsburg GHAD	-	-	-	563,026
Pittsburg CIP	-	-	-	-
Developer Fee Fund	-	-	-	-
Community Capital Improvements	-	-	-	-
Infrastructure Repair & Replacement	-	-	-	-
Subtotal, Community Development	<u>\$ 4,100,813</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,441,171</u>
Public Works - Maintenance Services				
Public Works Administration	102,447	-	-	-
Streets	2,248,667	-	-	-
Street Lighting	-	-	-	858,042
Street Trees	-	-	-	421,593
Concrete	-	-	-	98,331
Fleet Maintenance	-	1,922,380	-	-
Building Maintenance	-	1,611,615	-	-
Graffiti Removal Program	141,472	-	-	-
Subtotal, Public Works - Maint. Services	<u>\$ 2,492,586</u>	<u>\$ 3,533,995</u>	<u>\$ -</u>	<u>\$ 1,377,966</u>

Expenditures by Fund Type - All Funds

Table 5

	Capital Projects	Debt Service	Successor Agency	Total
City Council				
City Council	-	-	-	81,537
Subtotal, City Council	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,537</u>
Administration				
City Manager	-	-	-	235,684
City Clerk	-	-	-	451,385
City Attorney	-	-	-	518,092
Human Resources	-	-	-	832,167
Treasurer	-	-	-	16,766
Finance	-	-	-	2,990,270
General Fund - Non Departmental	-	-	-	4,015,315
Information Technology	-	-	-	1,111,117
Employee Fringe Benefits	-	-	-	1,463,342
Other Post-Employment Benefits (OPEB)	-	-	-	3,183,554
Insurance	-	-	-	973,753
Budget Stabilization	-	-	-	1,381,231
Subtotal, Administration	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,172,676</u>
Police Department				
Police Services	-	-	-	22,421,879
San Marco CFD	-	-	-	686,115
Vista Del Mar CFD	-	-	-	198,811
Public Safety CFD	-	-	-	259,964
Asset Forfeitures	-	-	-	-
Police Grants	-	-	-	-
Subtotal, Police Department	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,566,769</u>
Enterprise Services				
Marina	-	-	-	2,215,172
Golf Course	-	-	-	15,444
R/R Ave e-BART CFD	-	-	-	-
Environmental Affairs	-	-	-	864,728
CDBG Entitlements	-	-	-	715,645
Waterfront Operations	-	-	-	787,060
Economic Development	-	-	-	544,798
Subtotal, Enterprise Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,142,847</u>
Community Development				
Planning Division	-	-	-	1,025,389
Building Division	-	-	-	1,041,914
Engineering Division	-	-	-	2,033,510
Gas Tax	-	-	-	2,058,874
Measure J Tax	-	-	-	1,673,037
NPDES	-	-	-	1,146,234
Southwest Pittsburg GHAD	-	-	-	563,026
Pittsburg CIP	78,062	-	-	78,062
Developer Fee Fund	395,621	-	-	395,621
Community Capital Improvements	-	-	-	-
Infrastructure Repair & Replacement	-	-	-	-
Subtotal, Community Development	<u>\$ 473,683</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,015,667</u>
Public Works - Maintenance Services				
Public Works Administration	-	-	-	102,447
Streets	-	-	-	2,248,667
Street Lighting	-	-	-	858,042
Street Trees	-	-	-	421,593
Concrete	-	-	-	98,331
Fleet Maintenance	-	-	-	1,922,380
Building Maintenance	-	-	-	1,611,615
Graffiti Removal Program	-	-	-	141,472
Subtotal, Public Works - Maint. Services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,404,547</u>

Expenditures by Fund Type - All Funds
Table 5

	General	Internal Service	Enterprise	Special Revenue
Recreation and Parks				
Recreation & Parks Administration	141,509	-	-	-
Recreation Services	829,535	-	-	-
Parks & Recreation - Swim Center Maint.	112,091	-	-	-
Parks & Recreation - Landscape	-	-	-	2,694,066
Landscape - Oak Hills Assessment	-	-	-	65,182
Park Maintenance CFD	-	-	-	85,882
Recreation Grants	-	-	-	-
California Theatre	-	-	-	349,616
Subtotal, Recreation and Parks	\$ 1,083,135	\$ -	\$ -	\$ 3,194,746
Public Works - Water and Sewer Enterprises				
Water Operating	-	-	18,127,595	-
Water CIP	-	-	7,400,000	-
Water Facility Reserve Fee Funds	-	-	4,487,500	-
Sewer Maintenance	-	-	2,812,983	-
Sewer CIP	-	-	3,700,000	-
Sewer Facility Reserve Fee Funds	-	-	-	-
Water Bond Debt Service	-	-	3,293,902	-
Sewer Bond Debt Service	-	-	813,464	-
Subtotal, Water & Sewer Enterprises	\$ -	\$ -	\$ 40,635,444	\$ -
Housing Authority				
Housing Authority - Section 8	-	-	-	13,485,340
City Housing	-	-	-	269,148
Subtotal, Housing Authority	\$ -	\$ -	\$ -	\$ 13,754,488
Pittsburg Power Company				
Island Energy	-	-	5,084,359	-
Pittsburg Power	-	-	2,103,526	-
Power Company Capital Projects	-	-	925,000	-
Subtotal, Pittsburg Power Company	\$ -	\$ -	\$ 8,112,885	\$ -
Successor Agency to Former RDA				
RDA Property Maintenance	-	-	-	-
RDA General	-	-	-	-
RDA Administration	-	-	-	-
RDA Capital Projects Fund	-	-	-	-
RDA Tax Allocation Bonds	-	-	-	-
RDA Housing Bonds	-	-	-	-
Subtotal, Successor Agency to Former RDA	\$ -	\$ -	\$ -	\$ -
Debt Service Funds				
Pension Obligation Bond	-	-	-	-
Assessment Districts	-	-	-	-
Subtotal, Debt Service Funds	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 39,239,629	\$ 10,265,761	\$ 51,766,005	\$ 28,419,663

Expenditures by Fund Type - All Funds
Table 5

	Capital Projects	Debt Service	Successor Agency	Total
Recreation and Parks				
Recreation & Parks Administration	-	-	-	141,509
Recreation Services	-	-	-	829,535
Parks & Recreation - Swim Center Maint.	-	-	-	112,091
Parks & Recreation - Landscape	-	-	-	2,694,066
Landscape - Oak Hills Assessment	-	-	-	65,182
Park Maintenance CFD	-	-	-	85,882
Recreation Grants	-	-	-	-
California Theatre	-	-	-	349,616
Subtotal, Recreation and Parks	\$ -	\$ -	\$ -	\$ 4,277,881
Public Works - Water and Sewer Enterprises				
Water Operating	-	-	-	18,127,595
Water CIP	-	-	-	7,400,000
Water Facility Reserve Fee Funds	-	-	-	4,487,500
Sewer Maintenance	-	-	-	2,812,983
Sewer CIP	-	-	-	3,700,000
Sewer Facility Reserve Fee Funds	-	-	-	-
Water Bond Debt Service	-	-	-	3,293,902
Sewer Bond Debt Service	-	-	-	813,464
Subtotal, Water & Sewer Enterprises	\$ -	\$ -	\$ -	\$ 40,635,444
Housing Authority				
Housing Authority - Section 8	-	-	-	13,485,340
City Housing	-	-	-	269,148
Subtotal, Housing Authority	\$ -	\$ -	\$ -	\$ 13,754,488
Pittsburg Power Company				
Island Energy	-	-	-	5,084,359
Pittsburg Power	-	-	-	2,103,526
Power Company Capital Projects	-	-	-	925,000
Subtotal, Pittsburg Power Company	\$ -	\$ -	\$ -	\$ 8,112,885
Successor Agency to Former RDA				
RDA Property Maintenance	-	-	-	-
RDA General	-	-	35,511,953	35,511,953
RDA Administration	-	-	295,957	295,957
RDA Capital Projects Fund	-	-	-	-
RDA Tax Allocation Bonds	-	33,659,693	-	33,659,693
RDA Housing Bonds	-	1,955,260	-	1,955,260
Subtotal, Successor Agency to Former RDA	\$ -	\$ 35,614,953	\$ 35,807,910	\$ 71,422,863
Debt Service Funds				
Pension Obligation Bond	-	4,803,522	-	4,803,522
Assessment Districts	-	2,897,309	-	2,897,309
Subtotal, Debt Service Funds	\$ -	\$ 7,700,831	\$ -	\$ 7,700,831
Total Expenditures	\$ 473,683	\$ 43,315,784	\$ 35,807,910	\$ 209,288,435

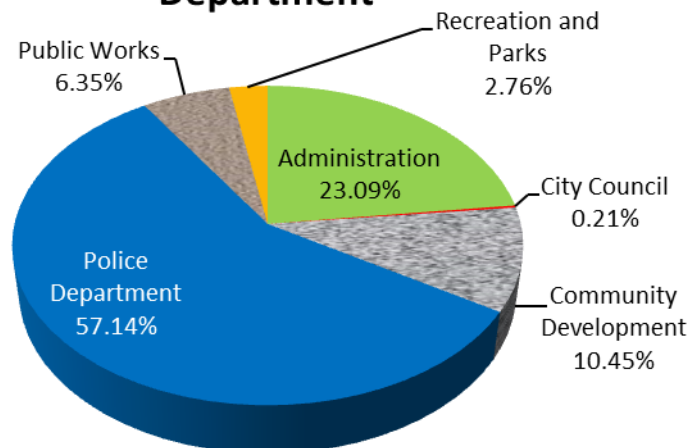
General Fund Revenues and Expenditures

Table 6

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
General Fund Reserves ¹	8,149,669	8,455,057	8,455,057	-	0.00
Revenues					
Property Taxes	2,613,320	2,712,987	3,237,582	524,595	19.34
Sales Taxes	11,950,533	10,006,156	11,831,031	1,824,875	18.24
Other Taxes	5,586,833	5,731,249	6,379,598	648,349	11.31
Franchise Fees	3,493,640	3,549,224	3,635,003	85,779	2.42
Service Fees	2,096,676	1,950,678	2,005,674	54,996	2.82
Use of Money & Property	774,813	590,864	541,434	(49,430)	-8.37
Fines & Forfeitures	577,106	510,870	534,950	24,080	4.71
Permits, Licenses & Fees	1,760,840	1,515,511	1,815,609	300,098	19.80
Intergovernmental Revenue	1,049,236	1,339,802	1,236,078	(103,724)	-7.74
Other Revenues	2,016,973	2,457,354	2,717,962	260,608	10.61
Transfers-In	3,854,811	6,765,483	5,304,708	(1,460,775)	-21.59
Total, General Fund Revenues	\$ 35,774,781	\$ 37,130,178	\$ 39,239,629	\$ 2,109,451	5.68 %
Expenditures					
Administration	8,751,863	8,091,865	9,059,679	967,814	11.96
City Council	85,456	79,345	81,537	2,192	2.76
Community Development	3,560,341	3,894,675	4,100,813	206,138	5.29
Police Department	19,385,017	21,677,617	22,421,879	744,262	3.43
Public Works	2,055,847	2,451,014	2,492,586	41,572	1.70
Recreation and Parks	840,273	980,793	1,083,135	102,342	10.43
Total, General Fund Expenditures	\$ 34,678,797	\$ 37,175,309	\$ 39,239,629	\$ 2,064,320	5.55 %

1. Represents working capital and does not include fixed assets, inventory, long-term advances or loans.

2015-16 General Fund Expenditures by Department



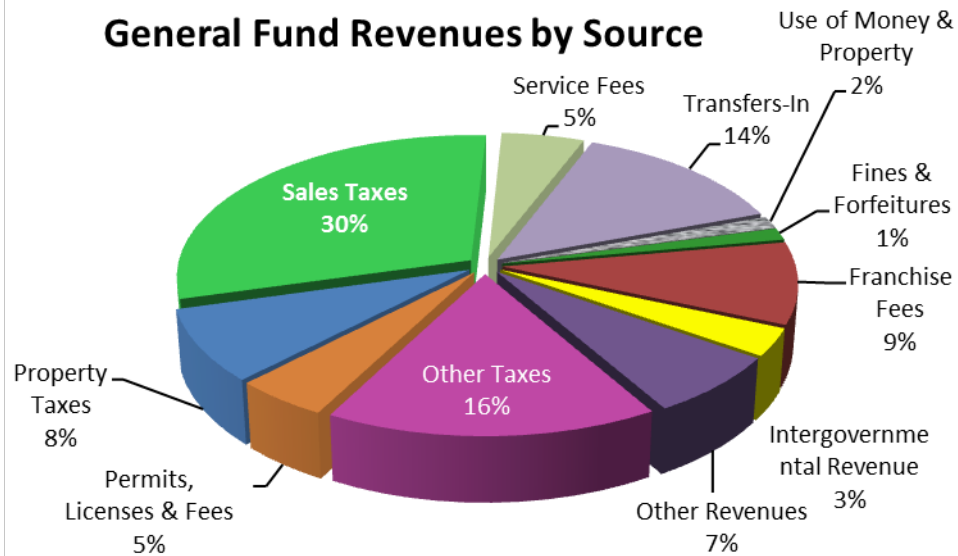


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General Fund Revenues
Table 7

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
Property Taxes					
Homeowners Tax Relief	84,676	95,000	85,000	(10,000)	-10.53
Prior Year Taxes	(111,808)	(100,000)	(50,000)	50,000	-50.00
Secured Property Taxes	1,866,225	1,995,362	2,442,582	447,220	22.41
Supplemental Taxes	199,805	200,000	200,000	-	-
Unitary Taxes	232,545	209,290	250,000	40,710	19.45
Unsecured Property Taxes	341,877	313,335	310,000	(3,335)	-1.06
Subtotal, Property Taxes	\$ 2,613,320	\$ 2,712,987	\$ 3,237,582	\$ 524,595	19.34 %
Sales Taxes					
Sales & Use Taxes	5,309,723	5,453,624	6,652,188	1,198,564	21.98
Sales & Use Taxes - Backfill	3,109,159	939,282	1,510,303	571,021	60.79
Sales Taxes - Increase	3,531,651	3,613,250	3,668,540	55,290	1.53
Subtotal, Sales Taxes	\$ 11,950,533	\$ 10,006,156	\$ 11,831,031	\$ 1,824,875	18.24 %
Other Taxes					
Business License Tax	509,881	480,000	520,000	40,000	8.33
Motor Vehicle Tax	3,795,560	4,061,249	4,514,598	453,349	11.16
Other Taxes	237,356	210,000	245,000	35,000	16.67
Public Safety - Prop 172 Sales Tax	540,771	530,000	550,000	20,000	3.77
Transient Occupancy Taxes	503,265	450,000	550,000	100,000	22.22
Subtotal, Other Taxes	\$ 5,586,833	\$ 5,731,249	\$ 6,379,598	\$ 648,349	11.31 %
Franchise Fees					
Calpine	15,030	15,224	15,394	170	1.12
Comcast Broadband	572,024	570,000	580,000	10,000	1.75
Franchise Fees - Other	145,575	150,000	170,000	20,000	13.33
PG&E	487,572	490,000	490,000	-	-
Pittsburg Disposal	1,440,714	1,489,000	1,502,000	13,000	0.87
RCTS	832,725	835,000	877,609	42,609	5.10
Subtotal, Franchise Fees	\$ 3,493,640	\$ 3,549,224	\$ 3,635,003	\$ 85,779	2.42 %
Service Fees					
Building Service Fees	226,965	202,100	210,115	8,015	3.97
Engineering Service Fees	1,330	1,000	780	(220)	-22.00
Other Reimbursements	393,851	285,477	320,000	34,523	12.09
Other Service Fees	538,067	486,700	559,136	72,436	14.88
Planning Service Fees	21,365	17,675	5,975	(11,700)	-66.20
Police Service Fees	466,407	467,326	437,688	(29,638)	-6.34
Public Works Service Fees	286,951	317,000	281,500	(35,500)	-11.20
Recreation Entrance Fees	96,053	114,000	136,000	22,000	19.30
Recreation Service Fees	65,643	57,400	52,480	(4,920)	-8.57
Recreation Sports Fees	44	2,000	2,000	-	-
Subtotal, Service Fees	\$ 2,096,676	\$ 1,950,678	\$ 2,005,674	\$ 54,996	2.82 %
Use of Money & Property					
Investment Earnings	512,833	302,000	261,000	(41,000)	-13.58
Rental Income	261,980	288,864	280,434	(8,430)	-2.92
Subtotal, Use of Money & Property	\$ 774,813	\$ 590,864	\$ 541,434	\$ (49,430)	-8.37 %
Fines & Forfeitures					
Abandoned Vehicle Abatement	127,330	125,000	125,000	-	-
Booking Fees	9,730	10,000	8,000	(2,000)	-20.00
Code Enforcement Fines	82,430	55,870	78,000	22,130	39.61
Police Fines	128,870	115,000	115,450	450	0.39
Police Forfeitures	1,040	2,000	2,000	-	-
POST Reimbursements	39,584	17,500	25,000	7,500	42.86
Traffic Fines	184,759	180,000	180,000	-	-
Vehicle Code Fines	3,363	5,500	1,500	(4,000)	-72.73
Subtotal, Fines & Forfeitures	\$ 577,106	\$ 510,870	\$ 534,950	\$ 24,080	4.71 %
Permits, Licenses & Fees					
Building Fees	97,087	83,550	94,300	10,750	12.87
Building Permits	724,954	642,000	706,000	64,000	9.97
Business License Fees	141,334	109,650	139,000	29,350	26.77
Engineering Fees	680,925	543,600	771,258	227,658	41.88
Other Fees	10,261	10,261	10,261	-	-
Other Permits	4,277	2,000	1,390	(610)	-30.50
Planning & Zoning	92,456	110,200	76,600	(33,600)	-30.49

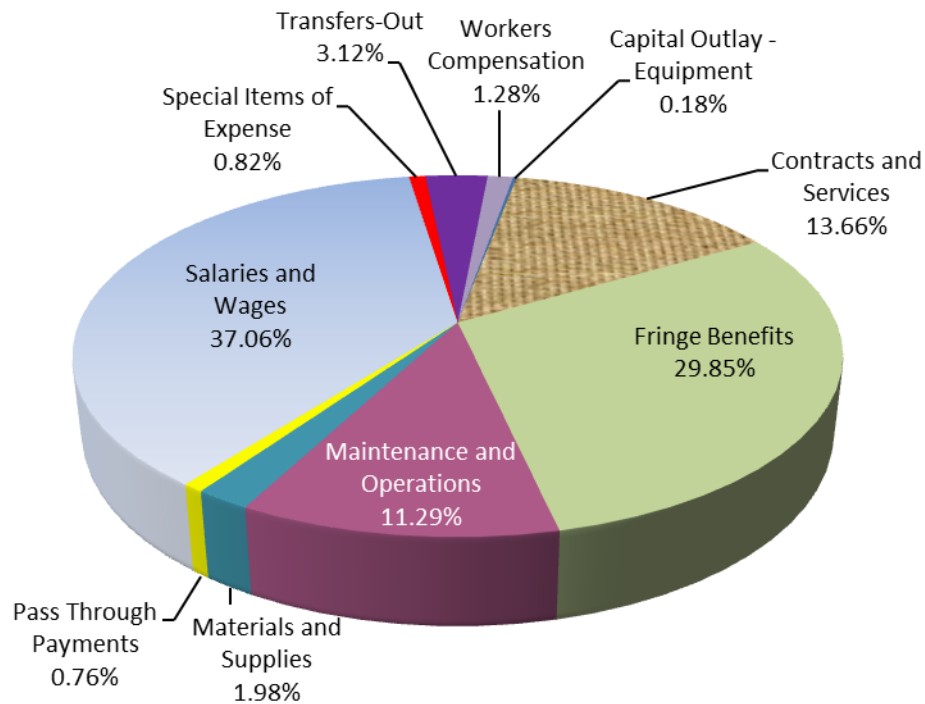
	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
Police Fees	9,546	14,250	16,800	2,550	17.89
Subtotal, Permits, Licenses & Fees	\$ 1,760,840	\$ 1,515,511	\$ 1,815,609	\$ 300,098	19.80 %
Intergovernmental Revenue					
Grants	36,777	36,900	152,900	116,000	314.36
Other Reimbursements	130,500	130,500	130,500	-	-
State Mandated Costs	906	30,000	32,678	2,678	8.93
Tipping Fee	881,053	1,142,402	920,000	(222,402)	-19.47
Subtotal, Intergovernmental Revenue	\$ 1,049,236	\$ 1,339,802	\$ 1,236,078	\$ (103,724)	-7.74 %
Other Revenues					
Administrative Overhead	1,611,061	1,679,271	1,702,812	23,541	1.40
Donations	2,174	-	10,650	10,650	-100.00
Gain - Fixed Assets	21,720	-	-	-	-100.00
Loan Repayments	-	150,000	53,000	(97,000)	-64.67
Other	57,823	321,000	550,500	229,500	71.50
Other Reimbursements	124,195	107,083	61,000	(46,083)	-43.03
School Resource Officer Reimbursement	200,000	200,000	340,000	140,000	70.00
Subtotal, Other Revenues	\$ 2,016,973	\$ 2,457,354	\$ 2,717,962	\$ 260,608	10.61 %
Transfers-In					
Transfers-In	3,854,811	6,765,483	5,304,708	(1,460,775)	-21.59
Subtotal, Transfers-In	\$ 3,854,811	\$ 6,765,483	\$ 5,304,708	\$ (1,460,775)	-21.59 %
Total, General Fund Revenues	\$ 35,774,781	\$ 37,130,178	\$ 39,239,629	\$ 2,109,451	5.68 %



General Fund Expenditures by Category
Table 8

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
Capital Outlay - Equipment	18,194	326,000	70,000	(256,000)	-78.53
Contracts & Services	4,093,692	5,330,996	5,359,444	28,448	0.53
Fringe Benefits	8,952,469	11,237,205	11,714,401	477,196	4.25
Maintenance & Operations	4,259,035	3,591,308	4,431,901	840,593	23.41
Materials & Supplies	668,106	824,540	776,195	(48,345)	-5.86
Pass Through Payments	260,488	312,513	297,640	(14,873)	-4.76
Salaries & Wages	13,058,571	13,686,195	14,541,923	855,728	6.25
Special Items of Expense	69,057	111,715	322,806	211,091	188.95
Transfers-Out	2,994,417	1,310,936	1,224,754	(86,182)	-6.57
Workers Compensation	304,808	443,901	500,565	56,664	12.77
Total, General Fund Expenditures	\$ 34,678,797	\$ 37,175,309	\$ 39,239,629	\$ 2,064,320	5.55 %

2015-16 General Fund Expenditures by Category





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FY 2015-2016 FUNDED POSITIONS

FY 2015-2016 Adopted Base		Title of Position	Salary	
1.00		City Manager	Contract	
1.00		Assistant City Manager	12,974	- 15,768
1.00		Chief of Police	12,806	- 16,188
1.00		Director of Community Development/City Engineer	11,538	- 15,768
1.00		Director of Water Utilities	11,538	- 14,024
1.00		Director of Finance	11,094	- 14,024
2.00		Police Captain	10,798	- 13,650
1.00		Director of Recreation & Maintenance Services	10,081	- 12,252
1.00		Power Company Manager	10,081	- 12,252
1.00		Chief Building Official	9,858	- 11,983
4.00		Police Lieutenant	9,414	- 11,900
1.00		Assistant to the City Manager	9,044	- 10,993
1.00		Development Manager	9,044	- 10,993
1.00		Director of Records & Council Services	9,044	- 10,993
1.00		Human Resources Manager	9,044	- 10,993
1.00		Planning Manager	9,044	- 10,993
1.00		Public Works Superintendent	8,128	9,879
1.00		Administrative Officer	8,046	- 9,780
4.00		Sr. Civil Engineer	8,046	- 9,780
3.00		Finance Division Manager	7,910	- 9,616
1.00		Housing Manager	7,910	- 9,616
1.00		Utility Supervisor	7,711	- 9,371
1.00		Water Plant Supervisor	7,711	- 9,371
9.00		Police Sergeant	7,486	- 9,464
1.00		Senior Planner	7,331	- 8,911
1.00		Harbormaster	7,274	- 8,841
1.00		Water Instrument / Maintenance Technician II	7,176	- 8,722
1.00		Senior Admin Analyst	6,875	8,357
1.00		Utility Technician II	6,790	- 8,254
5.00		Civil Engineer II	6,621	- 8,048
1.00		Water Quality Analyst II	6,571	- 7,987
1.00		GIS coordinator	6,452	7,843
1.00		Sr. Combination Building Inspector	6,452	- 7,843
1.00		Associate Planner	6,333	- 7,697
2.00		Financial Analyst	6,237	- 7,581
4.00		Water Plant Operator	6,226	- 7,568
1.00		Water Maintenance Mechanic I	6,199	- 7,536
5.00		Utility Technician I	5,983	- 7,272
2.00		Administrative Analyst II	5,939	- 7,220
1.00		Human Resources Analyst	5,939	- 7,220
62.50		Police Officer	5,879	- 7,802
1.00		Equipment Shop Supervisor	5,813	- 7,065
5.00		Public Works Supervisor	5,813	- 7,065
1.00		Police Records Manager	5,804	- 7,054
1.00		Utility Billing Supervisor	5,804	- 7,054

FY 2015-2016 FUNDED POSITIONS

FY 2015-2016 Adopted Base		Title of Position	Salary		
1.00		Combination Building Inspector	5,743	-	6,980
2.00		Engineering Technician II	5,550	-	6,746
1.00		Pest Control Specialist	5,497	-	6,682
1.00		Executive Assistant	5,296	-	6,437
3.12		Electrician	5,294	-	6,434
1.00		Administrative Analyst I	5,130		6,236
2.50		Accountant I	4,966	-	6,036
0.50		Deputy City Clerk	4,923	-	5,984
1.00		Executive Secretary to Chief of Police	4,923	-	5,984
1.00		Human Resources Specialist	4,923	-	5,984
1.00		Payroll Specialist	4,923	-	5,984
1.00		Records Specialist	4,923	-	5,984
1.00		Lead Marina Services Worker	4,894	-	5,949
6.96		Maintenance Lead Worker	4,894	-	5,949
0.73		Engineering Technician I	4,794		5,827
2.00		Equipment Mechanic	4,677	-	5,685
3.00		Permit Technician	4,626	-	5,623
1.00		Lead Police Records Clerk	4,600		5,591
9.00		Community Services Specialist	4,565	-	5,548
2.00		Recreation Coordinator	4,451	-	5,411
7.00		Accounting Technician	4,387	-	5,332
4.00		Housing Specialist	4,312	-	5,242
20.04		Maintenance Worker II	4,227	-	5,138
1.00		Water Plant Apprentice Operator	4,227	-	5,138
6.00		Police Records Clerk (Part 2 of 2)	3,974	-	4,830
1.00		Account Clerk (Part 2 of 2)	3,790	-	4,607
4.63		Administrative Assistant (Part 2 of 2)	3,785	-	4,600
10.00		Maintenance Worker I	3,652	-	4,439
3.00		Marina Maintenance Worker	3,652	-	4,439
2.00		Sweeper Operator	3,652	-	4,439
1.00		Police Records Clerk (Part 1 of 2)	3,432	-	4,172
4.50		Account Clerk (Part 1 of 2)	3,274	-	3,980
3.58		Administrative Assistant (Part 1 of 2)	3,269	-	3,973
3.00		Maintenance Assistant	2,970	-	3,610
2.00		Office Assistant	2,970	-	3,610

255.05 City Wide Total

FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
<u>Administration</u>			
City Manager	0.60	0.95	0.85
City Clerk	0.55	1.40	1.85
City Attorney	0.00	0.00	0.00
Human Resources	3.60	3.10	4.00
Finance/Accounting	7.30	7.50	9.67
Finance/Utility Billing	6.55	7.55	8.41
Information/Communication Systems	0.60	0.60	0.60
<u>Community Development</u>			
Planning	3.31	3.85	4.38
Building - Code Enforcement	5.99	6.25	5.83
Engineering	11.12	11.29	11.71
NPDES Administration & Outreach	1.22	1.26	1.36
Southwest Pittsburg GHAD	0.88	1.10	1.24
Local Traffic Mitigation Fee Fund	0.10	0.10	0.10
<u>Enterprise Services</u>			
Solid Waste	0.73	0.73	0.73
Economic Development	0.65	0.70	0.45
CDBG Entitlements	0.81	0.45	1.65
Waterfront Operations	2.05	2.05	1.80
Marina	6.00	6.00	6.05
<u>Police Department</u>			
Police - Admin & Support Services	2.00	2.00	2.00
Police - Operations Bureau	57.50	61.21	61.00
Police - Investigations	15.00	13.00	13.50
Police - Support Services	15.50	16.00	14.80
San Marco Police CFD	2.80	2.08	3.04
Vista Del Mar CFD	0.81	0.70	0.85
Public Safety Service CFD 2005-01	1.39	1.01	1.11
<u>Recreation & Parks</u>			
Recreation-Admin	0.00	0.00	0.00
Recreation - Sports	1.00	1.15	1.09
Recreation - Senior Center	1.00	2.00	2.00
Pittsburg Swim Center Maintenance	0.00	0.00	0.00
Citywide Landscape	6.04	8.54	8.70
Park Maintenance CFD 2007-1	0.16	0.36	0.29

FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
<u>Public Works - Maintenance Services</u>			
Graffiti Removal Program	0.25	1.25	1.15
Public Works/Administration	0.25	0.25	0.00
Public Works/Streets	9.65	12.65	12.66
Citywide Street Lighting	1.00	1.00	1.36
Citywide Street Trees	1.70	1.70	1.70
Citywide Concrete Program	0.15	0.25	0.25
NPDES - Maintenance/Trash & Illicit Disc	2.00	2.00	2.65
Fleet Maintenance	3.60	3.60	3.50
Building Maintenance	3.60	3.70	4.15
<u>Public Works - Water and Sewer Enterprises</u>			
Water Operating	27.19	28.45	30.10
Sewer Maintenance	6.79	7.65	7.85
<u>Housing Authority</u>			
Housing Authority - Section 8	5.99	5.70	6.70
RDA Housing - Administration	0.27	0.27	0.27
<u>Pittsburg Power Company</u>			
Island Energy	9.55	9.55	10.30
Power Company Capital Projects	0.00	0.00	0.00
Pittsburg Power	1.50	1.50	2.25
<u>Successor Agency to Former Redevelopment Agency</u>			
RDA Administration	2.26	1.55	1.10
Citywide Totals:	231.00	244.00	255.05

CHANGES TO FY 2014-15 ADOPTED BUDGET BASE POSITIONS

Additions:

Director of Community Dev./City Engineer
 Director of Finance
 Engineering Technician
 GIS Coordinator
 Permit Technician
 Police Officer

Department

Engineering
 Finance
 Engineering
 Engineering
 Planning
 Police

Reclassifications:

Account Clerk to Accounting Technician
 Community Relations Manager to Senior Admin. Analyst
 Maintenance Worker to Electrician
 Utility Lineworker to Utility Technician

Finance
 Pittsburg Power
 Public Works
 Island Energy

Unfunded:

City Engineer
 Director of Finance and Administration
 Engineering Technician

Engineering
 Finance
 Engineering

CHANGES FOR FY 2015-16 BUDGET BASE POSITIONS

Additions:

Account Clerk (0.5)
 Accountant (0.5)
 Accounting Technician
 Administrative Analyst
 Administrative Assistant
 Administrative Assistant
 Utility Technician
 Electrician
 Lead Police Records Clerk
 Maintenance Lead Worker
 Maintenance Worker (2.0)
 Office Assistant
 Police Officer (0.5)

Department

Finance
 Finance
 Utility Billing
 Engineering
 City Clerk
 Finance
 Island Energy
 Public Works
 Police
 Public Works
 Public Works
 Housing
 Police

Unfunded:

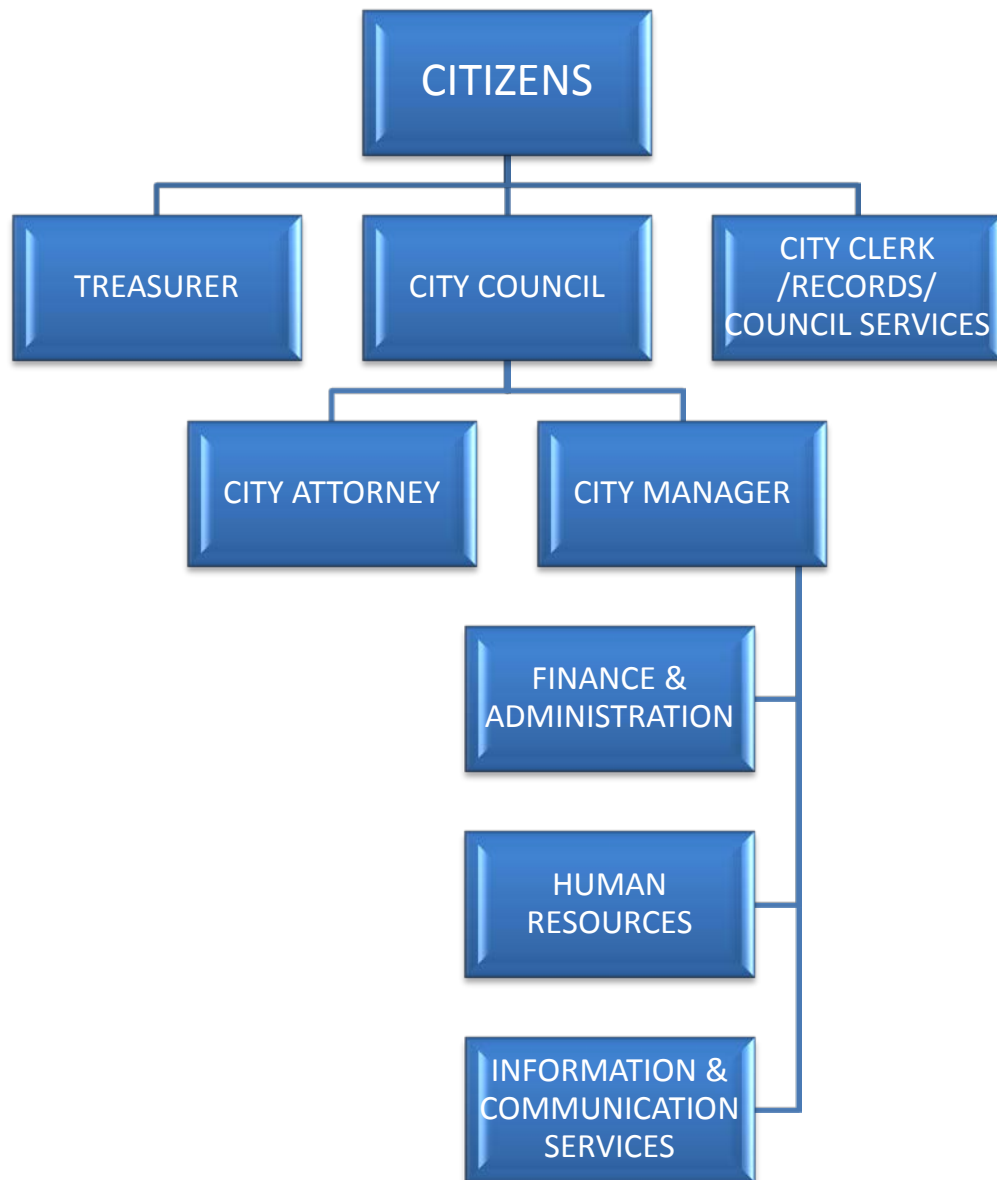
Administrative Assistant to Director
 Police Records Clerk

Planning
 Police



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➤ ADMINISTRATION



➤ ADMINISTRATION – CITY MANAGER

Overview

The City Manager's Office (CMO) provides daily direction and leadership to City operations and the organization to implement City Council priorities and programs. The CMO provides information to the City Council and makes recommendations on all policy issues. In carrying out the direction and vision of the City Council, the City Manager ensures that the City's services are equally available to the entire community, and that residents have access to information regarding City policies, programs, and services.

Service Levels

- Maintain the long-term fiscal health and viability of the City to continue providing public services 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 comprehensive, coordinated and high-quality service delivery for Pittsburg residents
- Recommend the annual Operating Budget and Capital Improvements Program (CIP) budget
- Coordinate and integrates City services to ensure effective, efficient and responsive service delivery



➤ 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; maintains the City's Municipal Code and administers the City's Records Management Program. The City Clerk is an elected position.



Alice Evenson
Pittsburg City Clerk

Service Levels

- Provides information and 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 2 – Improve Public Facilities and Infrastructure:

- ✓ With video studio in City Council Chambers established, broaden scope of broadcast on CCTV Channel to include Planning Commission and CAC meetings
- ✓ Using PEG (Public, Education, Government) funds, train staff and broadcast meetings under an MOU with CCTV

Citywide Goal 4 - Increase Efficiency of City Operations and Services:

- ✓ Continue to provide support to the City Council and staff for management of the agenda process and Council meetings where necessary to ensure efficiency in the process. Include staff assistance to Planning Department for Commission agendas and meetings.
- ✓ Review and update Records Retention schedule to reflect changes to departments and State guidelines
- ✓ Finalize Commission Handbook and update City Council Procedures and present to City Council for adoption
- ✓ Coordinate with County Elections Office administration of Special Elections for State Senate seat in March 2014
- ✓ Facilitate appointments to City Commissions, including vacancies on Planning Commission, Measure P Citizen Oversight Committee, Library Commission, CCTA CAC Commission, Advisory Council on Aging

Accomplishments

- ✓ Video studio in Council Chamber completed
- ✓ Bi-annual Conflict of Interest Code update completed.
- ✓ November 2014 General Election completed.
- ✓ Appointments for 12 vacancies to City commissions completed.

➤ ADMINISTRATION – CITY ATTORNEY

Overview

The City Attorney is under contract to provide legal services to the City Council and staff as directed on legal matters relating to Pittsburg. The City Attorney represents the City in certain litigation and non-litigation matters.

Service Levels

- Provides broad range of services for a fixed retainer
- Attends all regular City Council meetings and special meetings if attendance is requested
- Attends Department Head meetings in addition to being onsite at City Hall at least two days a week



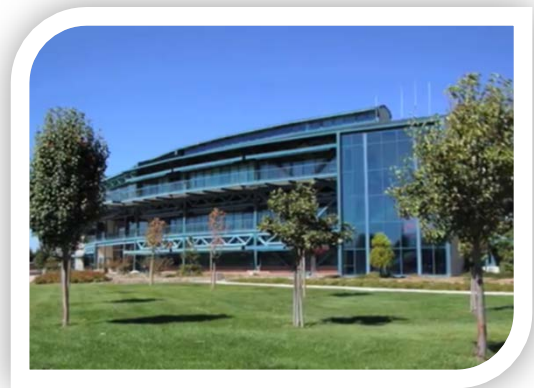
➤ **ADMINISTRATION – HUMAN RESOURCES**

Overview

The Human Resources Division is responsible for administering the City's personnel merit system, training, workers' compensation program, employee benefits, employee relations and equal employment opportunity programs.

Services

- 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, workers' compensation program, employee benefits, employee relations and equal employment opportunity programs
- 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 4 – Increase Efficiency of City Operations and Services:

- ✓ Continue to recruit and retain quality staff to meet the operational needs of the City
- ✓ Provide training to minimize employee injuries and reduce the City's liability
- ✓ Successful and amicable negotiations for successor Memorandum of Understandings with the City's non-safety units

- ✓ Review and revise departmental practices, including open enrollment, leave administration and personnel actions
- ✓ Continue review and revision of out of date policies, including Personnel Rules and Workplace Safety Policies

Accomplishments

- ✓ Successfully negotiated new collective bargaining agreements with both the City's safety unions prior to the expiration of the current contracts and without the additional costs typically incurred through the use of an outside negotiator
- ✓ Updated and revised the City's Injury and Illness Prevention Plan (IIPP)

➤ ADMINISTRATION - TREASURER

Overview

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

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



Nancy Parent
City Treasurer

➤ ADMINISTRATION – FINANCE

Overview

The Finance Department is responsible for accounting operations, payroll, utility billing, budget, financial reporting, debt issuance and management, and investments for all of 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
- 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
- Manage Citywide budget development
- Provide payroll servicing for the City
- Maintain up-to-date accounting and finance policy and procedure manuals
- Maintain a high level of professionalism and integrity in all of the City's financial practices and procedures
- Monitor and report the City's fiscal condition on a semi-annual basis

Goals

Citywide Goal 1 – Increase Revenues and Reduce Expenses:

- ✓ Recommend using sustainable revenues to pay ongoing expenses
- ✓ Periodically update the City's 7-Year General Fund Balancing Plan and 20-Year Forecast
- ✓ Recommend budgets consistent with the City's Fiscal Sustainability Ordinance
- ✓ Reduce OPEB and pension unfunded liability
- ✓ Strive to increase City's credit rating
- ✓ Continue seeking opportunities to reduce water account write-offs as uncollectable, including additional options for bill payment



Citywide Goal 4 – Increase Efficiency of City Operations and Services:

- ✓ Automate Budget document imports
- ✓ Automate internal processes within the Payment Center
- ✓ Issue business licenses within seven working days of receiving a complete Business License application package.
- ✓ Complete Business License renewal automation
- ✓ Manage refunding for RDA 2004A and CFD 2005 Vista Del Mar bonds
- ✓ Develop and issue RFP for audit services

Accomplishments

- ✓ Completed paperless filing and document scanning project in Accounts Payable
- ✓ Successfully reduced 45% of amount written off from uncollectible water accounts from FY2010-11 to FY2013-14
- ✓ Installed a kiosk at downtown Railroad Book Depot to provide water customers an additional option for bill payment
- ✓ Completed bank deposit processing implementation for water payments



➤ ADMINISTRATION – INFORMATION AND 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

- ✓ Technology upgrade for the IT infrastructure of the Police department.
- ✓ Implementation of a new back-up system for the City.
- ✓ Implementation of Studio set-ups at Council Chambers and California Theatre.
- ✓ Implementation of managed WiFi network for Staff and Guests at Cityhall.

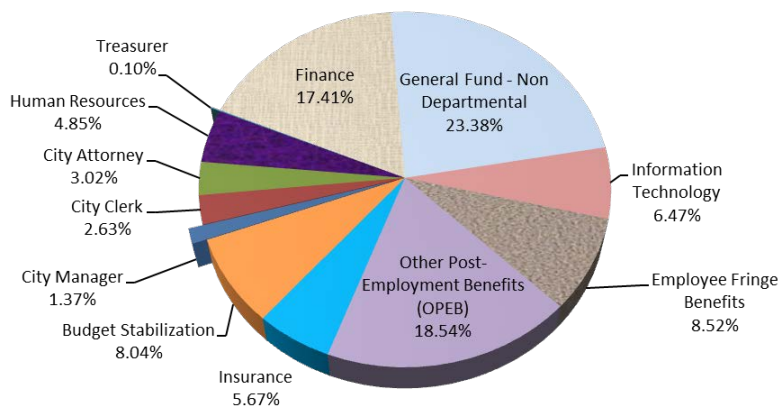
FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Administration

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
City Manager	0.60	0.95	0.85
City Clerk	0.55	1.40	1.85
City Attorney	0.00	0.00	0.00
Human Resources	3.60	3.10	4.00
Finance/Accounting	7.30	7.50	9.67
Finance/Utility Billing	6.55	7.55	8.41
Information/Communication Systems	0.60	0.60	0.60
TOTAL:	19.20	21.10	25.38

Detailed Program Budget Administration

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	19.20	21.10	25.38	4.28	20.27%
SOURCES OF REVENUE					
General Fund	11,079,847	10,577,261	11,613,993	1,036,732	5.35
Internal Service Funds	5,697,451	4,913,239	6,682,483	1,769,244	36.01
Special Revenue Funds	1,990,752	312,500	5,000	(307,500)	-98.40
(Addition To)/Reduction in Fund Balance	(3,992,071)	1,209,436	(1,744,008)	(2,953,444)	-244.20
TOTAL SOURCES OF REVENUE	\$ 14,775,979	\$ 17,012,436	\$ 16,557,468	\$ (454,968)	-2.67%
USES - OPERATING EXPENDITURES					
Salaries & Wages	1,473,006	1,734,257	1,920,657	186,400	10.75
Attrition Savings		(680,285)	(615,208)	65,077	-9.57
Maintenance & Operations	1,632,297	1,536,121	1,774,201	238,080	15.50
Workers Compensation	550,022	765,975	898,264	132,289	17.27
Materials & Supplies	290,376	267,940	237,545	(30,395)	-11.34
Pass Through Payments	260,488	312,513	297,640	(14,873)	-4.76
Contracts & Services	3,919,443	4,548,536	5,762,293	1,213,757	26.68
Fringe Benefits	3,380,181	3,706,450	3,639,928	(66,522)	-1.79
TOTAL USES - OPERATING EXPENDITURES	\$ 11,505,813	\$ 12,191,507	\$ 13,915,320	\$ 1,723,813	14.14 %
USES - OTHER EXPENDITURES					
Special Items of Expense	65,240	132,715	368,806	236,091	177.89
TOTAL USES - OTHER EXPENDITURES	\$ 65,240	\$ 132,715	\$ 368,806	\$ 236,091	177.89 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	12,566	165,000	195,000	30,000	18.18
Capital Outlay - Projects	10,000	-	-	-	-100.00
TOTAL USES - CAPITAL EXPENDITURES	\$ 22,566	\$ 165,000	\$ 195,000	\$ 30,000	18.18 %
USES - TRANSFERS-OUT					
Transfers-Out	3,182,360	4,523,214	2,693,550	(1,829,664)	-40.45
TOTAL USES - TRANSFERS-OUT	\$ 3,182,360	\$ 4,523,214	\$ 2,693,550	\$ (1,829,664)	-40.45 %
TOTAL USES	\$ 14,775,979	\$ 17,012,436	\$ 17,172,676	\$ 160,240	0.94 %
USES BY PROGRAM RECAP					
City Manager	165,582	256,905	235,684	(21,221)	-8.26
City Clerk	202,363	345,304	451,385	106,081	30.72
City Attorney	457,024	508,641	518,092	9,451	1.86
Human Resources	629,676	768,033	832,167	64,134	8.35
Treasurer	6,629	6,622	16,766	10,144	153.19
Finance	2,204,641	2,566,161	2,990,270	424,109	16.53
General Fund - Non Departmental	5,088,470	3,653,047	4,015,315	362,268	9.92
Information Technology	899,147	1,099,323	1,111,117	11,794	1.07
Employee Fringe Benefits	1,716,904	1,788,506	1,463,342	(325,164)	-18.18
Other Post-Employment Benefits (OPEB)	2,487,460	2,096,905	3,183,554	1,086,649	51.82
Insurance	918,083	796,644	973,753	177,109	22.23
Budget Stabilization	-	3,126,345	1,381,231	(1,745,114)	-55.82
TOTAL USES BY PROGRAM RECAP	\$ 14,775,979	\$ 17,012,436	\$ 17,172,676	\$ 160,240	0.94 %

Administration - Uses By Division





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➤ CITY COUNCIL



➤ 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.



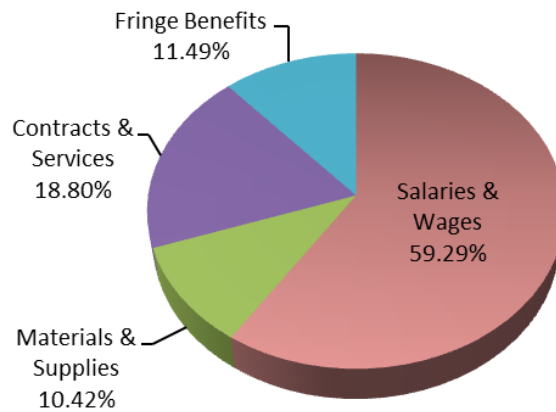
Service Levels

- 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

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	-				
USES - OPERATING EXPENDITURES					
Salaries & Wages	39,536	39,630	48,342	8,712	21.98
Maintenance & Operations	10	-	-	-	-100.00
Materials & Supplies	1,602	8,500	8,500	-	-
Contracts & Services	6,659	10,325	15,325	5,000	48.43
Fringe Benefits	37,649	20,890	9,370	(11,520)	-55.15
(Addition To)/Reduction in Fund Balance	-	-	-	-	-
TOTAL USES - OPERATING EXPENDITURES	\$ 85,456	\$ 79,345	\$ 81,537	\$ 2,192	2.76 %
TOTAL USES	\$ 85,456	\$ 79,345	\$ 81,537	\$ 2,192	2.76 %
USES BY PROGRAM RECAP					
City Council	85,456	79,345	81,537	2,192	2.76
TOTAL USES BY PROGRAM RECAP	\$ 85,456	\$ 79,345	\$ 81,537	\$ 2,192	2.76 %

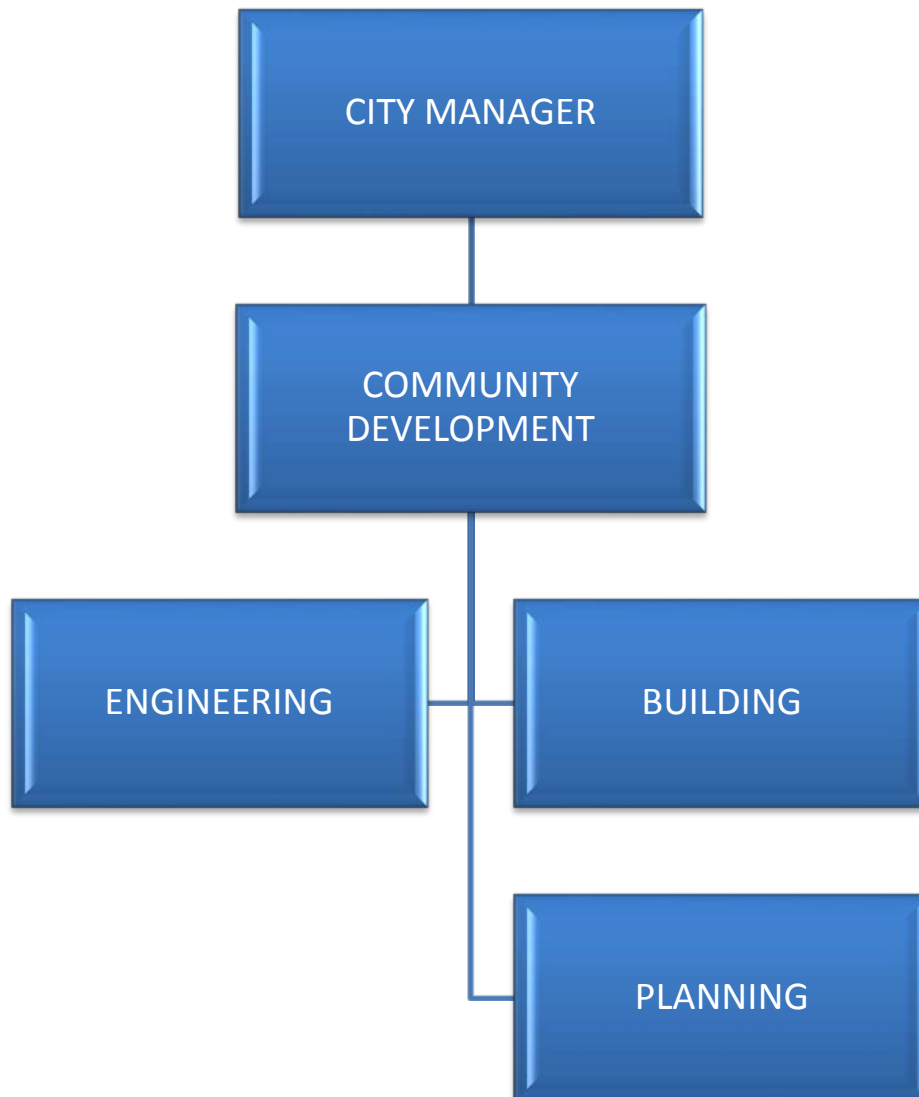
City Council - Uses by Type





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➤ COMMUNITY DEVELOPMENT



➤ **COMMUNITY DEVELOPMENT – BUILDING CODE ENFORCEMENT**

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 electronically.
- Actively investigate citizen complaints regarding zoning and code violations.

Goals

Citywide Goal 3 – Continue Economic Development, Diversified Housing and Facilitate Growth of Existing Businesses.

- ✓ Continue to inspect residential development for compliance with applicable codes (average 250 to 300 new housing applications per year).
- ✓ Complete plan reviews, inspections for major development projects, including, ARCO Gas, Car Wash and Convenient Store, Columbia Solar, Dow Chemical, Trans-Bay Cable and other commercial sites as approved for development.

Accomplishments

- ✓ Issued permits and provided inspection of 250 new single family homes and over 1000 additional residential and commercial projects.
- ✓ Provided customer ability to pay fees and register rental properties online.
- ✓ Completed Council actions towards simplifying the rental inspection program fee schedule.
- ✓ Completed a thorough division fee study.
- ✓ Provided in excess of 1,000 Pittsburg Housing Authority inspections.

➤ COMMUNITY DEVELOPMENT - ENGINEERING

Overview

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



Service Levels

- Manage the design and construction of City infrastructure
- Assure that development projects (residential and commercial) meet City requirements
- Manage traffic related issues and improvements like signals
- 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 Detection Elimination System (NPDES) managing section to ensure compliance with the City's Stormwater NPDES permit
- Provide staff to manage and support the Pittsburg Southwest Geological Hazard Abatement District II

Goals

Citywide Goal 1 – Seek Grants to fund Complete Streets accommodating all forms of transportation (bicycle, pedestrian, vehicles) and other improvement projects

Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Complete 12 to 15 projects scheduled for construction during FY 2015-16
- ✓ Continue development of James Donlon Boulevard Extension
- ✓ Continue liaison with BART for construction of Pittsburg Center eBART Station
- ✓ Continue cooperative effort with Ambrose Park District for the Pool Project

- ✓ Communication with Pittsburg Unified School District to maximize traffic safety and circulation at schools, and with Delta Diablo to coordinate infrastructure projects

Citywide Goal 4 – Increase Efficiency of City Operations and Services:

- ✓ Increase cost-efficiency and staff utilization by using in-house staff for infrastructure project design when appropriate
- ✓ Integrate data from various sources into City's GIS, improving accuracy and efficiency of field personnel in Public Works, Utilities, Community Development

Goals

- ✓ Completed Capital Improvement/Infrastructure projects including the following:
 - Pittsburg-Antioch Highway/Loveridge Road Intersection Improvements
 - 2014/15 Citywide Pavement Management Project
 - Leland Road/Railroad Avenue Storm Drain
 - Relocation of Pump Station Controller at Hawthorne/Harbor
 - Vista Del Mar Trail
 - Old Town Park (renamed John Buckley Square)



➤ 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 the Planning Commission and City Council.
- Provides oversight and direction in 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) 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

Citywide Goal 1 – Achieve and Maintain a Structurally Balanced Budget

- ✓ Continue to obtain developer deposits for large scale projects to recover City's costs related to processing applications
- ✓ Study and present for City Council consideration a General Plan maintenance fee to fund future comprehensive updates to the City's General Plan

Citywide Goal 3 – Continue Economic Development, Diversified Housing and Facilitate Growth of Existing Businesses

- ✓ Complete streamlined update of Housing Element to City's General Plan
- ✓ Review General Plan to ensure compliance with Complete Streets Policy adopted in 2013
- ✓ Complete zoning amendments for tree preservation, telecommunications facilities and establishments that serve alcohol

Accomplishments

- ✓ Drafted a Tree Preservation Ordinance, Wireless Telecommunications Ordinance and other miscellaneous changes to the Zoning ordinance to clarify the City's alcohol policy
- ✓ Drafted the Housing Element Update for 2015-2023 Reporting Goal
- ✓ Certified an Environmental Impact Report for James Donlon Bypass project

FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Community Development

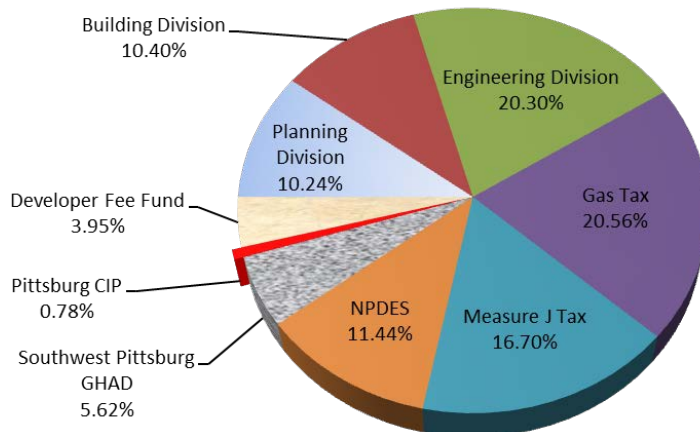
Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Planning	3.31	3.85	4.38
Building - Code Enforcement	5.99	6.25	5.83
Engineering	11.12	11.29	11.71
NPDES Administration & Outreach	1.22	1.26	1.36
Southwest Pittsburg GHAD	0.88	1.10	1.24
Local Traffic Mitigation Fee Fund	0.10	0.10	0.10
TOTAL:	22.62	23.85	24.63

Detailed Program Budget Community Development

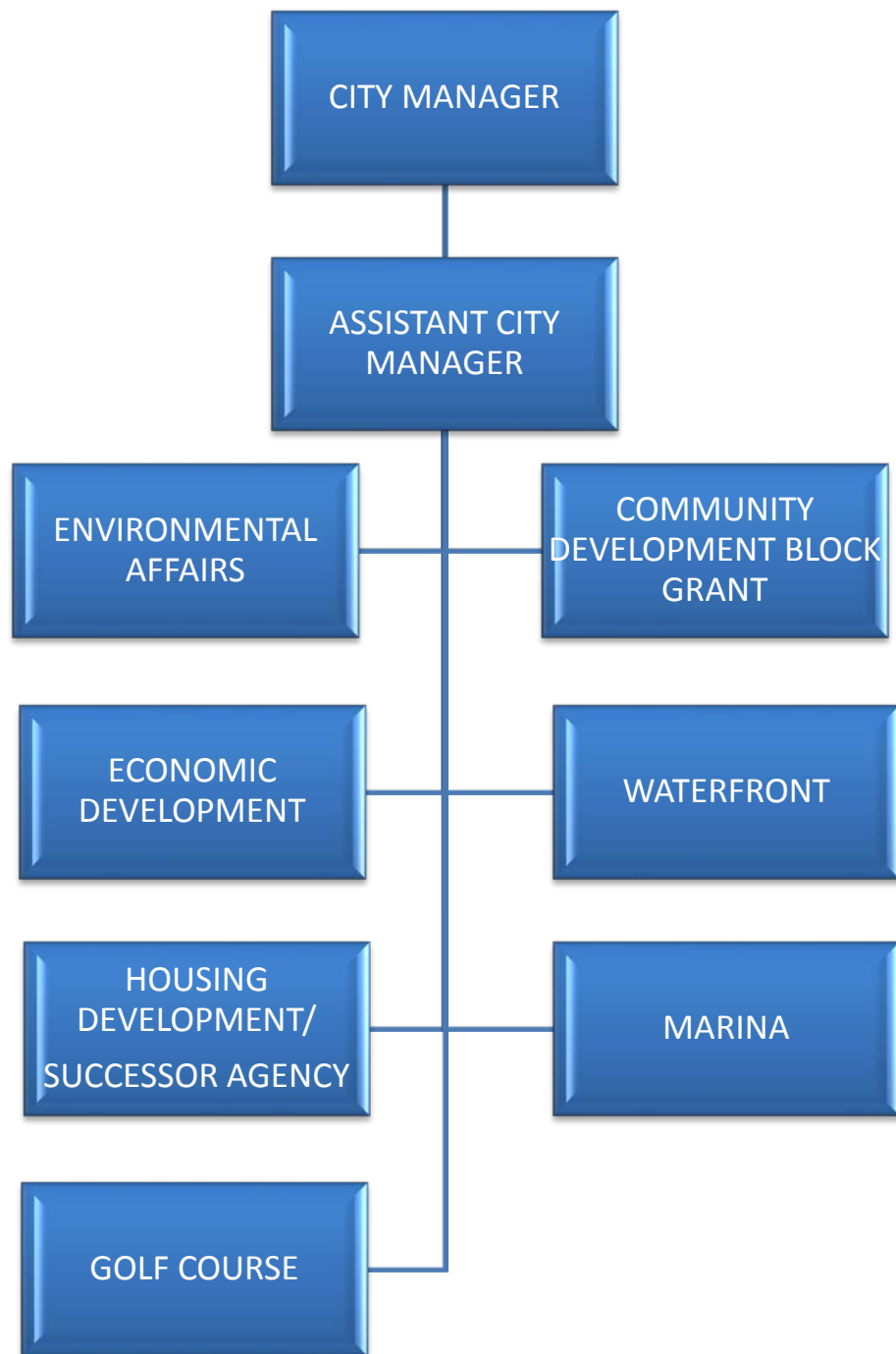
	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	22.62	23.85	24.63	0.77	3.25%
SOURCES OF REVENUE					
General Fund	2,761,576	2,396,098	2,706,547	310,449	12.96
Capital Projects Funds	3,203,635	4,554,796	257,862	(4,296,934)	-94.34
Special Revenue Funds	4,333,698	6,358,020	4,861,363	(1,496,657)	-23.54
(Addition To)/Reduction in Fund Balance	430,890	12,713,503	2,189,895	(10,523,608)	-82.78
TOTAL SOURCES OF REVENUE	\$ 10,729,799	\$ 26,022,417	\$ 10,015,667	\$ (16,006,750)	-61.51 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	2,368,901	2,924,750	2,285,568	(639,182)	-21.85
Maintenance & Operations	700,633	679,050	549,908	(129,142)	-19.02
Workers Compensation	56,398	83,997	92,017	8,020	9.55
Materials & Supplies	75,803	70,715	84,780	14,065	19.89
Contracts & Services	716,728	782,198	811,168	28,970	3.70
Fringe Benefits	1,504,948	1,888,621	2,055,491	166,870	8.84
TOTAL USES - OPERATING EXPENDITURES	\$ 5,423,411	\$ 6,429,331	\$ 5,878,932	\$ (550,399)	-8.56 %
USES - OTHER EXPENDITURES					
Special Items of Expense	4,296	54,304	-	(54,304)	-100.00
TOTAL USES - OTHER EXPENDITURES	\$ 4,296	\$ 54,304	\$ -	\$ (54,304)	-100.00 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	9,042	21,000	-	(21,000)	-100.00
Capital Outlay - Projects	3,419,633	12,392,226	(1)1,233,325	(11,158,901)	-90.05
TOTAL USES - CAPITAL EXPENDITURES	\$ 3,428,675	\$ 12,413,226	\$ 1,233,325	\$ (11,179,901)	-90.06 %
USES - TRANSFERS-OUT					
Transfers-Out	1,873,417	7,125,556	2,903,410	(4,222,146)	-59.25
TOTAL USES - TRANSFERS-OUT	\$ 1,873,417	\$ 7,125,556	\$ 2,903,410	\$ (4,222,146)	-59.25 %
TOTAL USES	\$ 10,729,799	\$ 26,022,417	\$ 10,015,667	\$ (16,006,750)	-61.51 %
USES BY PROGRAM RECAP					
Planning Division	932,863	998,560	1,025,389	26,829	2.69
Building Division	902,542	1,035,358	1,041,914	6,556	0.63
Engineering Division	1,724,936	1,860,757	2,033,510	172,753	9.28
Gas Tax	2,169,664	2,749,676	2,058,874	(690,802)	-25.12
Measure J Tax	911,157	3,220,528	1,673,037	(1,547,491)	-48.05
NPDES	816,105	1,278,726	1,146,234	(132,492)	-10.36
Southwest Pittsburg GHAD	411,040	467,998	563,026	95,028	20.31
Pittsburg CIP	-	966,938	78,062	(888,876)	-91.93
Developer Fee Fund	861,041	10,611,715	395,621	(10,216,094)	-96.27
Community Capital Improvements	2,000,451	1,571,161	-	(1,571,161)	-100.00
Infrastructure Repair & Replacement	-	1,261,000	-	(1,261,000)	-100.00
TOTAL USES BY PROGRAM RECAP	\$ 10,729,799	\$ 26,022,417	\$ 10,015,667	\$ (16,006,750)	-61.51 %

(1) Capital project amounts do not include water and sewer capital projects which are funded by the Water and Sewer Systems Enterprise. Please refer to Capital Outlay section for specific funding sources of City Capital Projects.

Community Development - Uses by Division



➤ ENTERPRISE SERVICES



➤ 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 State 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 the HUD's national objectives: 1) Benefit low and moderate income people; 2) Aid in prevention or elimination of slums or blight; and 3) Urgent need (i.e. damage due to natural disasters).



For Fiscal Year 2015-2016 (FY 15-16), the City will be receiving \$591,983 from HUD. Along with \$72,000 in program income, the total CDGB funding for FY 15-16 is \$653,983.

Service Levels

- The City has awarded CDBG funds to sixteen (16) programs and projects that benefit the citizens of Pittsburg. The funded activities include public services (youth, elderly, and health), economic development, Code Enforcement, and infrastructure (ADA ramps).

Goals

Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Improve access to public transportation, schools, businesses, and other community facilities for the mobility impaired or physically challenged persons through installing curb ramps at targeted areas.

Citywide Goal 3 – Continue Economic Development, Diversified Housing and Facilitate Growth of Existing Businesses:

- ✓ Continue to fund programs that provide job training and placement.
- ✓ Explore creation of a Build Pittsburg Fund.

Citywide Goal 5 – Improve the Quality of Life for Pittsburg Residents:

- ✓ Fund public service programs that improve the quality of life for Pittsburg.

Accomplishments

- ✓ Funded the installation of approximately 30 curb ramps.
- ✓ Funded job training and placement programs and provided assistance to support micro-enterprises that resulted in job creation.
- ✓ Funded the Code Enforcement efforts to address the decline in target neighborhoods.
- ✓ Allocated funds to a variety of supportive services which included assistance for victims of abuse, legal counseling for the seniors and programs for at risk youth.

➤ ENTERPRISE SERVICES – ECONOMIC DEVELOPMENT

Overview

The Economic Development Department is responsible for building strong partnerships with local business and non-profit communities. Its mission is to provide, attract, retain, and expand employment opportunities for area residents, stimulate the local economy, expand the local sales and property tax base, while maintaining a positive balance between growth, social equity and the economy.

Service Levels

- Promote business success by providing services and information to businesses
- Develop and implement the economic development goals of the City and provide economic information to support job creation, business support, with a focus on the City's shopping districts
- Manage City owned commercial property, as well as serve as a liaison between brokers and businesses for business retention, expansion, and site selection assistance

Goals

Citywide Goal 1 – Increase Revenues and Reduce Expenses

- ✓ Negotiate New Agreements and Update Existing Agreements and Leases

Citywide Goal 3 - Continue Economic Development, Diversified Housing and Facilitation Growth of Existing Businesses:

- ✓ Retain, improve large sales tax providers with targeted outreach
- ✓ Explore creation of a Build Pittsburg Revolving Loan Fund for small business in partnership with a local bank



- ✓ Become a resource for small businesses providing free training and seminars in collaboration with Chamber of Commerce, Small Business Development Center, and Workforce Development Board
- ✓ Establish a business attraction promotional campaign in Central and West contra Costa County
- ✓ Explore ways to improve infrastructure in targeted areas through grants and/or creative financing
- ✓ Conduct shopping center meetings, broker meetings, and one-on-one business meetings to emphasize business retention

Accomplishments

- ✓ Executed leases with Country Skilletts, CreAsian Restaurant, and Nicole Barton Photography for vacant City-owned properties.
- ✓ Built sustaining relationships with broker's to fill vacant industrial and manufacturing spaces, for example More Flavors! who now occupies 90,000 square feet.
- ✓ Established a "Business Walk" program in collaboration with the Pittsburg Chamber of Commerce to reach out to our existing businesses.
- ✓ Enriched the quality of life thorough the addition of an Independent Minor League Baseball Team in Pittsburg.
- ✓ Hosted the Culinary Crawl bringing over 1,200 visitors into Old Town Pittsburg over a 3 month period.



➤ ENTERPRISE SERVICES – ENVIRONMENTAL AFFAIRS

Overview

The Environmental Affairs Division encompasses the following responsibilities: solid waste/recycling; 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 streetlighting; cable and wireless communications; and environmental compliance and safety.



Service Levels

Solid Waste/Recycling:

- 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
- Implement programs and grants for commercial recycling, construction and demolition disposal reduction, e-waste
- Promote and attract businesses to manufacture recycled products under the Recycling Market Development Zone (RMDZ)
- Provide recycling programs to schools, businesses and government offices
- Promote and provide compliance inspections for the Green Business Program
- 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

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



Sustainability / Climate Change:

- Manage the City's participation in the International Council for Local Environmental Initiatives (ICLEI), collect data and create plan to reduce City's carbon footprint



Energy Efficiency:

- Oversee and manage PG&E's franchise
- Install Light Emitting Diode (LED) within City owned streetlights system
Monitor and audit City facilities and parks for energy efficiency

Cable and Wireless Communications:

- Oversee the City's Cable 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 Channel 24

Environmental Compliance and Safety:

- Inspect hazardous materials inn of City facilities
- Provide annual required safety training, policies, and medical testing (respiratory / hearing) for Public Works and Maintenance personnel

Goals

Citywide Goal 1 – Increase Revenues and Reduce Expenses:

- ✓ Implement LS1 lights, install in parks and, with PG&E, fund improvements at the Water Treatment Plant and City Hall

Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Establish training program at Integrated Pest Management Garden at City Hall

Citywide Goal 5 – Improve the Quality of Life for Pittsburg Residents:

- ✓ Commercial recycling program
- ✓ Expand Emergency Operations Center (EOC) preparedness

Accomplishments

- ✓ Installed half-acre demonstration garden at City Hall called Living Green Gardens that will promote integrated pest management, water conservation and drought tolerant plants to residents and commercial landscapers
- ✓ Implemented conversion of PG&E owned street lights from high pressure sodium to LED (light emitting diode)
- ✓ Continued implementation and training for City's Emergency Operations Plan (EOP) for how the City will operate during emergencies and disasters
- ✓ Worked with Pittsburg high school and the junior high schools to increase awareness of recycling and other environmental issues

➤ ENTERPRISE SERVICES – GOLF COURSE

Overview

Delta View Golf Course (Golf Course) is a municipally owned golf course. The 18-hole championship course is tucked in the foothills of the City. The original nine opened in 1947 and the latter nine opened in 1991. The 6,317 yd. course consists of rolling hills, mature eucalyptus trees lining the fairways, and spectacular Delta views with Mt. Diablo in the background. The facility also has a wonderful all grass driving range on site. The Golf Course is leased to Delta View Golf Club, LLC (Operator) through October 31, 2025. The Operator manages the day to day operations and maintains the Golf Course.



The City may, from time to time, commence with infrastructure projects that impact the Golf Course such as course improvements, waterline or storage tank projects, and restaurant/banquet facility upgrades.

Service Levels

- The Golf Course also includes a restaurant and banquet facility available for social gatherings and tournaments.

Goals

Citywide Goal 5 – Improve the Quality of Life for Pittsburg Residents:

- ✓ Provide the Pittsburg community access to recreational opportunities for a reasonable fee

Accomplishments

- ✓ Improved cart paths and access along the Golf Course
- ✓ Leased more efficient and environmentally friendly golf carts from Yamaha

➤ ENTERPRISE SERVICES – MARINA

Overview

The Pittsburg Marina is located between the Sacramento and San Joaquin rivers. The Marina has 575 berths and occupies approximately 38 acres, which includes a launch ramp. The Marina also has a yacht club, privately owned bait shop, and privately owned marine repair yard. Recent projects include a complete re-design of Lowy basin and Central harbor. The re-design provides accommodations for larger slips which are in greater demand.

Service Levels

- Offer free boat launching, fueling facilities, free pump-out at the fuel docks, overnight guest berthing, boat repairs, and live-aboard berthing



Goals

Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Maintain the highest service level in the Delta
- ✓ Upgrade restroom/shower facilities
- ✓ Update of Marina website

Accomplishments



- ✓ Central Harbor renovation is complete and the Pittsburg Yacht Club and their guests are all enjoying the new facility along with the addition of a pump out station
- ✓ Complete construction of public non-motorized launch ramp at Riverview Park to accommodate kiteboarding activities
- ✓ Promenade landscaping and Plaza Marina Green completed
- ✓ Upgraded the software for diesel fuel dispensing pumps and added two additional pumps
- ✓ Upgraded docks to accommodate larger vessels
- ✓ Upgraded Marina camera surveillance system with the installation of new cameras and software

➤ ENTERPRISE SERVICES – WATERFRONT DEVELOPMENT

Overview

The Waterfront Operations and Development Division provides services for existing and prospective Public Trust Lands (“Trust Lands”) tenants with questions about leasing and development, property inspections, a one-stop shop for Trust Lands lease applications, marketing and promotion of waterfront property, and development services to prospective tenants and new businesses. The Waterfront Operations and Development Division is responsible for overseeing compliance with Senate Bill 551 (SB551) which granted tidelands and submerged Trust Lands to the City of Pittsburg.

Service Levels

- Manage existing Trust Lands leases, negotiating expired Trust Lands leases, and identifying un-leased areas for which Trust Lands leases are required
 - Implement the 2008 Trust Lands Use Plan, and draft a revised Trust Lands Use Plan to guide the development of the City’s Waterfront
 - Ensure that the use of granted Trust Lands is in accord with the Public Trust Doctrine
 - Solicit new development and new tenants that will benefit maritime commerce and create jobs
 - Manage federal, state, and local permits related to marina dredging and similar operations
 - 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, and fisheries, recreation, and for other public trust purposes
 - 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
- 
- 
- Communicate with the local community regarding desires for future waterfront development
 - Maintain clear lines of communication with the California State Lands Commission and other federal, state, and local permitting agencies

Citywide Goal 1 – Increase Revenues and Reduce Expenses

- ✓ Negotiate new Trust Lands lease with NRG Energy
- ✓ Execute new recreational Trust Lands leases

Citywide Goal 3 – Continue Economic Development, Diversified Housing and Facilitate Growth of Existing Businesses

- ✓ Collaborate with The Kite Bar to bring recreation to the Marina
- ✓ Collaborate with waterfront property owners and tenants to activate underutilized land
- ✓ Host Kiteboarding Event at Riverview Park

Citywide Goal 4 – Increase Efficiency of City Operations and Services

- ✓ With Northern Waterfront Initiative, develop a model ordinance to streamline development for low-impact industrial projects (i.e. production, advanced manufacturing) to create jobs on waterfront and throughout the City

Accomplishments

- ✓ Executed a lease with the Dow Chemical Company for approximately 50 acres of public trust lands in the New York Slough, generating \$320,000 in annual revenue
- ✓ Received all applicable permits for, and completed installation of a non-motorized watercraft launch ramp at Riverview Park. This will improve the quality of life in Pittsburg by facilitating access to participate in water sports on the New York Slough
- ✓ Worked with the State Lands Commission to finalize and record a survey of the lands granted to the City in accordance with SB 551
- ✓ Collaborated with the East Bay Leadership Council's Land Use Task Force to devise a list of Land Use Goals and Strategies for the Northern Waterfront Development Initiative



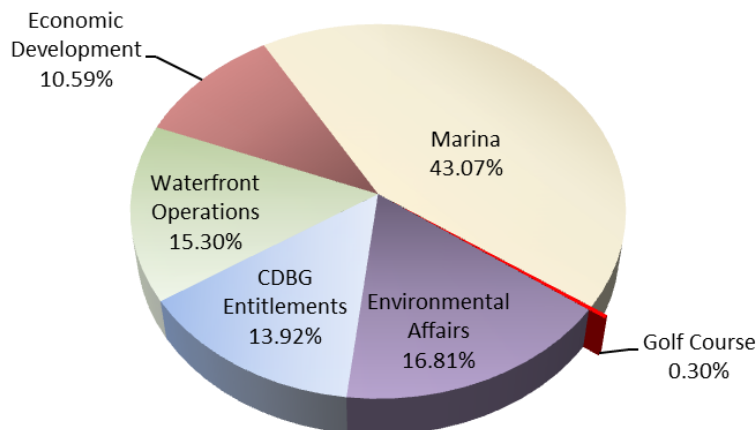
FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Enterprise Services

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Solid Waste	0.73	0.73	0.73
Economic Development	0.65	0.70	0.45
CDBG Entitlements	0.81	0.45	1.65
Waterfront Operations	2.05	2.05	1.80
Marina	6.00	6.00	6.05
TOTAL:	10.24	9.93	10.68

Detailed Program Budget Enterprise Services

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	10.24	9.93	10.68	0.75	7.55%
SOURCES OF REVENUE					
Enterprise Funds	2,556,707	3,133,392	3,018,495	(114,897)	-3.67
Special Revenue Funds	1,852,077	5,406,849	1,817,406	(3,589,443)	-66.39
(Addition To)/Reduction in Fund Balance	414,886	902,867	306,946	(595,921)	-66.00
TOTAL SOURCES OF REVENUE	\$ 4,823,670	\$ 9,443,108	\$ 5,142,847	\$ (4,300,261)	-45.54 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	840,837	969,354	1,089,587	120,233	12.40
Maintenance & Operations	510,860	633,955	603,826	(30,129)	-4.75
Workers Compensation	20,141	27,893	35,629	7,736	27.73
Materials & Supplies	671,893	820,470	895,325	74,855	9.12
Contracts & Services	1,666,658	2,181,734	1,559,208	(622,526)	-28.53
Fringe Benefits	535,037	614,325	693,752	79,427	12.93
TOTAL USES - OPERATING EXPENDITURES	\$ 4,245,426	\$ 5,247,731	\$ 4,877,327	\$ (370,404)	-7.06 %
USES - OTHER EXPENDITURES					
Special Items of Expense	71,982	71,410	5,000	(66,410)	-93.00
TOTAL USES - OTHER EXPENDITURES	\$ 71,982	\$ 71,410	\$ 5,000	\$ (66,410)	-93.00 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	97,092	30,000	86,000	56,000	186.67
Capital Outlay - Projects	-	3,841,210	-	(3,841,210)	-100.00
TOTAL USES - CAPITAL EXPENDITURES	\$ 97,092	\$ 3,871,210	\$ 86,000	\$ (3,785,210)	-97.78 %
USES - TRANSFERS-OUT					
Transfers-Out	409,170	252,757	174,520	(78,237)	-30.95
TOTAL USES - TRANSFERS-OUT	\$ 409,170	\$ 252,757	\$ 174,520	\$ (78,237)	-30.95 %
TOTAL USES	\$ 4,823,670	\$ 9,443,108	\$ 5,142,847	\$ (4,300,261)	-45.54 %
USES BY PROGRAM RECAP					
Marina	1,807,404	2,163,136	2,215,172	52,036	2.41
Golf Course	15,772	165,487	15,444	(150,043)	-90.67
R/R Ave e-BART CFD	830	3,533,184	-	(3,533,184)	-100.00
Environmental Affairs	581,036	930,427	864,728	(65,699)	-7.06
CDBG Entitlements	593,389	751,985	715,645	(36,340)	-4.83
Waterfront Operations	712,837	939,639	787,060	(152,579)	-16.24
Economic Development	1,112,402	959,250	544,798	(414,452)	-43.21
TOTAL USES BY PROGRAM RECAP	\$ 4,823,670	\$ 9,443,108	\$ 5,142,847	\$ (4,300,261)	-45.54 %

Enterprise Services - Uses by Division





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➤ HOUSING AUTHORITY



➤ 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 federal government. Funding is provided by the U. S. 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), 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 is currently able to assist 1,062 households, which include homeless Veterans with Housing Choice Vouchers in the Section 8 program.



For Fiscal Year 2015-2016, the Housing Authority will receive \$12,291,298 from HUD in funding plus \$1,268,407 in administrative and other revenue for a total of \$13,559,705.

Service Levels

- The Housing Authority continues to maximize the federal subsidies to provide rental assistance to as many households that the funding allows up to the 1108 Voucher allocated. The Housing Authority currently utilizes over 98% of the allocation from HUD.
- Program policies, guidelines and procedures are developed in accordance with federal regulations and state and local laws.
- Preparation and submission of mandatory HUD reports, including but not limited to the Five-Year Plan, Annual Plan, Administrative Plan revisions and the Section 8 Management Assessment Program reports.
- Maintain the balance of service deliverables within the federal grant for the Section 8 Housing Choice Voucher program which includes assistance for

Veterans under the Veterans Affairs Supportive Housing (VASH) program and continue to collaborate with the VA Department to fully utilize leasing under this program.

- Respond to participants and clients on issues, concerns and or complaints as they relate to the Housing Authority program services.

Goals

Citywide Goal 4 – Increase Efficiency of City Operations and Services:

- ✓ Continue to seek ways to streamline operations through elimination of non-required paperwork and obsolete forms.
- ✓ Continue to foster close relationships with local non-profits to assist families in need.
- ✓ Cross train in key positions.
- ✓ Maintain position as top housing agency by retaining the Housing Authority's High Performer status.

Citywide Goal 5 – Improve the Quality of Life for Pittsburg Residents:

- ✓ Continue to offer homeownership opportunities to families under the first time homeownership programs sponsored by local financial institutions.
- ✓ Maximize use of housing vouchers.
- ✓ Maintain program integrity by implementing fingerprinting for applicants applying to the Housing Authority programs.

Accomplishments

- ✓ Awarded a Certificate of Recognition from HUD for being a High-performing housing authority for 2014-2015.
- ✓ Increased Homeownership in the Housing Choice Voucher program by one additional new homeowner.
- ✓ Implemented new quality control procedures through software upgrades.
- ✓ Reduced turnaround time for families moving to ensure retention of selected unit for renting.

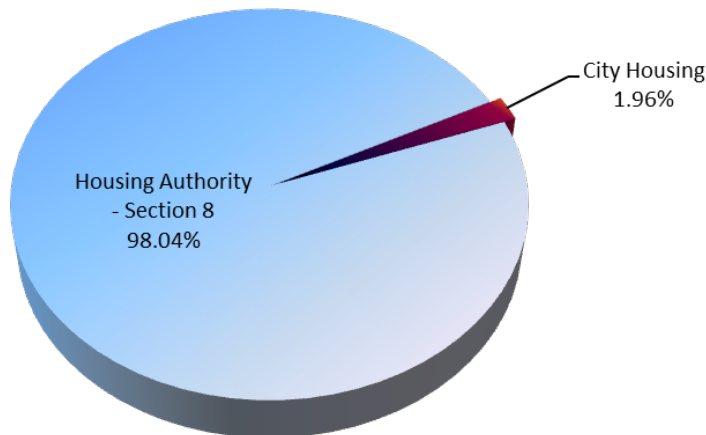
FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Housing Authority

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Housing Authority - Section 8	5.99	5.70	6.70
City Housing - Administration	0.27	0.27	0.27
TOTAL:	6.26	5.97	6.97

Detailed Program Budget Housing Authority

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	-				
SOURCES OF REVENUE					
Special Revenue Funds	13,523,238	13,460,835	13,775,143	314,308	2.33
(Addition To)/Reduction in Fund Balance	(604,042)	76,352	(20,655)	(97,007)	-127.05
TOTAL SOURCES OF REVENUE	\$ 12,919,196	\$ 13,537,187	\$ 13,754,488	\$ 217,301	1.61 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	409,991	460,020	478,421	18,401	4.00
Maintenance & Operations	214,642	286,125	300,088	13,963	4.88
Workers Compensation	9,801	13,540	15,742	2,202	16.26
Materials & Supplies	18,131	22,901	24,742	1,841	8.04
Contracts & Services	11,955,191	12,385,876	12,496,972	111,096	0.90
Fringe Benefits	299,726	357,011	426,809	69,798	19.55
TOTAL USES - OPERATING EXPENDITURES	\$ 12,907,482	\$ 13,525,473	\$ 13,742,774	\$ 217,301	1.61 %
USES - TRANSFERS-OUT					
Transfers-Out	11,714	11,714	11,714	-	-
TOTAL USES - TRANSFERS-OUT	\$ 11,714	\$ 11,714	\$ 11,714	\$ -	0.00 %
TOTAL USES	\$ 12,919,196	\$ 13,537,187	\$ 13,754,488	\$ 217,301	1.61 %
USES BY PROGRAM RECAP					
Housing Authority - Section 8	12,666,242	13,348,466	13,485,340	136,874	1.03
City Housing	252,954	188,721	269,148	80,427	42.62
TOTAL USES BY PROGRAM RECAP	\$ 12,919,196	\$ 13,537,187	\$ 13,754,488	\$ 217,301	1.61 %

Housing - Uses by Division





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➤ PITTSBURG POWER COMPANY



➤ PITTSBURG POWER COMPANY

Overview

The Pittsburg Power Company (PPC) is a municipal utility formed under the California Constitution. PPC does business in the City of Pittsburg and as Island Energy on Mare Island located in Vallejo, California. PPC develops revenue streams for the City of Pittsburg while retaining existing businesses and attracting new business. PPC has partnered with private enterprise to develop over \$2 billion of industrial projects in Pittsburg since its creation in 1996.



Currently, the City has formed a joint powers authority with the City of Lancaster to form the High Desert Power Authority (HDPa). HDPa's initial project is the Antelope Valley (AV) Clearview Transmission Project which connects North Los Angeles County and East Kern County projects into the statewide grid.

Service Levels

- Act as liaison between City staff, the community, businesses, industry and the Board of Directors on potential businesses interested in power development projects
- Review new business opportunities that become available to PPC through legislative changes and/or technical advances in the gas and electric industry
- Act as liaison with various power and gas sales agencies, regulatory groups and other public and private organizations
- PPC has a broad community outreach program to support community outreach activities that take place in Pittsburg (Pittsburg Power Company) and Vallejo (Island Energy)

Goals

Citywide Goal 1 – Increase Revenues and Reduce Expenses:

- ✓ Seek partnerships with volunteer organizations to reduce City expenses – continue partnership with STS Academy for after school programs, summer lunch and day camp programs, operation of Teen Center.
- ✓ Facilitate alternative energy and energy efficiency projects within City limits.

Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Complete evaluation of potential solar and fuel cell projects for City facilities, implement where appropriate

Citywide Goal 3 – Continue Economic Development, Diversified Housing and Facilitate Growth of Existing Businesses:

- ✓ Retain, improve large sales tax providers with targeted outreach
- ✓ Grow Future Build Program with Workforce Development Board

Accomplishments

- ✓ Completed two cohorts for the Future Build Program
- ✓ Provided funding for the Century Plaza Rehabilitation Project
- ✓ Provided funding and installation of Downtown Wireless Project
- ✓ Provided funding for the reconstruction of City Park Field 1 renovation
- ✓ Provided funding for community programs including STS Academy/Youth and Teen Programs, Farmers Market, and California Theatre
- ✓ Provided funding for Water Front Operation
- ✓ Re-constructed Pittsburg Power Company's website to provide more user-friendly interface

➤ **PITTSBURG POWER COMPANY – ISLAND ENERGY**

Overview

Shortly after Pittsburg Power Company's (PPC) establishment, the US Navy awarded PPC a franchise service agreement to operate as a municipal utility and provide electric and natural gas retail services on Mare Island, a decommissioned Navy base and part of the City of Vallejo.

Service Levels

- Provide responsive customer service and reliable utility services at competitive prices to customers throughout the service area

Goals

Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Complete Island Energy Station E Improvement project
- ✓ Continue to improve reliability and stability of the electric and natural gas distribution system
- ✓ Fully comply with state mandated Renewable Portfolio Standards (RPS) requirements
- ✓ Develop and Implement new energy efficiency and carbon reduction programs
- ✓ Create a new rate class for Electrical Vehicles on Mare Island
- ✓ Conduct seismic evaluation and remediation of major electric substations
- ✓ Continue mapping of Island Energy's electric and natural gas distribution system

Accomplishments

- ✓ Identified sources of losses to electrical system, and reduced those losses from over 20% to below 10%
- ✓ Completed upgrade to state electricity grid interconnection (Station H)
- ✓ Provided the highest rebate for Solar Incentive Program to encourage solar penetration on Mare Island
- ✓ Re-constructed Island Energy's website to accept e-pays and to provide more user-friendly interface.

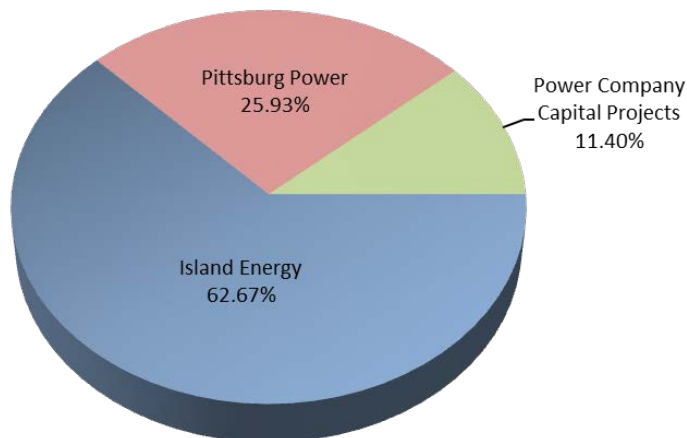
FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Pittsburg Power Company

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Island Energy	9.55	9.55	10.30
Pittsburg Power	1.50	1.50	2.25
TOTAL:	11.05	11.05	12.55

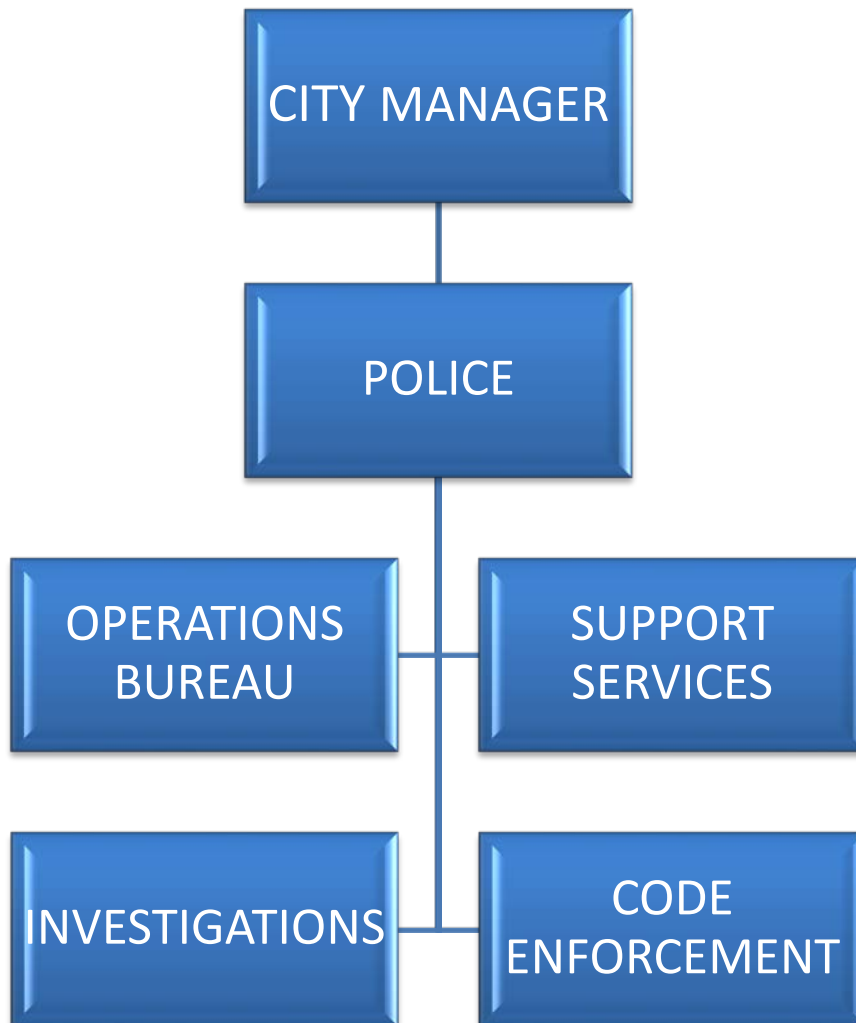
**Detailed Program Budget
Pittsburg Power Company**

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	11.05	11.05	12.55	1.50	13.57%
SOURCES OF REVENUE					
Enterprise Funds	6,147,279	7,177,877	7,424,208	246,331	3.43
(Addition To)/Reduction in Fund Balance	1,981,879	2,610,322	688,677	(1,921,645)	-73.62
TOTAL SOURCES OF REVENUE	\$ 8,129,158	\$ 9,788,199	\$ 8,112,885	\$ (1,675,314)	-17.12 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	1,029,664	1,188,636	1,318,709	130,073	10.94
Maintenance & Operations	449,817	665,233	597,819	(67,414)	-10.13
Workers Compensation	24,534	34,009	42,641	8,632	25.38
Materials & Supplies	1,764,530	2,212,191	2,329,372	117,181	5.30
Contracts & Services	984,540	1,601,535	1,182,775	(418,760)	-26.15
Fringe Benefits	657,130	752,757	854,784	102,027	13.55
TOTAL USES - OPERATING EXPENDITURES	\$ 4,910,215	\$ 6,454,361	\$ 6,326,100	\$ (128,261)	-1.99 %
USES - OTHER EXPENDITURES					
Special Items of Expense	775,486	-	5,000	5,000	-100.00
TOTAL USES - OTHER EXPENDITURES	\$ 775,486	\$ -	\$ 5,000	\$ 5,000	Infinity
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	1,034,932	1,020,782	47,000	(973,782)	-95.40
Capital Outlay - Projects	547,269	1,073,271	845,000	(228,271)	-21.27
TOTAL USES - CAPITAL EXPENDITURES	\$ 1,582,201	\$ 2,094,053	\$ 892,000	\$ (1,202,053)	-57.40 %
USES - TRANSFERS-OUT					
Transfers-Out	861,256	1,239,785	889,785	(350,000)	-28.23
TOTAL USES - TRANSFERS-OUT	\$ 861,256	\$ 1,239,785	\$ 889,785	\$ (350,000)	-28.23 %
TOTAL USES	\$ 8,129,158	\$ 9,788,199	\$ 8,112,885	\$ (1,675,314)	-17.12 %
USES BY PROGRAM RECAP					
Island Energy	4,015,258	5,684,074	5,084,359	(599,715)	-10.55
Pittsburg Power	1,746,290	2,396,276	2,103,526	(292,750)	-12.22
Power Company Capital Projects	2,367,610	1,707,849	925,000	(782,849)	-45.84
TOTAL USES BY PROGRAM RECAP	\$ 8,129,158	\$ 9,788,199	\$ 8,112,885	\$ (1,675,314)	-17.12 %

Pittsburg Power Company - Uses by Division



➤ POLICE DEPARTMENT



➤ 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 citizens 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, Evidence/Property Unit, Code Enforcement Division, Records Division, Narcotics/Gangs Division and the Neighborhood Policing Team (NPT). 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 90,000 calls-for-service annually
- Identify and develop solutions to community problems utilizing an array of government and community resources
- Reduce traffic collisions and promote safe driving. Each motor officer is assigned a section of the City to vigorously enforce traffic laws and investigate traffic collisions
- Provide proactive enforcement of the State's DUI laws, including patrol saturation and sobriety checkpoints, to ensure the highest level of roadway safety
- 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, 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.
- Enforce codes, laws and regulations or the abatement of substandard housing conditions and zoning violation, blight issues and the abatement of abandoned, dismantled or inoperative vehicles

Goals

Citywide Goal 4 – Increase Efficiency of City Operations and Services

- ✓ Continue to maximize use of technology to prevent crime, including additional Automatic License Plate Recognition (ALPR) equipment

Citywide Goal 5 – Improve the Quality of Life for Pittsburg Residents

- ✓ Continue progress on reducing crime rates
- ✓ Continue specialized enforcement to prevent acts of violence and reduce gang activity
- ✓ Enhance community policing principles by expanding community outreach and communication
- ✓ Continue inter-departmental code enforcement effort to reduce blight throughout the City
- ✓ Implement strategy to address homeless population
- ✓ Continue efforts to support East County Family Justice Center
- ✓ Increase Youth outreach through School Resource Officers, Junior Explorer program, Running Club
- ✓ Increase efforts to address mail and vehicle thefts



Accomplishments

- ✓ Conducted DUI/Driver's License checkpoints, Distracted Driver and DUI roving patrols funded by Office of Traffic Safety (OTS) grant
- ✓ Violent crime down 3.8% as compared to 2013
- ✓ Added School Resource Officers – Four full-time positions, one is located at the High School and one at each Junior High School
- ✓ Launched new online citizen police reporting option
- ✓ Full-time Police Officer assigned to Code Enforcement Division and full-time Police Officer assigned to Traffic Division
- ✓ Agency collaboration:
 - Contra Costa County Health Services Forensic Multidisciplinary Team: a multi-agency partnership developed to provide assistance to mentally ill and homeless population in the community
 - Contra Costa County Family Justice Center
 - Contra Costa County District Attorney's Office: Community prosecutor assigned to Pittsburg Police Department
 - AB-109 Re-entry coordinator assigned to Pittsburg Police Department
- ✓ Supplemental Law Enforcement Services grant funds were utilized to purchase an additional Automated License Plate Recognition system
- ✓ Keller Canyon grant funds were utilized to purchase a "Rapid Deployment Shelter" to help Emergency Response Teams and to protect members for the community when they are most vulnerable
- ✓ Launched Community Court: a community focused approach to local crime and safety concerns. Reduces burden on criminal courts and reduces recidivism by keeping low-level offenders of the traditional system and keeping convictions off their record
- ✓ Opened the Citizens Academy: providing an opportunity for the community to come together and learn about the philosophy, methods, procedures and structure of the Police Department

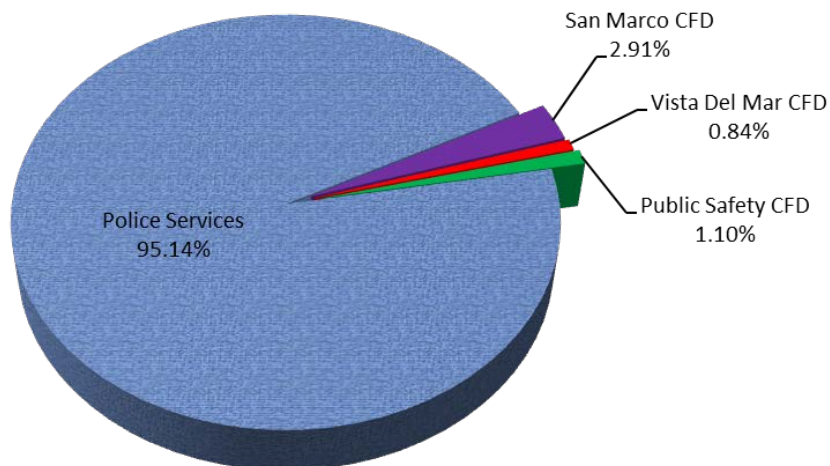
FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Police Department

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Police - Admin & Support Services	2.00	2.00	2.00
Police - Operations Bureau	57.50	61.21	61.00
Police - Investigations	15.00	13.00	13.50
Police - Support Services	15.50	16.00	14.80
San Marco Police CFD	2.80	2.08	3.04
Vista Del Mar CFD	0.81	0.70	0.85
Public Safety Service CFD 2005-01	1.39	1.01	1.11
TOTAL:	95.00	96.00	96.30

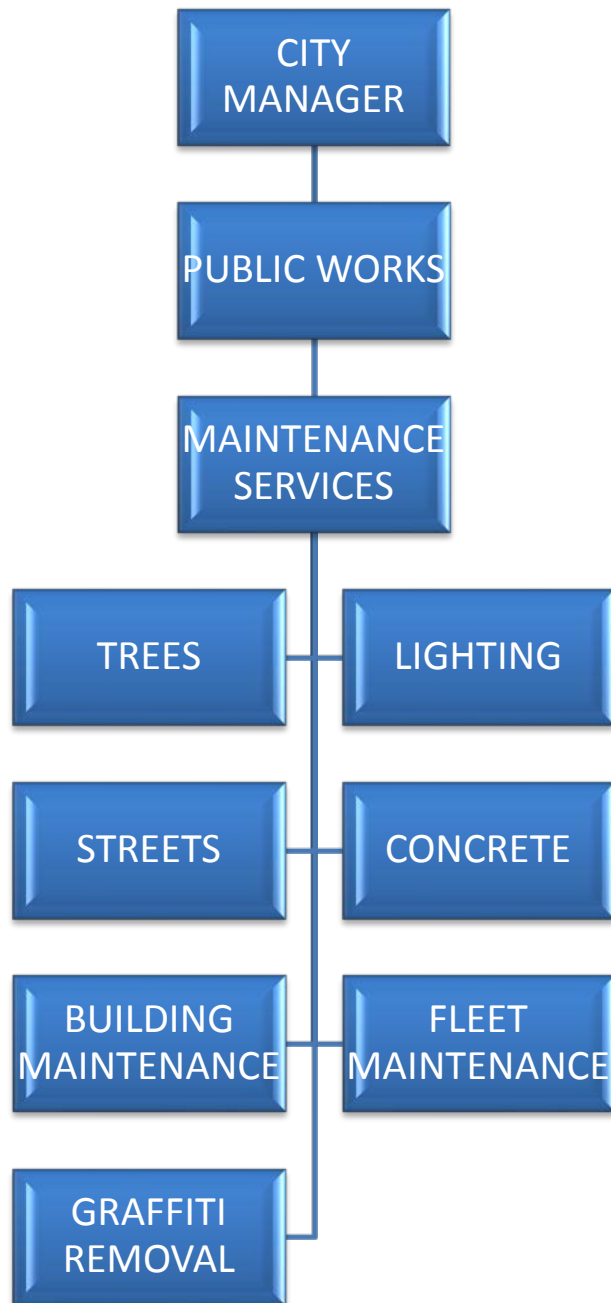
**Detailed Program Budget
Police Department**

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	95.0	96.0	96.3	0.3	0.31%
SOURCES OF REVENUE					
General Fund	19,385,017	21,677,617	22,421,879	744,262	3.43
Special Revenue Funds	1,124,011	1,088,104	1,037,709	(50,395)	-4.63
(Addition To)/Reduction in Fund Balance	214,844	113,375	107,181	(6,194)	-5.46
TOTAL SOURCES OF REVENUE	\$ 20,723,872	\$ 22,879,096	\$ 23,566,769	\$ 687,673	3.01 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	9,444,038	10,211,241	10,822,600	611,359	5.99
Maintenance & Operations	1,777,609	1,458,556	1,907,495	448,939	30.78
Workers Compensation	218,623	306,065	345,650	39,585	12.93
Materials & Supplies	305,195	239,555	211,000	(28,555)	-11.92
Contracts & Services	2,183,516	2,369,176	2,262,530	(106,646)	-4.50
Fringe Benefits	6,561,565	7,814,550	7,956,679	142,129	1.82
TOTAL USES - OPERATING EXPENDITURES	\$ 20,490,546	\$ 22,399,143	\$ 23,505,954	\$ 1,106,811	4.94 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	222,511	469,138	50,000	(419,138)	-89.34
TOTAL USES - CAPITAL EXPENDITURES	\$ 222,511	\$ 469,138	\$ 50,000	\$ (419,138)	-89.34 %
USES - TRANSFERS-OUT					
Transfers-Out	10,815	10,815	10,815	-	-
TOTAL USES - TRANSFERS-OUT	\$ 10,815	\$ 10,815	\$ 10,815	\$ -	0.00 %
TOTAL USES	\$ 20,723,872	\$ 22,879,096	\$ 23,566,769	\$ 687,673	3.01 %
USES BY PROGRAM RECAP					
Police Services	19,385,017	21,677,617	22,421,879	744,262	3.43
San Marco CFD	539,039	465,681	686,115	220,434	47.34
Vista Del Mar CFD	163,135	158,313	198,811	40,498	25.58
Public Safety CFD	269,402	232,339	259,964	27,625	11.89
Asset Forfeitures	60,680	-	-	-	-100.00
Police Grants	306,599	345,146	-	(345,146)	-100.00
TOTAL USES BY PROGRAM RECAP	\$ 20,723,872	\$ 22,879,096	\$ 23,566,769	\$ 687,673	3.01 %

Police Department - Uses by Division



➤ PUBLIC WORKS – MAINTENANCE SERVICES



➤ 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, 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, traffic signals, and storm drain facilities

Citywide Street Lighting:

- Perform Citywide monthly nighttime street light inspections including inspections of City owned parking lots and facilities to identify inoperative or malfunctioning lights
- 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.

Goals

Citywide Goal 1 – Increase Revenues and Reduce Expenditures:

- ✓ Continue LED retrofit of lighted street signs
- ✓ Remove/replace street trees that damage sidewalks, streets and medians to increase safety, reduce repairs

Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Continue successful graffiti abatement program

Citywide Goal 4 – Increase Efficiency of City Operations and Services:

- ✓ Train additional staff to obtain Class A license to operate larger vehicles when needed after hours

Citywide Goal 5 – Improve the Quality of Life for Pittsburg Residents:

- ✓ Improve public safety by installing lighting at Crestview and East Bay Park trail crossing, flashing beacons at high-traffic crosswalks, and LED Street/Parking Lot Upgrades.

Accomplishments

- ✓ Installed and tested video camera systems at 5 various locations of the 61 signalized intersections reducing in-ground pavement and maintenance issues, thereby increasing safety with more reliable equipment/video recording and providing useful data for traffic and the police department
- ✓ Staff continued to upgrade/retrofit all buildings and most park lighting to LED's to reduce energy costs and increase safety. Specifically 51 Marina and the Senior Center.

➤ PUBLIC WORKS – BUILDING MAINTENANCE

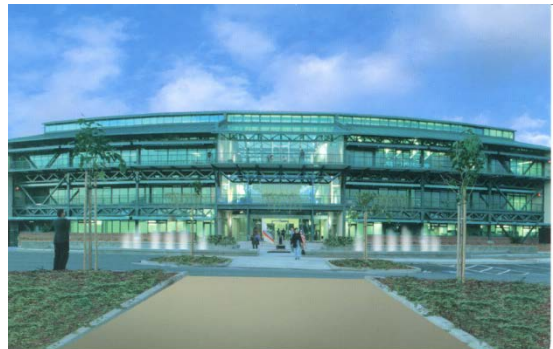
Overview

Building Maintenance maintains and/or oversees maintenance and service contracts for all or part of 23 City 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 site



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, the 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, the Civic Center lobby area and Council Chambers for various events, plumbing repair and maintenance, vector control (i.e., pigeon waste removal), minor painting and roof repairs
- Assist other departments with respective property management, projects, and building maintenance needs



Goals

Citywide Goal 1 – Increase Revenues and Reduce Expenses

- ✓ Continue LED retrofit and HVAC replacement at City buildings and parking lots
- ✓ Hire an Electrician-HVAC employee to manage HVAC systems throughout the city to do proper maintenance and increase life of HVAC Systems.

Accomplishments

- ✓ Completed the City Hall Painting Project which provided necessary protection from the elements and to increase life of exterior surfaces.
- ✓ Continued Bocce Building Remodel by replacing roof to help increase revenue for Lighting and Landscaping and General Fund in the second phase of the bocce building overall remodel

➤ PUBLIC WORKS – FLEET MAINTENANCE

Overview

Fleet Maintenance is responsible for the maintenance of a 250 vehicle fleet of predominantly gas-powered trucks, cars, heavy equipment, and other equipment. This includes 25 police patrol cars, 35 sedans, 6 motorcycles, 22 heavy-duty trucks and construction equipment, and 95 light-duty and medium-duty trucks, vans and SUVs, and 29 other pieces of equipment (compressors, mowers, train, carousel, etc.).

Fleet Maintenance prepares and implements a preventative maintenance schedule for all City owned vehicles. Fleet Maintenance prepares recommendations for the replacement of vehicles based upon maintenance history and reliability, and subsequently prepares bids and specifications for the replacement of vehicles. 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 3,000 miles
- Service heavy equipment (backhoe, Vacon, etc.) every 200 hours
- Complete a weekly inspection of amusement rides at Small World Park (“Park”) during the operational season of the Park



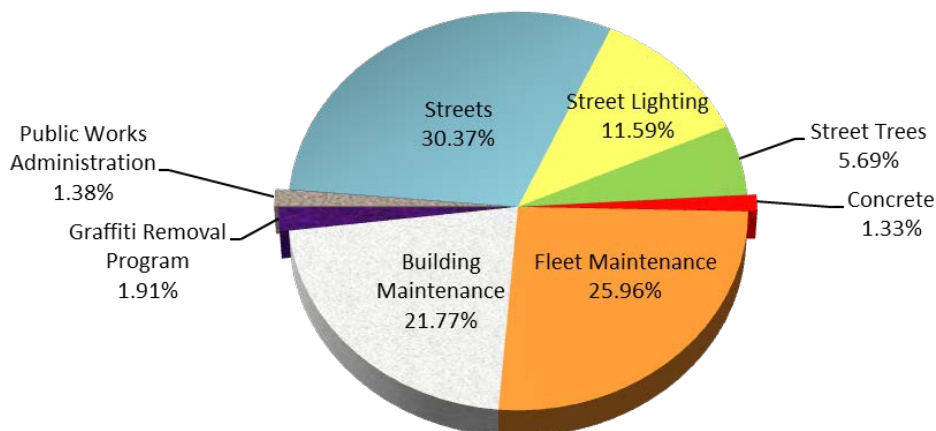
FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Public Works - Maintenance Services

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Graffiti Removal Program	0.25	1.25	1.15
Public Works/Administration	0.25	0.25	0.00
Public Works/Streets	9.65	12.65	12.66
Citywide Street Lighting	1.00	1.00	1.36
Citywide Street Trees	1.70	1.70	1.70
Citywide Concrete Program	0.15	0.25	0.25
NPDES - Storm Drain Clean-Up	2.00	2.00	2.65
Fleet Maintenance	3.60	3.60	3.50
Building Maintenance	3.60	3.70	4.15
TOTAL:	22.20	26.40	27.42

Detailed Program Budget
Public Works – Maintenance Services

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	22.20	26.40	27.42	1.02	3.85%
SOURCES OF REVENUE					
General Fund	1,741,375	1,772,902	1,785,520	12,618	0.71
Internal Service Funds	3,524,980	3,036,710	3,329,602	292,892	9.65
Special Revenue Funds	3,357,450	3,529,070	3,903,574	374,504	10.61
(Addition To)/Reduction in Fund Balance	(2,734,725)	(477,170)	(1,614,149)	(1,136,979)	238.28
TOTAL SOURCES OF REVENUE	\$ 5,889,080	\$ 7,861,512	\$ 7,404,547	\$ (456,965)	-5.81 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	1,560,639	1,850,909	1,881,653	30,744	1.66
Maintenance & Operations	1,479,623	1,559,030	1,695,565	136,535	8.76
Workers Compensation	36,729	53,587	61,083	7,496	13.99
Materials & Supplies	967,107	1,158,500	1,079,850	(78,650)	-6.79
Contracts & Services	603,016	1,083,773	665,301	(418,472)	-38.61
Fringe Benefits	1,005,736	1,393,305	1,456,687	63,382	4.55
TOTAL USES - OPERATING EXPENDITURES	\$ 5,652,850	\$ 7,099,104	\$ 6,840,139	\$ (258,965)	-3.65 %
USES - OTHER EXPENDITURES					
Special Items of Expense	-	18,550	18,550	-	-
TOTAL USES - OTHER EXPENDITURES	\$ -	\$ 18,550	\$ 18,550	\$ -	0.00 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	190,872	624,000	426,000	(198,000)	-31.73
TOTAL USES - CAPITAL EXPENDITURES	\$ 190,872	\$ 624,000	\$ 426,000	\$ (198,000)	-31.73 %
USES - TRANSFERS-OUT					
Transfers-Out	45,358	119,858	119,858	-	-
TOTAL USES - TRANSFERS-OUT	\$ 45,358	\$ 119,858	\$ 119,858	\$ -	0.00 %
TOTAL USES	\$ 5,889,080	\$ 7,861,512	\$ 7,404,547	\$ (456,965)	-5.81 %
USES BY PROGRAM RECAP					
Public Works Administration	91,804	90,804	102,447	11,643	12.82
Streets	1,832,982	2,193,176	2,248,667	55,491	2.53
Street Lighting	538,055	788,623	858,042	69,419	8.80
Street Trees	357,965	445,311	421,593	(23,718)	-5.33
Concrete	112,253	91,019	98,331	7,312	8.03
Fleet Maintenance	1,549,160	2,174,265	1,922,380	(251,885)	-11.58
Building Maintenance	1,275,800	1,911,280	1,611,615	(299,665)	-15.68
Graffiti Removal Program	131,061	167,034	141,472	(25,562)	-15.30
TOTAL USES BY PROGRAM RECAP	\$ 5,889,080	\$ 7,861,512	\$ 7,404,547	\$ (456,965)	-5.81 %

Public Works Maintenance Services - Uses by Division





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➤ **PUBLIC WORKS – WATER & SEWER SYSTEM ENTERPRISES**



➤ PUBLIC WORKS – WATER AND SEWER SYSTEM ENTERPRISES - WATER

Overview

Water Line Maintenance 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 215 miles of water mains, 5,900 isolation valves, 18,200 customer service lines and meters, and 1,830 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 1,259 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.



Water Treatment Plant

- Operate the Water Treatment Plant, adjusting water production to meet system demand and maintain adequate system pressure.
- Utilize the Supervisory Control and Data Acquisition (SCADA) system to monitor the distribution system, reservoirs, pumping stations and wells; 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

Citywide Goal 1 – Increase revenue and Reduce Expenses:

- ✓ Evaluate additional energy cost saving potential at Water Treatment Plant.

Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Complete Rossmoor Well replacement with higher capacity well to increase system reliability and reduce costs; obtain State Permit to operate.

Citywide Goal 4 – Increase Efficiency of City Operations and Services:

- ✓ Continue Year 4 of installation for Automatic Meter Reading System (1,500 meter replacements).

Citywide Goal 5 – Improve the Quality of Life for Pittsburg Residents:

- ✓ Begin construction of second phase Water Treatment Plant modifications to improve water taste during high algae periods.

Accomplishments

- ✓ Completed 3rd year of installation of Automatic Meter Reading System to improve accuracy and efficiency of meter reading. Over 5,800 meters have been changed or converted to AMR.
- ✓ Completed design for first phase of the Rossmoor Well replacement. Applied for and received \$430,000 grant from State. Completed Grant Agreement. Started construction of well in May 2015.
- ✓ Started construction of first phase Water Treatment Plant modifications to improve water taste during high algae periods.

➤ PUBLIC WORKS – WATER AND SEWER SYSTEM ENTERPRISES - SEWER

Overview

Sewer Maintenance is responsible for the maintenance and repair of 174 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 174 miles of sewer mains and manholes in the sewer system by rotating through twelve maintenance zones as part of a comprehensive Preventative Maintenance Program. Routine work includes root cutting and video inspections of main lines and laterals.
- Provide preventative cleaning for 20 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

- ✓ Repaired 23 lower sewer laterals.
- ✓ Root-foamed 28,707 feet of problem sewer line to reduce potential for sewer back-up.
- ✓ Took closed-circuit camera video of 2.3 miles of sewer lines to identify mainline problems.

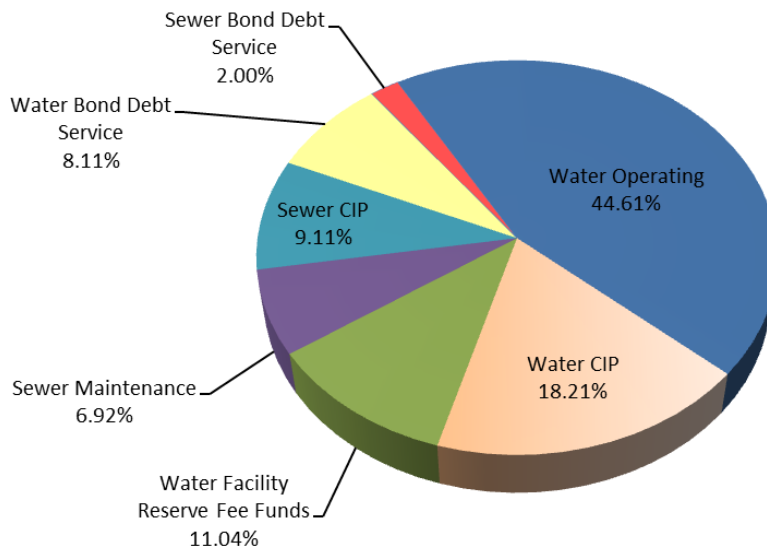
FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Public Works - Water and Sewer Systems Enterprises

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Water Operating	27.19	28.45	30.10
Sewer Maintenance	6.79	7.65	7.85
TOTAL:	33.97	36.10	37.95

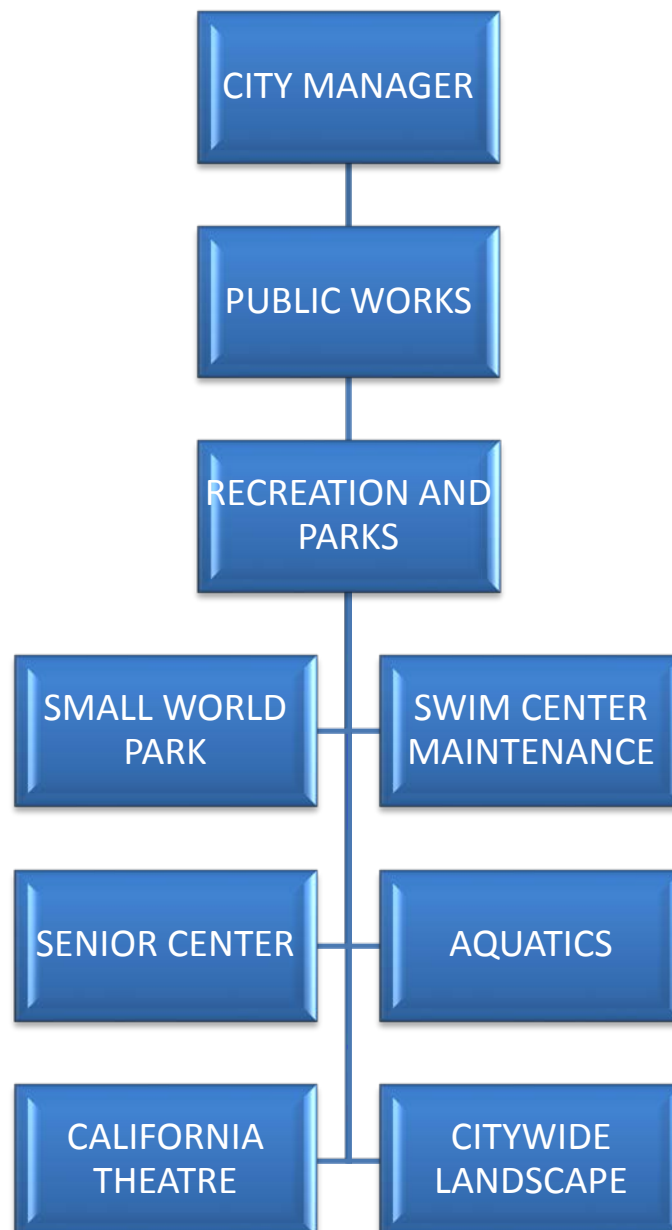
Detailed Program Budget
Public Works – Water and Sewer Enterprises

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	33.97	36.10	37.95	1.85	5.12%
SOURCES OF REVENUE					
Debt Service	231,164	66,110	120,650	54,540	82.50
Enterprise Funds	25,225,085	30,428,405	39,942,524	9,514,119	31.27
(Addition To)/Reduction in Fund Balance	(1,132,683)	15,191,144	572,270	(14,618,874)	-96.23
TOTAL SOURCES OF REVENUE	\$ 24,323,566	\$ 45,685,659	\$ 40,635,444	\$ (5,050,215)	-11.05 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	2,879,012	3,386,699	3,210,763	(175,936)	-5.19
Maintenance & Operations	2,385,079	2,568,829	2,241,254	(327,575)	-12.75
Workers Compensation	67,185	87,513	102,784	15,271	17.45
Materials & Supplies	6,521,774	6,530,917	6,316,000	(214,917)	-3.29
Contracts & Services	465,379	840,051	441,700	(398,351)	-47.42
Fringe Benefits	1,861,095	2,118,691	2,283,594	164,903	7.78
TOTAL USES - OPERATING EXPENDITURES	\$ 14,179,524	\$ 15,532,700	\$ 14,596,095	\$ (936,605)	-6.03 %
USES - OTHER EXPENDITURES					
Debt Service	3,471,778	3,531,692	4,107,366	575,674	16.30
TOTAL USES - OTHER EXPENDITURES	\$ 3,471,778	\$ 3,531,692	\$ 4,107,366	\$ 575,674	16.30 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	98,165	142,570	505,752	363,182	254.74
Capital Outlay - Projects	4,218,757	17,167,412	14,597,000	(2,570,412)	-14.97
TOTAL USES - CAPITAL EXPENDITURES	\$ 4,316,922	\$ 17,309,982	\$ 15,102,752	\$ (2,207,230)	-12.75 %
USES - TRANSFERS-OUT					
Transfers-Out	2,355,342	9,311,285	6,829,231	(2,482,054)	-26.66
TOTAL USES - TRANSFERS-OUT	\$ 2,355,342	\$ 9,311,285	\$ 6,829,231	\$ (2,482,054)	-26.66 %
TOTAL USES	\$ 24,323,566	\$ 45,685,659	\$ 40,635,444	\$ (5,050,215)	-11.05 %
USES BY PROGRAM RECAP					
Water Operating	13,727,965	18,080,366	18,127,595	47,229	0.26
Water CIP	1,585,688	6,346,227	7,400,000	1,053,773	16.60
Water Facility Reserve Fee Funds	974,793	8,695,955	4,487,500	(4,208,455)	-48.40
Sewer Maintenance	2,073,040	2,719,805	2,812,983	93,178	3.43
Sewer CIP	2,490,302	3,508,501	3,700,000	191,499	5.46
Sewer Facility Reserve Fee Funds	-	133,113	-	(133,113)	-100.00
Water Bond Debt Service	2,431,992	5,379,927	3,293,902	(2,086,025)	-38.77
Sewer Bond Debt Service	1,039,786	821,765	813,464	(8,301)	-1.01
TOTAL USES BY PROGRAM RECAP	\$ 24,323,566	\$ 45,685,659	\$ 40,635,444	\$ (5,050,215)	-11.05 %

Water and Sewer Enterprises - Uses by Division



➤ RECREATION AND PARKS



➤ RECREATION AND PARKS

Overview

The Recreation Department presents programs and services including aquatics, landscape and park maintenance, the Senior Center, and Small World Park. These programs and services enhance the quality of life for the City of Pittsburg Community. Administration of programs helps to support City development, encourage community image, and promote social interaction and a positive sense of community.

The newly renovated Buchanan Swim Center located in Buchanan Park is open to the public during the summer season for recreational use and aquatics programs for all age groups.

The Landscape Division is dedicated to enhancing the quality of life for the citizens and visitors of our community by providing a level of grounds care and customer service that promotes a positive community image. The Landscape Division strives to present a park system that is well maintained, comfortable, safe, and encourages our citizenry to spend quality leisure time therein.



The Senior Center Division is responsible for the successful administration, programming, and operation of the Senior Center. Residents of the City, 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.

The California Theatre is a beautifully restored 330-seat theater located in the heart of the City's Old Town. Built in 1920 for vaudeville performances and silent films, it was once the premiere venue for films and live shows. The theater closed in 1954. By 1994, the City began a major clean-up and stabilization effort to preserve the deteriorating theater. The California Theatre reopened in 2013, and today operates as a venue for films, plays, comedy nights and concerts.

The Small World Park Division is responsible for the successful administration, programming and operation of the park which is geared towards children eight and younger. The park is open weekends only in the spring/fall and four days a week during the summer. Amenities include: Train, Carousel, Whale Ride, Ferris Wheel, crawdad fishing, and play equipment. Six large picnic sites and a birthday party castle are

available for rental. A minimal admission fee is charged which offsets the operation of the park.

Service Levels

Administration:

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

Aquatics Program:

- Provide a full-service comprehensive aquatics program which includes recreational swimming for all age groups, swim lesson programs, adult and youth swimming programs and facility management

Swim Center Maintenance:

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

Citywide Landscape:

- Responsible for the grounds care of 232 acres of municipal landscaping that includes:
 - Parks – 137.8 acres
 - Medians – 65.25 acres
 - Right-of-Ways – 16 acres
 - Facilities – 12.8 acres

Senior Center:

- Provide various activities and programs for 50,000 participants at the Senior Center each year which includes exercise programs, financial counseling, crafts, special excursions, health management, social events, and meals

Goals

Citywide Goal 1 – Increase revenues and Reduce Expenses:

- ✓ Increase awareness of Small World Park with multi-media campaign
- ✓ Continue LED retrofit of parks and facilities light fixtures to enhance illumination, reduce energy cost
- ✓ Continue to seek federal, state, county, private foundations for grants to support recreation programs and finance upgrading of park infrastructure, playgrounds
- ✓ Continue to seek additional sources of supplemental labor and expand current sources to compliment City's landscape maintenance efforts



Citywide Goal 2 – Improve Public Facilities and Infrastructure:

- ✓ Utilizing Park Dedication Funds and grant opportunities, continue to add new features to existing park system
- ✓ Identify funding to replace artificial turf at City Park Soccer Field
- ✓ Prepare design options and cost estimates for a future skate park
- ✓ Seek capital funding for a multi-year effort to prune old growth park and street trees

Citywide Goal 4 – Increase Efficiency of City Operations and Services:

- ✓ Restructure department organization to rely less on seasonal staff and increase allocation of entry level maintenance assistant positions
- ✓ Explore feasibility of contract mowing the turf areas in parks

Citywide Goal 5 – Improve the Quality of Life for Pittsburg Residents:

- ✓ Continue successful graffiti abatement program
- ✓ Expand partnership with local non-profits, which focus on recreation and personal development for youth
- ✓ Complete and begin implementation of a three-year development plan identifying a growth strategy for Recreation Department services
- ✓ Develop, implement education and interactive programs for nature day camp along Kirker Creek on western perimeter of Buchanan Park in cooperation with East Bay Regional Parks, Pittsburg Unified School District and Pittsburg Kiwanis

Accomplishments

- ✓ Added zip-line and Tiny Tot play structure to Small World Park
- ✓ Added a batting cage to the City Park baseball fields
- ✓ Added parking lot lighting at John Henry Johnson Park
- ✓ Increased attendance at Small World Park by eight percent
- ✓ Added heating system to the wading pool at Buchanan Pool
- ✓ Established the Pittsburg Baseball/Softball Association combining all of the community's youth and adult baseball leagues into one association
- ✓ Expanded recreation programming by adding a tennis instructional league, Zumba for children and adults, youth golf, drop-in basketball and volleyball, established an adult kickball league and recreation bowling for special needs youth

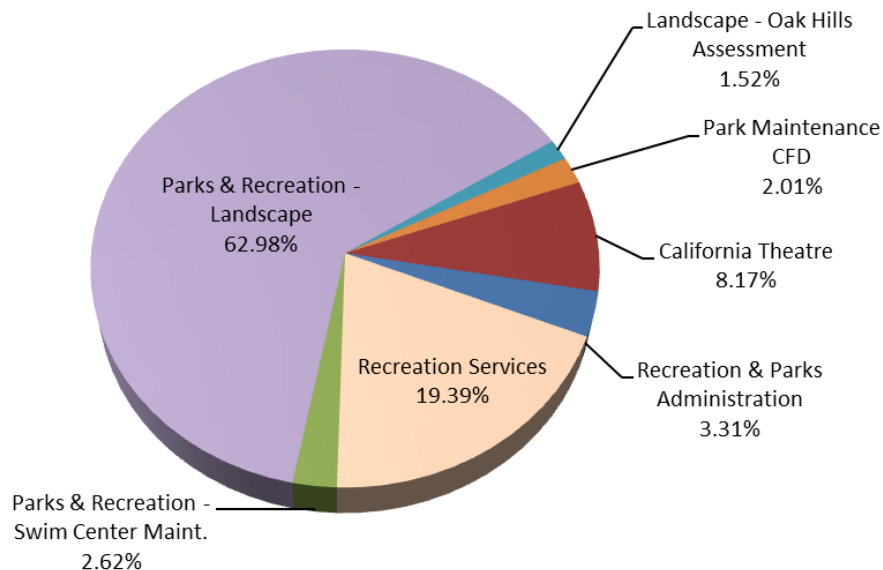
FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Recreation and Parks

Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Recreation - Sports	1.00	1.15	1.09
Recreation - Senior Center	1.00	2.00	2.00
Citywide Landscape	6.04	8.54	8.70
Park Maintenance CFD 2007-1	0.16	0.36	0.29
TOTAL:	8.20	12.05	12.08

Detailed Program Budget Recreation and Parks

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	8.20	12.05	12.08	0.03	0.27%
SOURCES OF REVENUE					
General Fund	806,966	706,300	711,690	5,390	0.76
Special Revenue Funds	433,400	498,407	526,430	28,023	5.62
(Addition To)/Reduction in Fund Balance	2,342,449	2,735,303	3,039,761	304,458	11.13
TOTAL SOURCES OF REVENUE	\$ 3,582,815	\$ 3,940,010	\$ 4,277,881	\$ 337,871	8.58 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	1,157,819	1,455,554	1,602,436	146,882	10.09
Maintenance & Operations	1,084,243	1,014,971	1,136,774	121,803	12.00
Workers Compensation	25,970	44,079	51,699	7,620	17.29
Materials & Supplies	294,180	278,150	279,683	1,533	0.55
Contracts & Services	576,771	477,647	432,979	(44,668)	-9.35
Fringe Benefits	439,749	665,343	770,044	104,701	15.74
TOTAL USES - OPERATING EXPENDITURES	\$ 3,578,732	\$ 3,935,744	\$ 4,273,615	\$ 337,871	8.58 %
USES - OTHER EXPENDITURES					
Special Items of Expense	3,817	4,000	4,000	-	-
TOTAL USES - OTHER EXPENDITURES	\$ 3,817	\$ 4,000	\$ 4,000	\$ -	0.00 %
USES - TRANSFERS-OUT					
Transfers-Out	266	266	266	-	-
TOTAL USES - TRANSFERS-OUT	\$ 266	\$ 266	\$ 266	\$ -	0.00 %
TOTAL USES	\$ 3,582,815	\$ 3,940,010	\$ 4,277,881	\$ 337,871	8.58 %
USES BY PROGRAM RECAP					
Recreation & Parks Administration	120,019	91,437	141,509	50,072	54.76
Recreation Services	642,345	800,419	829,535	29,116	3.64
Parks & Recreation - Swim Center Maint.	77,909	88,937	112,091	23,154	26.03
Parks & Recreation - Landscape	2,392,615	2,431,570	2,694,066	262,496	10.80
Landscape - Oak Hills Assessment	47,569	62,930	65,182	2,252	3.58
Park Maintenance CFD	53,145	66,122	85,882	19,760	29.88
Recreation Grants	12,151	4,280	-	(4,280)	-100.00
California Theatre	237,062	394,315	349,616	(44,699)	-11.34
TOTAL USES BY PROGRAM RECAP	\$ 3,582,815	\$ 3,940,010	\$ 4,277,881	\$ 337,871	8.58 %

Recreation and Parks - Uses by Division



➤ **SUCCESSOR AGENCY TO FORMER REDEVELOPMENT AGENCY**



➤ **SUCCESSOR AGENCY TO FORMER REDEVELOPMENT AGENCY**

Overview

Since the dissolution of the Redevelopment Agency of the City of Pittsburg (Agency) on February 1, 2012 pursuant to AB 26, the primary purpose of the Successor Agency is to administer the wind down of the previous Agency's operations.

The Los Medanos Community Development Project Area (Project Area) and the Pittsburg community have benefited from the efforts made by the previous Agency. By providing funding to various capital improvement projects, the Project Area and community have received infrastructure and City-wide improvements. Downtown Pittsburg has seen a major change in its appearance that the community and visitors have enjoyed. More activities such as car shows, farmers' market, and theater events have resulted from the redevelopment efforts.



Service Levels

- Continued payment of the Successor Agency's financial obligations which entail payment of debt service and fulfillment of contractual obligations entered into by the Successor Agency prior to the enactment of AB 26.
- Maintain properties so that they may yield the highest value upon disposition.
 - Commence disposition of properties since the approval of the Long Range Property Management Plan by the California State Department of Finance on December 12, 2014.
- Close out of projects preceding AB 26.

FY 2015 - 2016 FULL TIME PERSONNEL ALLOCATIONS
Successor Agency to Former Redevelopment Agency

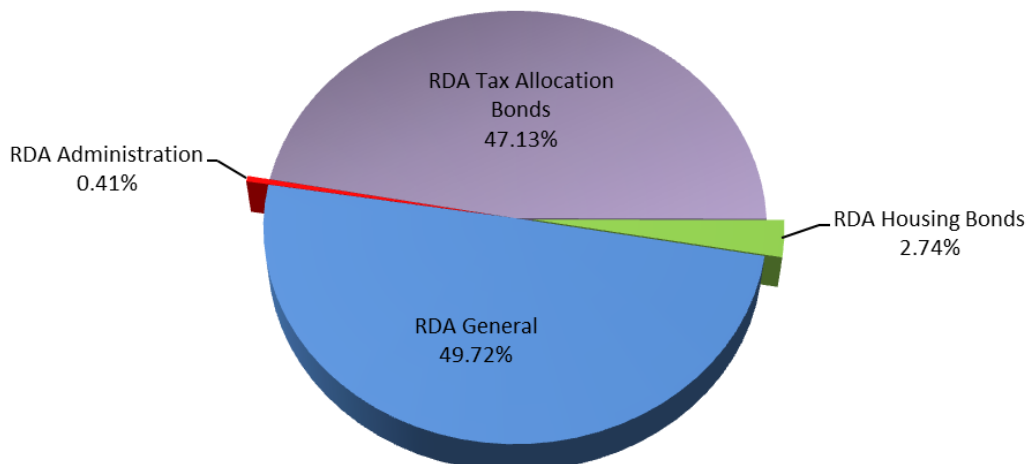
Department/Division	FY 2013-2014 Adopted Base	FY 2014-2015 Adopted Base	FY 2015-2016 Adopted Base
Successor Agency to Former RDA Administration	2.26	1.55	1.10
TOTAL:	2.26	1.55	1.10

**Detailed Program Budget
Successor Agency to Former RDA**

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	2.26	1.55	1.10	(0.45)	-29.03%
SOURCES OF REVENUE					
Capital Projects Funds	485,884	800,001	-	(800,001)	-100.00
Debt Service	128,134,818	31,569,435	35,359,953	3,790,518	12.01
Redevelopment Agency	40,906,368	37,305,858	36,317,002	(988,856)	-2.65
(Addition To)/Reduction in Fund Balance	*66,922,032	(5,163,197)	(254,092)	4,909,105	-95.08
TOTAL SOURCES OF REVENUE	\$ 236,449,102	\$ 64,512,097	\$ 71,422,863	\$ 6,910,766	10.71 %
USES - OPERATING EXPENDITURES					
Salaries & Wages	232,555	242,236	157,400	(84,836)	-35.02
Maintenance & Operations	50,053	63,981	12,893	(51,088)	-79.85
Workers Compensation	5,591	5,854	5,186	(668)	-11.41
Materials & Supplies	482	950	476	(474)	-49.89
Contracts & Services	302,689	55,874	40,627	(15,247)	-27.29
Fringe Benefits	173,857	90,773	79,375	(11,398)	-12.56
TOTAL USES - OPERATING EXPENDITURES	\$ 765,227	\$ 459,668	\$ 295,957	\$ (163,711)	-35.62 %
USES - OTHER EXPENDITURES					
Debt Service	*106,263,259	31,569,435	35,314,953	3,745,518	11.86
TOTAL USES - OTHER EXPENDITURES	\$ 106,263,259	\$ 31,569,435	\$ 35,314,953	\$ 3,745,518	11.86 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Projects	319,882	850,684	-	(850,684)	-100.00
TOTAL USES - CAPITAL EXPENDITURES	\$ 319,882	\$ 850,684	\$ -	\$ (850,684)	-100.00 %
USES - TRANSFERS-OUT					
Transfers-Out	*129,100,734	31,632,310	35,811,953	4,179,643	13.21
TOTAL USES - TRANSFERS-OUT	\$ 129,100,734	\$ 31,632,310	\$ 35,811,953	\$ 4,179,643	13.21 %
TOTAL USES	\$ 236,449,102	\$ 64,512,097	\$ 71,422,863	\$ 6,910,766	10.71 %
USES BY PROGRAM RECAP					
RDA Property Maintenance	(286)	-	-	-	-100.00
RDA General	38,415,940	31,087,427	35,511,953	4,424,526	14.23
RDA Administration	562,387	360,503	295,957	(64,546)	-17.90
RDA Capital Projects Fund	336,992	949,849	-	(949,849)	-100.00
RDA Tax Allocation Bonds	*195,199,398	30,157,624	33,659,693	3,502,069	11.61
RDA Housing Bonds	1,934,671	1,956,694	1,955,260	(1,434)	-0.07
TOTAL USES BY PROGRAM RECAP	\$ 236,449,102	\$ 64,512,097	\$ 71,422,863	\$ 6,910,766	10.71 %

*Increase in sources and uses due to bond refunding transactions.

Successor Agency to RDA - Uses by Division

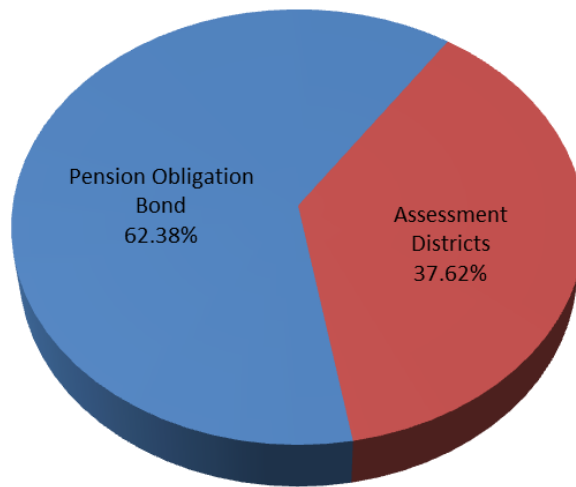


Detailed Program Budget Debt Service

	2013-14 Actual	2014-15 Amended Budget	2015-16 Adopted Budget	Change from 2014-15	% Change
AUTHORIZED POSITIONS					
Total Authorized	-				
SOURCES OF REVENUE					
Debt Service	8,907,173	8,353,574	8,548,151	194,577	2.33
(Addition To)/Reduction in Fund Balance	*17,675,505	222,948	(847,320)	(1,070,268)	-480.05
TOTAL SOURCES OF REVENUE	\$ 26,582,678	\$ 8,576,522	\$ 7,700,831	\$ (875,691)	-10.21%
USES - OPERATING EXPENDITURES					
Maintenance & Operations	27,785	28,619	28,904	285	1.00
Contracts & Services	81,928	707	-	(707)	-100.00
TOTAL USES - OPERATING EXPENDITURES	\$ 109,713	\$ 29,326	\$ 28,904	\$ (422)	-1.44 %
USES - OTHER EXPENDITURES					
Debt Service	*23,592,047	6,947,339	7,671,927	724,588	10.43
TOTAL USES - OTHER EXPENDITURES	\$ 23,592,047	\$ 6,947,339	\$ 7,671,927	\$ 724,588	10.43 %
USES - CAPITAL EXPENDITURES					
Capital Outlay - Equipment	5,163	2,837	-	(2,837)	-100.00
Capital Outlay - Projects	-	1,597,020	-	(1,597,020)	-100.00
TOTAL USES - CAPITAL EXPENDITURES	\$ 5,163	\$ 1,599,857	\$ -	\$ (1,599,857)	-100.00 %
USES - TRANSFERS-OUT					
Transfers-Out	2,875,755	-	-	-	-100.00
TOTAL USES - TRANSFERS-OUT	\$ 2,875,755	\$ -	\$ -	\$ -	0.00 %
TOTAL USES	\$ 26,582,678	\$ 8,576,522	\$ 7,700,831	\$ (875,691)	-10.21 %
USES BY PROGRAM RECAP					
Pension Obligation Bond	1,983,627	4,079,490	4,803,522	724,032	17.75
Assessment Districts	*24,599,051	4,497,032	2,897,309	(1,599,723)	-35.57
TOTAL USES BY PROGRAM RECAP	\$ 26,582,678	\$ 8,576,522	\$ 7,700,831	\$ (875,691)	-10.21 %

*In August, 2011 the City issued 2011 Reassessment Revenue Refunding Bonds totaling \$17,840,000. The new debt was recorded and bond proceeds were used to retire the existing debt. As a result of refunding, an asset of \$17.5 million was created. After reviewing the Official Statement and confirming with our Trustee, the \$17.5 million should not have been recorded as an asset, therefore a correcting entry was posted to correct the original entry.

Debt Services - Uses by Division





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➤ CAPITAL OUTLAY - PROJECTS

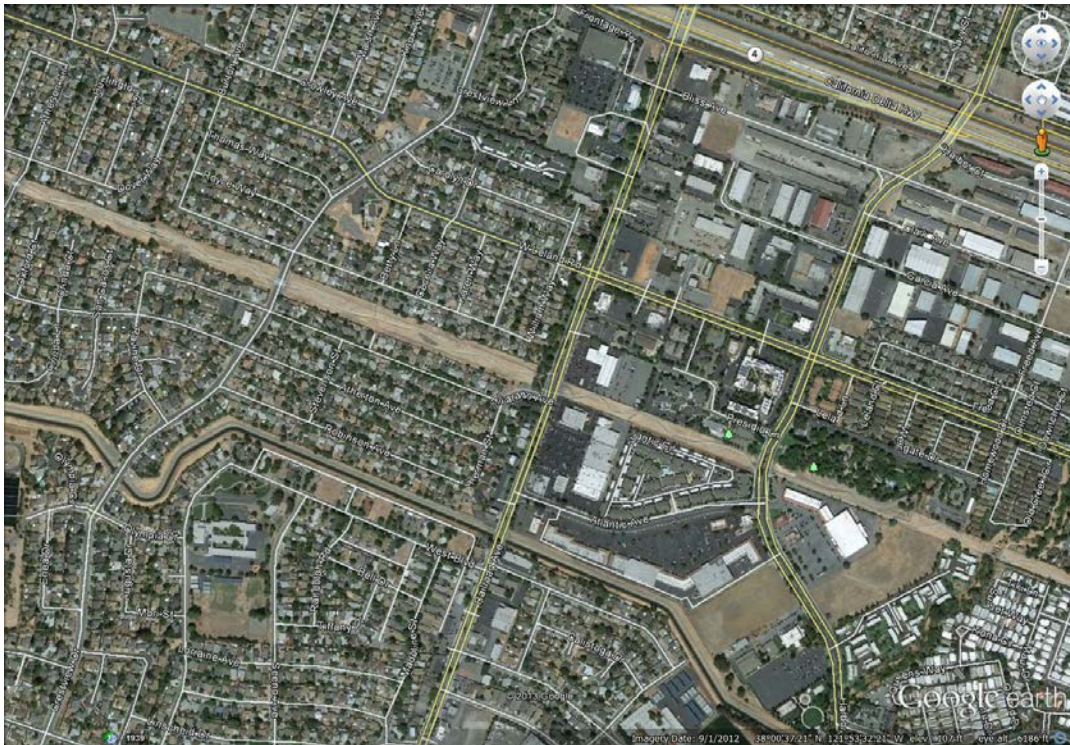
Capital improvement projects acquire, plan, construct, maintain, or improve facilities, land, major equipment, or other infrastructure. Capital projects are supported by a five-year expenditure plan that details funding sources and expenditure amounts. They often are multi-year projects that require 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 2015-16

Project Name	Funding Source	Prior Allocations	New Allocation FY 2015/16
Railroad Avenue Pavement Preservation	GSTX/P42	\$352,000	\$985,263
West Leland Road/Oak Hills Drive Signal	LTMF	221,938	78,062
Intelligent Transportation System (ITS) Upgrade	LTMF	-	170,000
WTP Intake Modifications/WTP Sludge Handling Facility Phase 1B	WFR/iBank	5,123,000	6,797,000
Automatic Water Meter Reading System	WOF	1,256,793	250,000
Western Loop 16-inch Main Loftus Road	WOF/iBank	100,000	950,000
Water Main Buchanan Road (Phase 1)	WOF/WFR	500,000	2,350,000
WTP Capital Repairs/Filter Rehabilitation	WOF	867,146	100,000
2016/17 Water Main Installation	WOF	-	450,000
2014/15 Sewer Replacement Program	SOF	3,000,000	3,700,000
Substation K Switchgear Upgrade	IE	-	470,000
2015/16 Cable Replacement	IE	-	175,000
Substation P Switchgear Upgrade	IE	-	200,000
Total:		\$11,420,877	\$16,675,325

Total by Funding Source:	
Gas Tax – HUTA Fund (GSTX)	\$980,000
Prop 42 – Gas Tax (P42)	5,263
Local Traffic Mitigation Fee (LTMF)	248,062
Water Operating Fund (WOF)	3,321,476
Water Facility Reserve Fund (WFR)	1,125,000
iBank Loan (iBank)	7,150,524
Sewer Operating Fund (SOF)	3,000,000
Island Energy (IE)	845,000
Total:	\$16,675,325



ST-3: RAILROAD AVENUE PAVEMENT PRESERVATION

Project No.
2012

Status:
Previous Allocation - \$352,000
2015/16 Allocation - \$985,263

Estimated Project Cost:
\$1,337,263

Project Limits:
Railroad Avenue from Linscheid Drive to Bliss Avenue

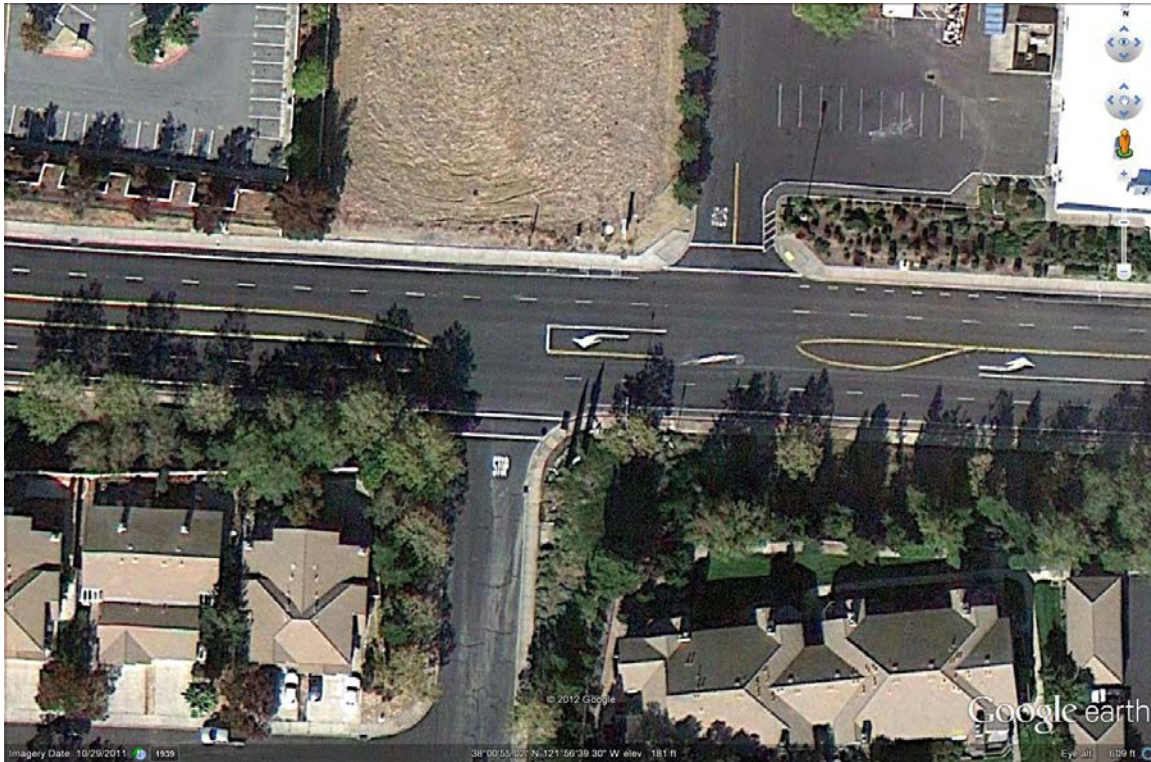
Funding Sources:
Eligible Funding Source: Gas Tax, Measure J, grants
Identified Funding Source: \$53,000 Measure J,
\$299,000 Grant, \$985,263 Gas Tax

Project Description:

This project includes the rehabilitation of pavement, curb, gutter and ADA ramps along Railroad Avenue from Linscheid Drive to Bliss Avenue.

Impact on Operating Budget:

No significant impact on the operating budget since this involves routine pavement management/repair of citywide streets.



S-1: TRAFFIC SIGNAL WEST LELAND ROAD/OAK HILLS DRIVE

Project No.
3104

Status:
Previous Allocation - \$221,938
2015/16 Allocation - \$78,062

Estimated Project Cost:
\$300,000

Project Limits:
The intersection of West Leland Road and Oak Hills Drive.

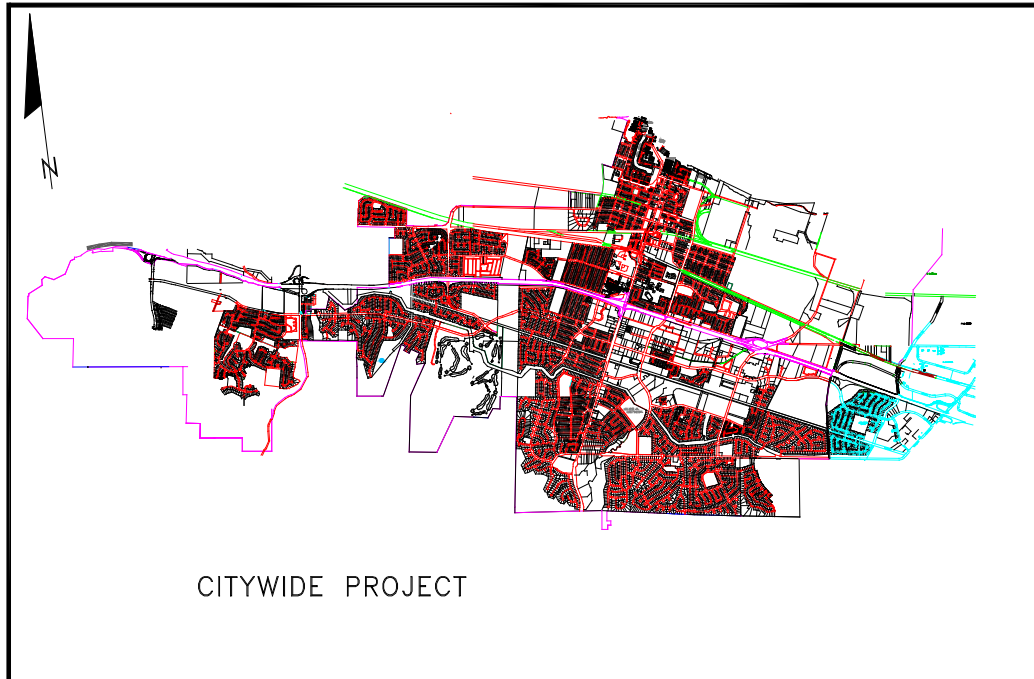
Funding Sources
Eligible Funding Source: Measure J, TMF,
Identified Funding: LTMF \$300,000

Project Description:

This project will provide for installation of a traffic signal at the intersection of West Leland Road and Oak Hills Drive. This project includes installing a fully actuated signal system. This intersection meets Traffic Signal Warrants as listed in Chapter 9 of the Caltrans Traffic Manual. This signal will provide for safe turning movements for the vehicles traveling through this intersection and will also provide a safe pedestrian crossing. 84% TMF eligible

Impact on Operating Budget:

No significant impact on the operating budget as costs incurred for maintenance of the signals would be minimal.



S-8: Intelligent Transportation System (ITS) Upgrade

Project No.
3013

Status:
2015/16 Allocation - \$170,000

Estimated Project Cost:
\$170,000 (includes \$9,000 optional
ATMS Central Traffic Server)

Project Limits:
Traffic Signal Interconnect on Railroad
Avenue and Leland Road

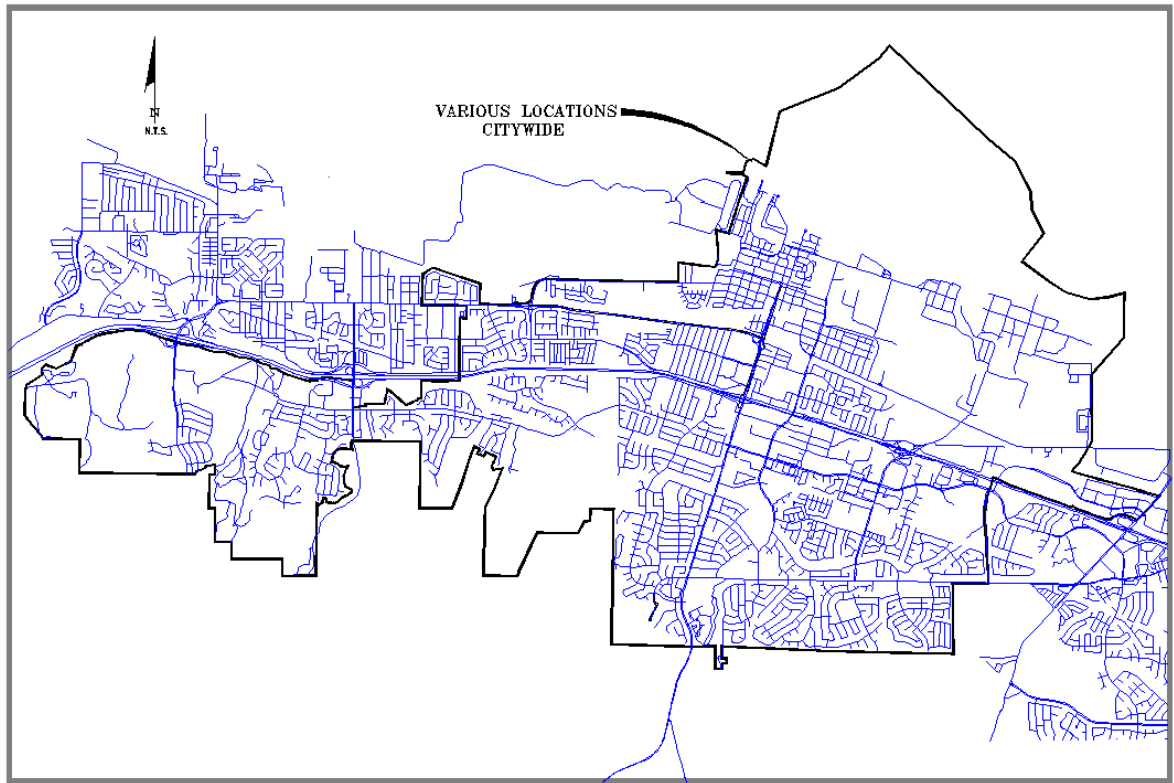
Funding Sources
Eligible Funding Sources: LTMF, Gas Tax,
Measure J, IRRF, IE, PP, Grants
Identified Funding: 170,000 LTMF

Project Description:

ITS Upgrade – Central Advanced Traffic Management System (ATMS) software platform with video detection system, Trafficware/Naztec ATMS.now System Upgrade includes Streetwise 2™ Central Master, StreetSync Connect™ Module Activation, StreetSync Connect™ laptop activation license, 2-3 days training, labor, optional updated server (Dell PE R720 rack mount, 2U, Quad-core Xeon), and 3-year factory warranty.

Impact on Operating Budget:

No significant impact on the operating budget as costs incurred for maintenance of the system would be minimal.



W-11: AUTOMATIC METER READING SYSTEM

Project No.
5030

Status:
Previous Allocation - \$1,256,793
2015/16 Allocation - \$250,000

Estimated Project Cost:
\$2,506,793

Project Limits:
Water System

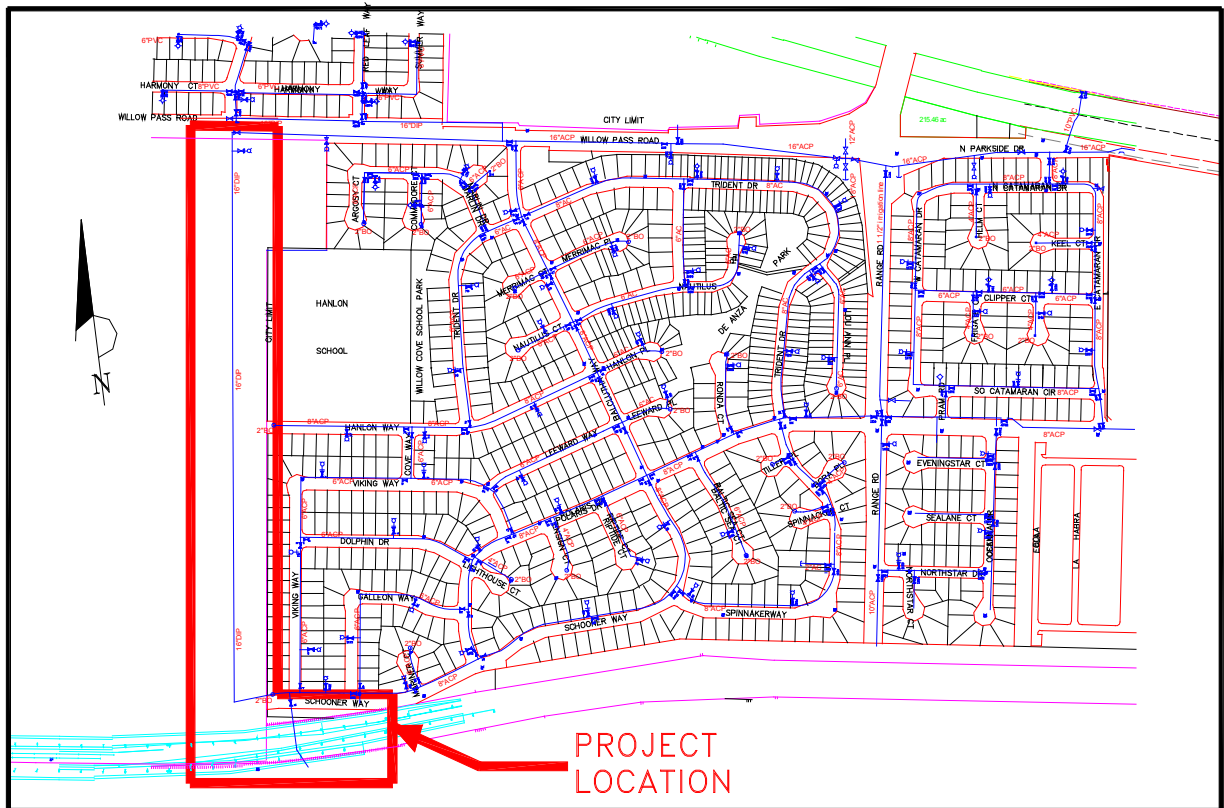
Funding Sources
Eligible Funding: Water Operations Fund
\$2,506,793 WOF

Project Description:

Conversion of hard-to-read meters to radio read. Include Automatic Meter Reading system and replacement meters to convert an additional 1,800 meters. Meters include those that are hard to read because they are inaccessible, such as those in backyards or industrial/commercial sites, those that can be hazardous to read in landscaped medians or other high traffic areas, or older meters that are due for replacement.

Impact on Water Operating Budget:

Although there will be increased efficiency in meter readings, the impact on the operating budget will be minimal.



W-22: WESTERN LOOP 16-INCH MAIN LOFTUS RD. (Willow Pass Road to the 18" Main on Schooner Way)

Project No.
5037

Estimated Project Cost:
\$1,050,000

Status:

Previous Allocation - \$1,050,000
2015/16 Allocation - \$950,000

Project Limits:

Loftus Road from Willow Pass Road to Schooner Way

Funding Sources:

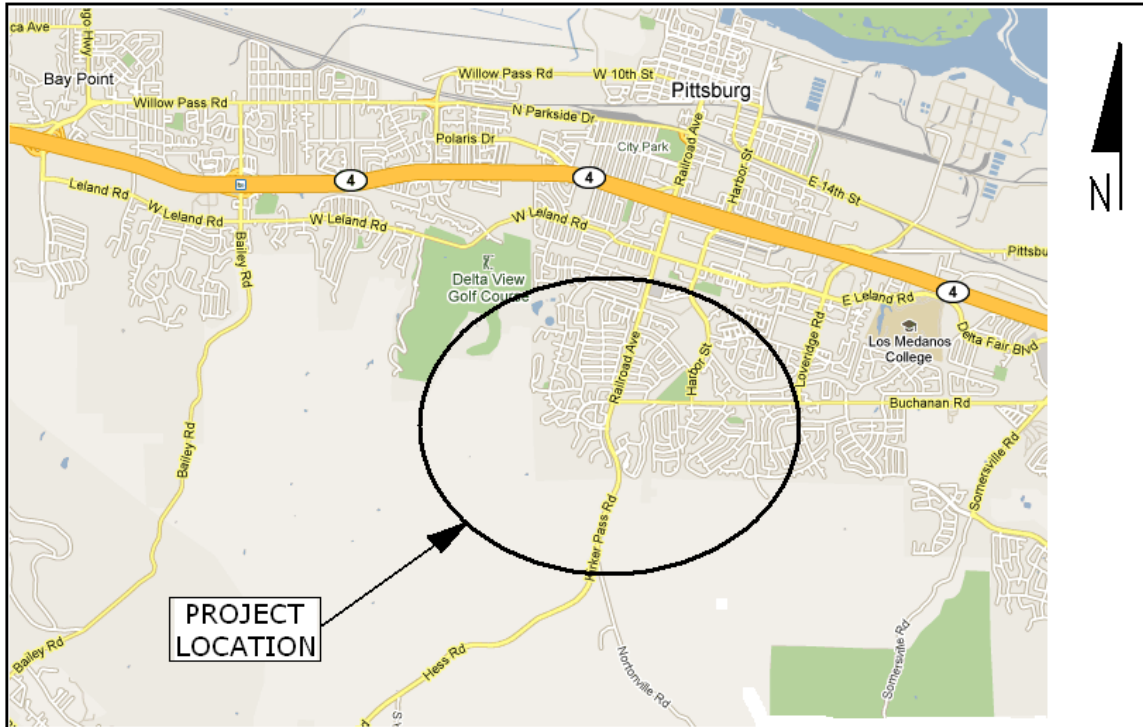
Eligible Funding Source: WOF, Water Bond
Identified Funding: \$331,476 WOF, \$718,524 iBank

Project Description:

This project consists of the installation of 2,800 feet of 16-inch diameter water main on Loftus Road from Willow Pass Road to Schooner Way and connecting to an existing 18-inch transmission main on Viking Way. This pipe provides needed looping and reliability for the northwest portion of the West Central planning sub-area. Also included in the project is installation of 300 feet of 8-inch pipe along Hanlon Way.

Impact on Water Operating Budget:

No significant impact on the operating budget as costs incurred for maintenance would be minimal.



W-55: WATER MAIN BUCHANAN ROAD (Phase 1)

Project No.
5049

Status:
Previous Allocation - \$500,000
2015/16 Allocation - \$2,350,000

Estimated Project Cost:
\$2,850,000

Project Limits:
Railroad to Ventura

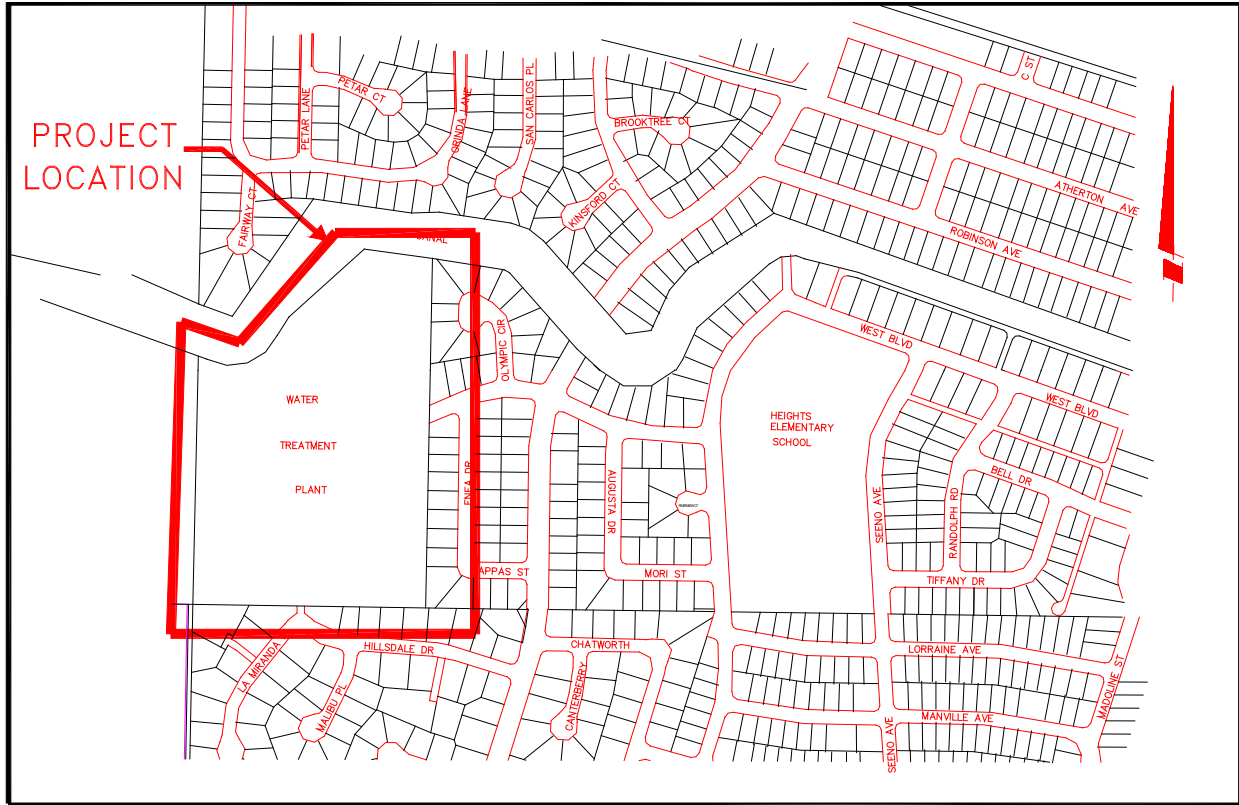
Funding Sources:
Eligible Funding Sources: WOF, WFR, iBank
Developer 23%
Identified Funding: \$1,770,000 WOF,
\$860,000 WFR, \$220,000 iBank

Project Description:

This project will provide a new water transmission line to meet domestic and fire flow requirements for existing development and new development in the southeast hills and infill development in Zone 2. (2010 Water Master Plan segments 2 - 5).

Impact on Water Operating Budget:

No significant impact on the operating budget as cost incurred for maintenance would be minimal.



W-101: WTP CAPITAL REPAIRS/FILTER REHABILITATION

Project No.

5050

Status:

Previous Allocation - \$867,146

2015/16 Allocation - \$100,000

Estimated Project Cost:

\$1,067,146

Project Limits:

Water Treatment Plant

Funding Sources:

Eligible Funding Source: WOF

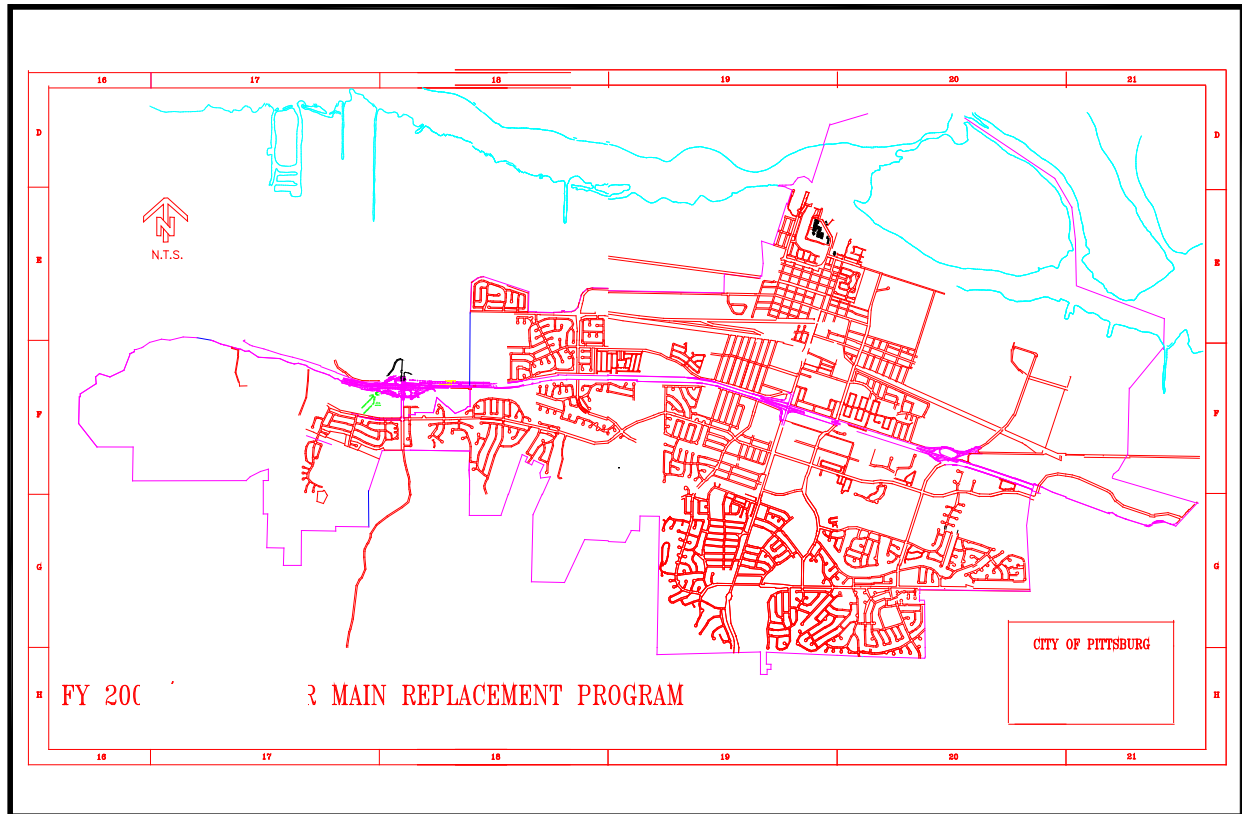
Identified Funding: \$1,067,146 WOF

Project Description:

This project will provide upgrades to facilities at the Water Treatment Plant, including rehabilitation of raw water slide gates and one WTP filter per year. Filters were constructed in 1953 and 1973.

Impact on Water Operating Budget:

No significant impact on the operating budget since this involves repairs and upgrades to existing equipment at the Water Treatment Plant.



W-106: 2016/17 WATER MAIN REPLACEMENT PROGRAM

Project No.
5054

Status:
2015/16 Allocation - \$450,000

Estimated Project Cost:
\$2,050,000

Project Limits:
TBD

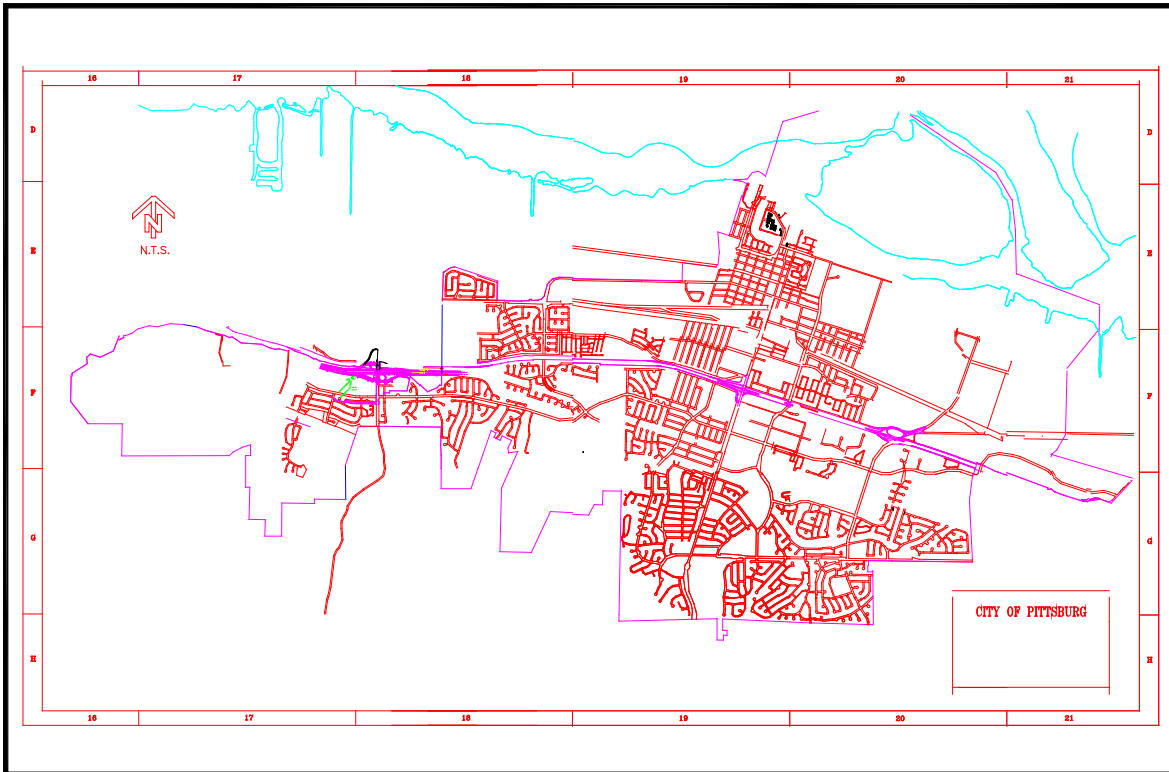
Funding Sources:
Eligible Funding Source: WOF
Identified Funding: \$450,000 WOF

Project Description:

Project will identify and replace water mains, services, and valves that have reached the end of their useful life and have become maintenance problems, and/or install mains to improve fire flow in localized areas.

Impact on Operating Budget:

No significant impact on the operating budget since this involves replacement of existing inefficient infrastructure.



SS-30: FY 2014/15 SEWER REPLACEMENT PROGRAM

Project No.
5204

Status:
Previous Allocation - \$3,000,000
2015/16 Allocation - \$3,700,000

Estimated Project Cost:
\$6,700,000

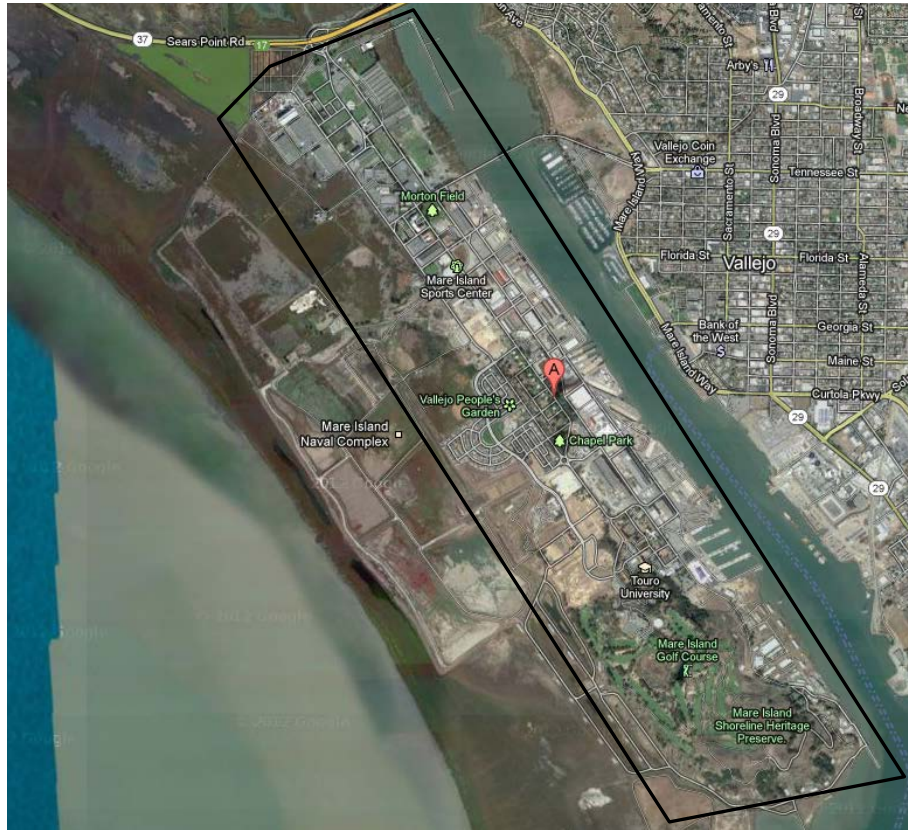
Project Limits:
To be determined

Funding Sources:
Eligible Funding Source: Sewer Operations Fund, WOF
Identified Funding Source: \$6,000,000 SOF, \$700,000 WOF

Project Description:
Project will replace sewer lines that are maintenance problems. Water funds are added for the replacement of water mains with this project.

Impact on Sewer Operating Budget:
Slight savings in the future are anticipated as a result of decrease in inefficient sewer lines.





Potential Cable Replacement Area

PP-23: FY2015-2016 Cable Replacement

Project No.
5809

Status:
2015/16 Allocation - \$175,000

Estimated Project Cost:
\$175,000

Project Limits:
Island Energy service territory

Funding Sources
\$175,000 Island Energy

Project Description:
Replace approximately 5,000 feet of electrical cable

Impact on Island Energy Operating Budget:
No significant impact on the operating budget since this involves upgrade and replacement of existing equipment at the Island Energy facility.



PP-24: Substation P Switchgear Upgrade

Project No. PP-24
5810

Status:
2015/16 Allocation - \$200,000

Estimated Project Cost:
\$200,000

Project Limits:
N/A

Funding Sources
\$200,000 Island Energy

Project Description: Remove and replace all Substation DD1 breakers and switchgear. Plan is to carry out majority of project internally.

Impact on Operating Budget:

Minimal savings in the future are anticipated due to a reduction in operating and maintenance costs.

➤ CAPITAL OUTLAY - EQUIPMENT

Capital Outlay involves the need for a budget appropriation to purchase equipment, land or other fixed assets which have a unit cost of more than \$5,000 and an estimated useful life of over five years. The following represent capital outlay – equipment for the 2015/16 fiscal year budget:

Description	Funding Source (Fund)	Total Allocation	Justification
Police Department Firewall	General Fund	20,000	Police Department Firewall – VPN – Law Enforcement Internet Traffic Security Protection
Police Department Server/Storage	General Fund	30,000	Increased storage necessary due to security/surveillance footage; police officer body worn camera storage, and evidence media storage
Back-Up Generators	General Fund	20,000	The City's Emergency Operation Center (EOC) requires that public facilities be ready during emergencies to respond to events or disasters. The purchase of equipment to provide back-up services to buildings is required.
Equipment for Public Broadcast	Public, Education & Government	86,000	Purchase various pieces of equipment to broadcast public, educational and government programs and activities. Items include video equipment, cameras, digital recorders, fiber optics/cable installation.
Water Treatment Plant Equipment Replacement	Water Operating	60,000	Replacement of pumps and motors that are not cost effective to repair
F-450 Ford Utility Truck Replacement	Water Operating	45,000	Replacement of 2002 vehicle to be used for (1) pulling Ditch Witch vacuum excavator; (2) fire hydrant repairs; (3) pulling valve exercise machine; (4) water break repairs; and (5) after-hour emergencies
Closed Circuit Television (CCTV)/ Camera	Sewer Operating	10,000	CCTV Camera that is small enough to inspect 6-inch sewer lines. The existing camera can inspect 8-inch and larger sewer lines
Sewer Combination Truck Replacement	Sewer Operating	390,752	Sewer Combination Truck V311LHAE mounted on a 2015/16 Peterbilt Model 348 Chassis. This replacement vehicle is critical for operation of City duties
Cable Pulling Equipment	Island Energy	47,000	Island Energy is beginning an effort to replace 1 mile of cable per year. In addition, Island Energy needs to replace damaged cable and install new cable for new customer sites. With the increased cable pulling activity, purchasing the equipment will be more cost effective than renting it.
Desktop Replacements	Information & Communication Services	70,000	50 replacement desktops at \$1,400 each
Enhanced Storage for Back-Up System	Information & Communication Services	15,000	Increase back-up capacity from 3 months of data to 12 months of data which will retrieve past data in a faster manner without relying on tapes stored off-site
EOC Set-Up for the IT Infrastructure	Information & Communication Services	25,000	Set Up of an EOC Center for the IT Infrastructure – 1 st phase to include telecom connectivity, storage, dedicated servers
Implementation of Virtual Desktop Environment	Information & Communication Services	50,000	Includes two new servers and virtual desktop client licenses. Advantages – Better remote access to City network, higher uptime of desktops, power savings, ease of desktop management

Description	Funding Source (Fund)	Total Allocation	Justification
Enhanced Firewall for City Network	Information & Communication Services	15,000	Existing firewall for City network is more than 5 years old. Enhanced firewall would provide latest hardware/software features and capabilities to protect the City network against cyber threats
Police Vehicles	Fleet Maintenance	132,000	4 Replacement Patrol Vehicles (Ford Interceptor Utility Vehicles)
Public Works – Streets Truck	Fleet Maintenance	22,000	Replacement of 1 F150 Truck for Streets Supervisor
Park Patrol Truck	Fleet Maintenance	22,000	Replacement of F150 Truck for Park Patrol
Public Works	Fleet Maintenance	250,000	1 Tymco Street Sweeper which replaces 2009 Tymco with high hours
Totals		\$1,309,752	

➤ **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 year's revenues.

Capital Improvement Plans

The City will develop 5-year Capital Improvement Plans for capital improvements 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.

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 Page 257-262 in the Appendix section of the budget).

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 Page 233-243 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 Page 267-269 in the Appendix section of the budget).

Revenue Policies

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 wherever 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.

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 Page 244-256 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 \$1.5 million or 5% of the General Fund operating expenses 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 8% or more from the previous fiscal year, and fiscal year-end General Fund surpluses into the Budget Stabilization Fund. (Policy is included on Page 263-266 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 Page 270-291 in the Appendix section of the budget)

Purchasing Policies

Delegates purchasing authority to the City Manager for goods and services valued at \$150,000 or below and to Senior Executive staff for those valued at \$75,000 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 Page 292-298 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 \$574.88 million including pension obligation bonds, Assessment District bonds, water and sewer revenues bonds, 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⁾ \$72.9 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, and pension obligation bonds is ⁽²⁾ \$8,620 and represents ⁽³⁾ 12.92% 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 2015-16 Fiscal Year and its calculations can be found in the Appendices section of the budget book

(1) After deducting \$3,604,012,511 Successor Agency to the former Pittsburg Redevelopment incremental valuation

(2) Debt Per Capita = $\frac{\$574,883,782 \text{ Outstanding Principal}}{66,695 \text{ City Population}} = \$8,620$

(3) $\frac{\$8,620 \text{ Debt Per Capita}}{66,695 \text{ City Population}} = 12.92\% \text{ of Total Personal Income}$

➤DEBT SERVICE - REVENUE SOURCES

CITY				
- Pension Obligation	Series	Allocated Charges	Interest Earnings	FY 15-16
Taxable Pension Funding Bond	2006	\$ 3,501,694.36	\$ 500.00	\$ 3,502,194.36
CCCERA Triennial Experience Update	2006	1,306,656.00	-	1,306,656.00
		4,808,350.36	500.00	4,808,850.36
- Assessment District Bonds		Assessment Collection		
2011 Reassessment Revenue Refunding Bonds A & B	2011-1	1,737,943.76	24,900.00	1,762,843.76
Century Plaza - AutoMall	2001-03	325,242.67	2,150.00	327,392.67
Community Facilities District - Vista Del Mar	2005-2	790,070.00	11,000.00	801,070.00
<i>Total Assessment Districts:</i>		2,853,256.43	38,050.00	2,891,306.43
- Revenue Bonds - Enterprise Funds		Sewer/Water Revenues		
Waste Water Revenue Refunding	2004	-	-	-
Water Revenue Refunding	2008	2,623,678.21	20,000.00	2,643,678.21
<i>Total Revenue Bonds:</i>		2,623,678.21	20,000.00	2,643,678.21
I-Bank Loan - Water System Modification Project	2014	650,221.18	-	650,221.18
2004 Wastewater Bonds- Refinance/Installment Sale Agreeen	2014	813,463.50	-	813,463.50
		1,463,684.68	-	1,463,684.68
TOTAL CITY DEBT SERVICES:		11,748,969.68	58,550.00	11,807,519.68

REDEVELOPMENT AGENCY				
	Series	Tax Increment	Interest Earnings	FY 15-16
Tax Allocation Bonds (Refunded by 2006C RDA)	1993B	-	-	-
Tax Allocation Bonds (Refunded by 2004A RDA)	1996	-	-	-
Tax Allocation Bonds (Partially Refunded by 2014 TARB)	1999	7,260.00	-	7,260.00
Tax Allocation Refunding Bonds	2002A	5,082,225.00	35,000.00	5,117,225.00
Tax Allocation Bonds (Refunded by 2014 TARB)	2003A	-	-	-
Subordinate Tax Allocation Bonds	2004A	10,769,741.00	415,000.00	11,184,741.00
Subordinate Tax Allocation Bonds	2004B	-	-	-
Subordinate Tax Allocation Bonds	2006B	5,028,278.50	80,000.00	5,108,278.50
Subordinate Tax Allocation Bonds	2006C	2,004,469.00	120,000.00	2,124,469.00
Subordinate Tax Allocation Bonds	2008A	3,934,168.75	30,000.00	3,964,168.75
Tax Allocation Refunding Bonds	2014	5,850,550.00	3,000.00	5,853,550.00
Housing Set Aside Tax Allocation Bonds	2004A	1,225,518.25	10,000.00	1,235,518.25
Housing Set Aside Tax Allocation Bonds	2006A	684,740.65	35,000.00	719,740.65
TOTAL RDA DEBT SERVICES:		34,586,951.15	728,000.00	35,314,951.15
GRAND TOTAL CITY and RDA DEBT SERVICES:		\$ 46,335,920.83	\$ 786,550.00	\$ 47,122,470.83

➤ DEBT SERVICE - EXPENDITURE REQUIREMENTS

CITY	Series	Principal	Interest	Other Costs	FY 15-16	Outstanding Principal as of July 1, 2015
- Pension Obligation Bond						
Taxable Pension Funding Bond	2006	\$ 2,011,613.20	\$ 1,479,171.16	\$ 6,080.00	\$ 3,496,864.36 ⁽¹⁾	\$ 58,170,000.00
CCCERA Triennial Experience Update	2006	528,554.93	778,100.77	-	1,306,655.70	10,819,527.89
		2,540,168.13	2,257,271.93	6,080.00	4,803,520.06	68,989,527.89
- Assessment District Bonds						
2011 Reassessment Revenue Refunding Bonds A & B	2011-1	1,055,000.00	631,543.76	76,300.00	1,762,843.76	14,890,000.00
Century Plaza - AutoMall	2001-03	115,000.00	195,253.76	17,138.91	327,392.67	3,430,000.00
Community Facilities District - Vista Del Mar	2005-2	300,000.00	490,970.00	10,100.00	801,070.00	10,080,000.00
Total Assessment Districts:		1,470,000.00	1,317,767.52	103,538.91	2,891,306.43	28,400,000.00
- Revenue Bonds (Enterprise Funds)						
Waste Water Revenue Refunding	2004	-	-	-	-	-
Water Revenue Refunding	2008	1,090,000.00	34,030.00	1,519,648.21	2,643,678.21	31,575,000.00
Total Revenue Bonds:		1,090,000.00	34,030.00	1,519,648.21	2,643,678.21	31,575,000.00
I-Bank Loan - Water System Modification Project	2014	220,226.29	395,832.69	34,162.20	650,221.18	11,387,397.99
2004 Wastewater Bonds- Refinance/Installment Sale Agree	2014	737,000.00	68,463.50	8,000.00	813,463.50	4,601,000.00
		957,226.29	464,296.19	42,162.20	1,463,684.68	15,988,397.99
TOTAL CITY DEBT SERVICES:		6,057,394.42	4,073,365.64	1,671,429.32	11,802,189.38	144,952,925.88

REDEVELOPMENT AGENCY	Series	Principal	Interest	Other Costs	FY 15-16	Outstanding Principal as of July 1, 2015
Tax Allocation Bonds (Refunded by 2006C RDA)	1993B	-	-	-	-	-
Tax Allocation Bonds (Refunded by 2004A RDA)	1996	-	-	-	-	-
Tax Allocation Bonds (Partially Refunded by 2014 TARB)	1999	-	-	7,260.00	7,260.00 ⁽²⁾	95,795,000.00
Tax Allocation Refunding Bonds	2002A	4,980,000.00	130,725.00	6,500.00	5,117,225.00	4,980,000.00
Tax Allocation Bonds (Refunded by 2014 TARB)	2003A	-	-	-	-	-
Subordinate Tax Allocation Bonds	2004A	4,330,000.00	3,745,082.00	3,109,659.00	11,184,741.00	105,525,000.00
Subordinate Tax Allocation Bonds	2004B	-	-	-	-	-
Subordinate Tax Allocation Bonds	2006B	3,840,000.00	1,265,978.50	2,300.00	5,108,278.50	26,310,000.00
Subordinate Tax Allocation Bonds	2006C	175,000.00	1,943,820.00	5,649.00	2,124,469.00	45,055,000.00
Subordinate Tax Allocation Bonds	2008A	40,000.00	3,911,568.75	12,600.00	3,964,168.75	60,495,856.25
Tax Allocation Refunding Bonds	2014	2,645,000.00	3,203,300.00	5,250.00	5,853,550.00	67,445,000.00
Housing Set Aside Tax Allocation Bonds	2004A	415,000.00	814,218.25	6,300.00	1,235,518.25	14,995,000.00
Housing Set Aside Tax Allocation Bonds	2006A	230,000.00	487,661.65	2,079.00	719,740.65	9,330,000.00
TOTAL RDA DEBT SERVICES:		16,655,000.00	15,502,354.15	3,157,597.00	35,314,951.15	429,930,856.25

GRAND TOTAL CITY and RDA DEBT SERVICES: \$22,712,394.42 \$19,575,719.79 \$4,829,026.32 \$47,117,140.53 \$574,883,782.13

(1) includes unaccrued discount in the total amount of \$20,798,944

(2) includes unaccrued discount in the total amount of \$75,398,642

➤ DEBT SERVICE REQUIREMENTS

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:	\$ 39,566,055.85
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 58,170,000.00 ⁽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 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Allocated Charges	\$ 3,447,057.96	\$ 3,501,694.36	\$ 6,948,752.32
Interest Earnings	250.00	500.00	750.00
TOTAL:	\$ 3,447,307.96	\$ 3,502,194.36	\$ 6,949,502.32
EXPENDITURES			
Fiscal Paying Agent Fees	\$ 2,080.00	\$ 2,080.00	\$ 4,160.00
Professional Administrative Fees	8,000.00	4,000.00	12,000.00
Principal Reduction	530,000.00	1,280,275.40	1,810,275.40
CAB Accreted Principal	-	674,724.60	674,724.60
Interest Expense	1,502,885.56	1,479,171.16	2,982,056.72
Pre-Pay Principal	1,409,672.40	56,613.20	1,466,285.60
TOTAL:	\$ 3,452,637.96	\$ 3,496,864.36	\$ 6,949,502.32

(1) Includes unaccreted discount in the total amount of \$20,798,944

Note: Pursuant to the Pension Obligation Bond documents the City of Pittsburg is required to pay one year of debt service payments in advance.

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

Taxable Pension Funding Bonds (Issued on 6/15/2006)

FISCAL YEAR	PRINCIPAL	INTEREST	CAB ACCRETED PRINCIPAL	TOTAL
2016	1,280,275.40	1,479,171.16	674,724.60	3,434,171.16
2017	1,272,394.70	1,461,240.76	747,605.30	3,481,240.76
2018	1,269,003.50	1,440,995.36	820,996.50	3,530,995.36
2019	1,271,822.50	1,418,272.36	888,177.50	3,578,272.36
2020	1,280,580.35	1,392,910.56	959,419.65	3,632,910.56
2021	1,291,856.95	1,364,763.36	1,028,143.05	3,684,763.36
2022	1,310,577.00	1,333,684.16	1,094,423.00	3,738,684.16
2023	1,357,230.10	1,299,389.11	1,197,769.90	3,854,389.11
2024	1,385,374.00	1,261,571.51	1,264,626.00	3,911,571.51
2025	1,419,515.65	1,220,060.78	1,330,484.35	3,970,060.78
2026	1,456,284.80	1,174,709.20	1,398,715.20	4,029,709.20
2027	1,188,856.15	1,134,528.00	1,466,143.85	3,789,528.00
2028	1,212,219.45	1,099,960.35	1,532,780.55	3,844,960.35
2029	1,237,636.50	1,062,438.20	1,597,363.50	3,897,438.20
2030	1,270,133.20	1,021,813.83	1,664,866.80	3,956,813.83
2031	1,308,271.60	977,791.78	1,731,728.40	4,017,791.78
2032	1,749,024.00	915,008.65	1,400,976.00	4,065,008.65
2033	3,295,000.00	777,772.13	-	4,072,772.13
2034	3,555,000.00	575,388.88	-	4,130,388.88
2035	3,835,000.00	357,051.33	-	4,192,051.33
2036	4,125,000.00	121,873.13	-	4,246,873.13
TOTAL	\$ 37,371,055.85	\$ 22,890,394.60	\$ 20,798,944.15	\$ 81,060,394.60

Note: Pursuant to the Pension Obligation Bond documents the City of Pittsburg is required to pay one year of debt service payments in advance.

➤ DEBT SERVICE REQUIREMENTS

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
DATE:	January 22, 2008
AMOUNT OF ISSUE:	\$ 11,312,353.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 10,819,527.89
DESCRIPTION:	An additional unfunded accrued pension liability with CCCERA as of December 31, 2012 was \$11.3 million. The City amortized the \$11.3 million payment over the remaining 14 years with an interest rate of 7.25% per annum, resulting in 14 annual payments of \$1,306,656. The next triennial update shall be completed by December 31, 2016.
DUE and PAYABLE ON:	December 31
PAYMENT ENTITY:	Contra Costa County Employees' Retirement Association

DEBT SERVICE REQUIREMENTS

	FY 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Allocated Charges	\$ 1,306,656.00	\$ 1,306,656.00	\$ 2,613,312.00
Interest Fiscal Agent	-	-	-
	\$ 1,306,656.00	\$ 1,306,656.00	\$ 2,613,312.00
EXPENDITURES			
Principal Reduction	\$ 492,825.00	\$ 528,554.93	\$ 1,021,379.93
Interest Expense	813,831.00	778,100.77	1,591,931.77
TOTAL:	\$ 1,306,656.00	\$ 1,306,655.70	\$ 2,613,311.70

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

CCCERA (Issued in 2008)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	528,555	778,101	1,306,656
2017	566,875	739,781	1,306,656
2018	607,974	698,682	1,306,656
2019	652,052	654,604	1,306,656
2020	699,325	607,330	1,306,656
2021	750,027	556,629	1,306,656
2022	804,403	502,252	1,306,656
2023	862,723	443,933	1,306,656
2024	925,270	381,386	1,306,656
2025	992,352	314,304	1,306,656
2026	1,064,298	242,358	1,306,656
2027	1,141,459	165,196	1,306,656
2028	1,224,215	82,441	1,306,656
			-
TOTAL	\$ 10,819,528	\$ 6,166,996	\$ 16,986,524

➤ 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:	\$ 17,840,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 14,890,000.00
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 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Assessment Collection	\$ 1,733,355.00	\$ 1,737,943.76	\$ 3,471,298.76
Interest Earnings	24,900.00	24,900.00	49,800.00
TOTAL:	\$ 1,758,255.00	\$ 1,762,843.76	\$ 3,521,098.76
EXPENDITURES			
Fiscal Paying Agent Fees	\$ 3,960.00	\$ 3,960.00	\$ 7,920.00
Professional Administrative Fees	47,436.00	47,910.00	95,346.00
County Admin. Fees	-	-	-
Cost of Bond Issuance	-	-	-
City Admin. Fees	24,190.00	24,430.00	48,620.00
Principal Reduction	1,020,000.00	1,055,000.00	2,075,000.00
Interest Expense	662,669.00	631,543.76	1,294,212.76
TOTAL:	\$ 1,758,255.00	\$ 1,762,843.76	\$ 3,521,098.76

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2011 Re-Assessment Revenue Refunding Bonds (Issued in 2011)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	1,055,000.00	631,543.76	1,686,543.76
2017	1,080,000.00	599,265.63	1,679,265.63
2018	1,100,000.00	565,787.50	1,665,787.50
2019	1,165,000.00	520,387.50	1,685,387.50
2020	1,205,000.00	462,356.25	1,667,356.25
2021	1,270,000.00	405,162.50	1,675,162.50
2022	920,000.00	358,793.75	1,278,793.75
2023	955,000.00	319,740.63	1,274,740.63
2024	860,000.00	280,181.26	1,140,181.26
2025	905,000.00	239,978.13	1,144,978.13
2026	585,000.00	205,303.13	790,303.13
2027	605,000.00	176,890.63	781,890.63
2028	640,000.00	145,987.50	785,987.50
2029	675,000.00	112,493.75	787,493.75
2030	590,000.00	80,268.75	670,268.75
2031	620,000.00	49,437.50	669,437.50
2032	660,000.00	16,818.75	676,818.75
TOTAL	\$ 14,890,000.00	\$ 5,170,396.92	\$20,060,396.92

➤ 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:	\$ 4,405,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 3,430,000.00
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 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Assessment Collection	\$ 325,955.25	\$ 325,242.67	\$ 651,197.92
Interest Earnings	2,150.00	2,150.00	4,300.00
TOTAL:	\$ 328,105.25	\$ 327,392.67	\$ 655,497.92
EXPENDITURES			
Fiscal Paying Agent Fees	\$ -	\$ -	\$ -
Professional Administrative Fees	12,242.49	12,364.91	24,607.40
County Admin. Fees	300.00	300.00	600.00
City Admin. Fees	4,429.00	4,474.00	8,903.00
Principal Reduction	110,000.00	115,000.00	225,000.00
Interest Expense	201,133.76	195,253.76	396,387.52
TOTAL:	\$ 328,105.25	\$ 327,392.67	\$ 655,497.92

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

**2001-03 CENTURY PLAZA AUTO MALL PHASE I ASSESSMENT DISTRICT BONDS
(Issued in 2002)**

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	115,000.00	195,253.76	310,253.76
2017	120,000.00	188,966.26	308,966.26
2018	125,000.00	182,226.26	307,226.26
2019	135,000.00	174,878.76	309,878.76
2020	140,000.00	167,006.26	307,006.26
2021	150,000.00	158,631.26	308,631.26
2022	160,000.00	149,681.26	309,681.26
2023	170,000.00	140,193.76	310,193.76
2024	175,000.00	130,275.01	305,275.01
2025	185,000.00	119,925.01	304,925.01
2026	200,000.00	108,856.26	308,856.26
2027	210,000.00	96,937.51	306,937.51
2028	220,000.00	84,306.26	304,306.26
2029	235,000.00	70,940.64	305,940.64
2030	250,000.00	56,693.75	306,693.75
2031	265,000.00	41,565.63	306,565.63
2032	280,000.00	25,556.26	305,556.26
2033	295,000.00	8,665.63	303,665.63
2034			
TOTAL	\$ 3,430,000.00	\$ 2,100,559.53	\$ 5,530,559.53

➤ DEBT SERVICE REQUIREMENTS

2005-2 VISTA DEL MAR COMMUNITY FACILITIES DISTRICT SPECIAL TAX BONDS (Issued in 2005)

BOND ISSUES: CITY OF PITTSBURG
Vista Del Mar CFD Special Tax Bonds 2005-02

DATE OF ISSUES: November 3, 2005

AMOUNT OF ISSUE: \$ 12,115,000.00

AMOUNT OUTSTANDING: \$ 10,080,000.00
(June 30, 2015)

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.

PAYMENT DATES: September 1 and March 1

PAYMENT AGENT: The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Assessment Collection	\$ 787,896.00	\$ 790,070.00	\$ 1,577,966.00
Interest Earnings	10,596.00	11,000.00	21,596.00
TOTAL:	\$ 798,492.00	\$ 801,070.00	\$ 1,599,562.00
EXPENDITURES			
Fiscal Paying Agent Fees	\$ -	\$ -	\$ -
Professional Administrative Fees	9,094.00	9,400.00	18,494.00
County Admin. Fees	700.00	700.00	1,400.00
Principal Reduction	285,000.00	300,000.00	585,000.00
Interest Expense	503,698.00	490,970.00	994,668.00
TOTAL:	\$ 798,492.00	\$ 801,070.00	\$ 1,599,562.00

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2005-2 VISTA DEL MAR COMMUNITY FACILITIES DISTRICT SPECIAL TAX BONDS (Issued in 2005)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	300,000.00	490,970.00	790,970.00
2017	310,000.00	477,395.00	787,395.00
2018	320,000.00	463,020.00	783,020.00
2019	335,000.00	447,747.50	782,747.50
2020	350,000.00	431,562.50	781,562.50
2021	365,000.00	414,125.00	779,125.00
2022	385,000.00	395,375.00	780,375.00
2023	400,000.00	375,750.00	775,750.00
2024	420,000.00	355,250.00	775,250.00
2025	440,000.00	333,750.00	773,750.00
2026	460,000.00	311,250.00	771,250.00
2027	485,000.00	287,625.00	772,625.00
2028	505,000.00	262,875.00	767,875.00
2029	530,000.00	237,000.00	767,000.00
2030	555,000.00	209,875.00	764,875.00
2031	580,000.00	181,500.00	761,500.00
2032	610,000.00	151,750.00	761,750.00
2033	635,000.00	120,625.00	755,625.00
2034	665,000.00	88,125.00	753,125.00
2035	700,000.00	54,000.00	754,000.00
2036	730,000.00	18,250.00	748,250.00
TOTAL	\$ 10,080,000.00	\$ 6,107,820.00	\$ 16,187,820.00

➤ 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, 2015)	\$ 11,387,398
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 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Water Charge Revenues	\$ 82,160.08	\$ 650,221.18	\$ 732,381.26
Interest Earnings		-	-
TOTAL:	\$ 82,160.08	\$ 650,221.18	\$ 732,381.26
EXPENDITURES			
Professional Administrative Fees	\$ -	\$ 34,162.20	\$ 34,162.20
Principal Reduction	-	220,226.29	220,226.29
Interest Expense	82,160.08	395,832.69	477,992.77
TOTAL:	\$ 82,160.08	\$ 650,221.18	\$ 732,381.26

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

I-BANK LOAN - WATER SYSTEMS MODIFICATION PROJECT

FISCAL YEAR	PRINCIPAL	INTEREST	ANNUAL FEE	TOTAL
2016	220,226.29	395,832.69	34,162.20	650,221.18
2017	227,956.23	387,967.09	33,501.52	649,424.84
2018	235,957.50	379,825.41	32,817.65	648,600.56
2019	244,239.61	371,397.95	32,109.77	647,747.33
2020	252,812.42	362,674.68	31,377.06	646,864.16
2021	261,686.13	353,645.23	30,618.62	645,949.98
2022	270,871.32	344,298.85	29,833.56	645,003.73
2023	280,378.90	334,624.41	29,020.95	644,024.26
2024	290,220.20	324,610.40	28,179.81	643,010.41
2025	300,406.93	314,244.90	27,309.15	641,960.98
2026	310,951.21	303,515.56	26,407.93	640,874.70
2027	321,865.60	292,409.62	25,475.07	639,750.29
2028	333,163.08	280,913.87	24,509.48	638,586.43
2029	344,857.10	269,014.62	23,509.99	637,381.71
2030	356,961.59	256,697.70	22,475.42	636,134.71
2031	369,490.94	243,948.45	21,404.53	634,843.92
2032	382,460.07	230,751.71	20,296.06	633,507.84
2033	395,884.42	217,091.77	19,148.68	632,124.87
2034	409,779.96	202,952.36	17,961.03	630,693.35
2035	424,163.24	188,316.66	16,731.69	629,211.59
2036	439,051.37	173,167.24	15,459.20	627,677.81
2037	454,462.07	157,486.07	14,142.04	626,090.18
2038	470,413.69	141,254.50	12,778.66	624,446.85
2039	486,925.21	124,453.21	11,367.41	622,745.83
2040	504,016.29	107,062.19	9,906.64	620,985.12
2041	521,707.26	89,060.74	8,394.59	619,162.59
2042	540,019.18	70,427.44	6,829.47	617,276.09
2043	558,973.86	51,140.11	5,209.41	615,323.38
2044	578,593.84	31,175.80	3,532.49	613,302.13
2045	598,902.48	10,510.74	1,796.71	611,209.93
TOTAL	\$ 11,387,397.99	\$ 7,010,471.97	\$ 616,266.79	\$ 19,014,136.75

➤ 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: \$ 6,100,000.00

AMOUNT OUTSTANDING:
(June 30, 2015) \$ 4,601,000.00

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 2014-15		FY 2015-16		FY 2014-2016	
REVENUE SOURCES						
Sewer Charge Revenues	\$	822,411.42	\$	813,463.50	\$	1,635,874.92
Interest Earnings				-		-
TOTAL:	\$	822,411.42	\$	813,463.50	\$	1,635,874.92
EXPENDITURES						
Bond Issuance Costs	\$	648.00	\$	-	\$	648.00
Professional Administrative Fees		7,500.00		8,000.00		15,500.00
Principal Reduction		741,000.00		737,000.00		1,478,000.00
Interest Expense		73,263.42		68,463.50		141,726.92
TOTAL:	\$	822,411.42	\$	813,463.50	\$	1,635,874.92

➤ DEBT SERVICE - AMORTIZATION SCHEDULE
REFINANCE OF 2004 WASTEWATER BONDS

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	737,000.00	68,463.50	805,463.50
2017	753,000.00	56,970.25	809,970.25
2018	761,000.00	45,267.75	806,267.75
2019	772,000.00	33,433.50	805,433.50
2020	782,000.00	21,428.75	803,428.75
2021	796,000.00	9,253.50	805,253.50
TOTAL	\$ 4,601,000.00	\$ 234,817.25	\$4,835,817.25

➤ DEBT SERVICE REQUIREMENTS

2008 WATER REVENUE REFUNDING BONDS (Issued in 2008)

BOND ISSUES:	CITY OF PITTSBURG Water Revenue Bonds 2008
DATE OF ISSUES:	April 30, 2008
AMOUNT OF ISSUE:	\$ 38,395,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 31,575,000.00
DESCRIPTION:	The Bonds were issued by the City of Pittsburg Public Financing Authority to refund all of the Water Revenue Refunding Bonds Series 2005 and to pay the costs of bond issuance.
PAYMENT DATES:	* Monthly interest payments and principal due on May 25.
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

REVENUE SOURCES	FY 2014-15	FY 2015-16	FY 2014-2016
Water Charge Revenues	\$ 2,620,441.00	\$ 2,623,678.21	\$ 5,244,119.21
Interest Earnings	19,500.00	20,000.00	39,500.00
TOTAL:	\$ 2,639,941.00	\$ 2,643,678.21	\$ 5,283,619.21
EXPENDITURES			
Professional Administrative Fees	\$ 50,000.00	\$ 60,000.00	110,000.00
Arbitrage Rebate Liability	3,000.00	3,000.00	6,000.00
Letter of Credit Fees	367,014.00	356,244.83	723,258.83
Swap Fees	1,138,722.00	1,100,403.38	2,239,125.38
Principal Reduction	1,035,000.00	1,090,000.00	2,125,000.00
Interest Expense (1)	34,030.00	34,030.00	68,060.00
TOTAL:	\$ 2,627,766.00	\$ 2,643,678.21	\$ 5,271,444.21

(1) Variable interest rates.

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2008 WATER REVENUE REFUNDING BONDS (Issued in 2008)

FISCAL YEAR	PRINCIPAL	INTEREST*	LOC & Remarketing FEES	TOTAL
2016	1,090,000	1,134,433.38	356,244.83	2,580,678.21
2017	1,140,000	1,094,169.70	343,083.19	2,577,252.89
2018	1,165,000	1,055,146.37	330,247.97	2,550,394.34
2019	1,215,000	1,013,148.47	317,129.36	2,545,277.83
2020	1,265,000	986,390.62	304,205.62	2,555,596.24
2021	1,315,000	921,337.92	289,203.49	2,525,541.41
2022	1,365,000	875,587.66	274,396.28	2,514,983.94
2023	1,415,000	826,389.39	259,026.21	2,500,415.60
2024	1,465,000	774,857.21	243,700.43	2,483,557.64
2025	1,515,000	734,342.31	226,597.49	2,475,939.80
2026	1,565,000	667,109.00	209,538.83	2,441,647.83
2027	1,615,000	610,710.79	191,917.32	2,417,628.11
2028	1,690,000	552,136.71	174,164.98	2,416,301.69
2029	1,740,000	490,833.14	154,702.29	2,385,535.43
2030	1,815,000	429,017.72	135,108.77	2,379,126.49
2031	1,890,000	369,362.67	114,670.95	2,374,033.62
2032	1,965,000	294,059.84	93,622.37	2,352,682.21
2033	2,040,000	223,069.47	71,262.46	2,334,331.93
2034	2,115,000	149,962.42	48,291.77	2,313,254.19
2035	2,190,000	73,746.00	24,476.80	2,288,222.80
	-	-	-	-
TOTAL	31,575,000	\$ 13,275,810.79	\$ 4,161,591.41	\$ 49,012,402.20

* Variable interest rates & SWAP Fees

➤ 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: \$ 30,106,356.90

AMOUNT OUTSTANDING: \$ 95,795,000.00 ⁽¹⁾
(June 30, 2015)

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 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Tax Increment	\$ 6,910.00	\$ 7,260.00	\$ 14,170.00
Interest Earnings		-	-
TOTAL:	\$ 6,910.00	\$ 7,260.00	\$ 14,170.00
EXPENDITURES			
Professional Administrative Fees	\$ 6,910.00	\$ 7,260.00	\$ 14,170.00
Principal Reduction	-	-	-
Interest Expense	-	-	-
TOTAL:	\$ 6,910.00	\$ 7,260.00	\$ 14,170.00

(1) Includes unaccrued discount in the total amount of \$75,398,642

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

1999 (RDA) TAX ALLOCATION BONDS (Issued in 1999)

FISCAL YEAR	PRINCIPAL	ACCRETED PRINCIPAL	TOTAL
2015	-	-	-
2016	-	-	-
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	1,576,003	3,573,997	5,150,000
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	20,396,358	\$ 75,398,642.00	\$ 95,795,000.00

➤ DEBT SERVICE REQUIREMENTS

2002A (RDA) TAX ALLOCATION REFUNDING BONDS (Issued in 2002)

BOND ISSUES:	REDEVELOPMENT AGENCY Tax Allocation Refunding Bonds, Series 2002A
DATE OF ISSUES:	March 12, 2002
AMOUNT OF ISSUE:	\$ 59,970,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 4,980,000.00
DESCRIPTION:	The proceeds of the TABs 2002A were used to refund all the Tax Allocation Refunding Bonds Series 1992s for the outstanding amount of \$58,460,000 and to pay all the bonds issuance costs.
PAYMENT DATES:	August 1 and February 1
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Tax Increment	\$ 5,081,612.50	\$ 5,082,225.00	\$ 10,163,837.50
Interest Earnings	40,000.00	35,000.00	75,000.00
TOTAL:	\$ 5,121,612.50	\$ 5,117,225.00	\$ 10,238,837.50
EXPENDITURES			
Professional Administrative Fees	\$ 6,000.00	\$ 6,500.00	\$ 12,500.00
Principal Reduction	4,730,000.00	4,980,000.00	9,710,000.00
Interest Expense	385,612.50	130,725.00	516,337.50
TOTAL:	\$ 5,121,612.50	\$ 5,117,225.00	\$ 10,238,837.50

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

**2002A (RDA) TAX ALLOCATION REFUNDING BONDS
(Issued in 2002)**

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	4,980,000.00	130,725.00	5,110,725.00
TOTAL	\$ 4,980,000.00	\$ 130,725.00	\$ 5,110,725.00

➤ DEBT SERVICE REQUIREMENTS

2004A (RDA) SUBORDINATE TAX ALLOCATION BONDS (Issued in 2004)

BOND ISSUES:	REDEVELOPMENT AGENCY Subordinate Tax Allocation Bonds, Series 2004A
DATE OF ISSUES:	December 29, 2004
AMOUNT OF ISSUE:	\$ 117,615,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 105,525,000.00
DESCRIPTION:	The STABs 2004A are subordinate to four prior issues of the Agency bonds (Series 1992, 1993A, 1993B and 1996). The bond proceeds were used to refund, on an advance basis, a portion of the outstanding STABs 1996, to fund redevelopment activities, to fund capitalized interest on a portion of the STABs 2004A through September 1, 2007, to make a deposit to debt service reserve account and to pay the costs of bonds issuance.
PAYMENT DATES:	* Monthly interest payment, with the first principal due on September 1, 2012.
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Tax Increment	\$ 11,736,349.00	\$ 10,769,741.00	\$ 22,506,090.00
Interest Earnings	425,532.00	415,000.00	840,532.00
TOTAL:	\$ 12,161,881.00	\$ 11,184,741.00	\$ 23,346,622.00
EXPENDITURES			
Professional Administrative Fees	\$ 85,000.00	\$ 90,000.00	\$ 175,000.00
Swap & Interest Expense	3,893,076.00	3,745,082.00	7,638,158.00
Remarketing & Liquidity Fees	94,097.00	90,582.00	184,679.00
Letter of Credit Fees	3,919,708.00	2,929,077.00	6,848,785.00
Principal Expense	4,170,000.00	4,330,000.00	8,500,000.00
TOTAL:	\$ 12,161,881.00	\$ 11,184,741.00	\$ 23,346,622.00

* Variable interest rates

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2004A (RDA) SUBORDINATE TAX ALLOCATION BONDS (Issued in 2004)

FISCAL YEAR	PRINCIPAL	SWAP & INTEREST	REMARKETING & LOC FEES	TOTAL
2016	4,330,000.00	3,745,082.00	3,019,659.00	11,094,741.00
2017	4,495,000.00	3,591,411.00	2,887,271.00	10,973,682.00
2018	4,660,000.00	3,431,883.00	2,752,045.00	10,843,928.00
2019	4,835,000.00	3,266,500.00	2,613,813.00	10,715,313.00
2020	5,025,000.00	3,094,905.00	2,475,041.00	10,594,946.00
2021	5,160,000.00	2,916,568.00	2,323,677.00	10,400,245.00
2022	5,070,000.00	2,733,440.00	2,173,446.00	9,976,886.00
2023	5,270,000.00	2,553,506.00	2,022,368.00	9,845,874.00
2024	6,320,000.00	2,366,473.00	1,856,006.00	10,542,479.00
2025	4,840,000.00	2,142,176.00	1,695,177.00	8,677,353.00
2026	5,020,000.00	1,970,405.00	1,547,203.00	8,537,608.00
2027	5,215,000.00	1,792,245.00	1,398,194.00	8,405,439.00
2028	5,410,000.00	1,607,165.00	1,245,850.00	8,263,015.00
2029	5,605,000.00	1,415,164.00	1,083,962.00	8,104,126.00
2030	5,815,000.00	1,216,242.00	916,928.00	7,948,170.00
2031	8,915,000.00	1,009,868.00	698,550.00	10,623,418.00
2032	4,010,000.00	693,475.00	523,951.00	5,227,426.00
2033	4,170,000.00	551,160.00	394,282.00	5,115,442.00
2034	4,330,000.00	403,166.00	270,254.00	5,003,420.00
2035	4,490,000.00	249,495.00	141,868.00	4,881,363.00
2036	2,540,000.00	90,145.00	47,437.00	2,677,582.00
TOTAL	\$ 105,525,000.00	\$ 40,840,474.00	\$ 32,086,982.00	\$ 178,452,456.00

➤ DEBT SERVICE REQUIREMENTS

2006B (RDA) SUBORDINATE TAX ALLOCATION BONDS (Issued in 2006)

BOND ISSUES:	REDEVELOPMENT AGENCY Subordinate Tax Allocation Bonds, Series 2006B (Taxable)
DATE OF ISSUES:	December 14, 2006
AMOUNT OF ISSUE:	\$ 36,840,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 26,310,000.00
DESCRIPTION:	The proceeds of the STABs 2006B were used to finance certain public capital improvements within the Project Area, to fund capitalized interest on the 2006 Series B Bonds through September 1, 2009, to make a deposit to a debt service reserve account and to pay the costs of issuance.
PAYMENT DATES:	September 1 and March 1, with the first principal due on September 1, 2011.
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Tax Increment	\$ 5,000,164.00	\$ 5,028,278.50	\$ 10,028,442.50
Interest Earnings	115,000.00	80,000.00	195,000.00
TOTAL:	\$ 5,115,164.00	\$ 5,108,278.50	\$ 10,223,442.50
EXPENDITURES			
Professional Administrative Fees	\$ 2,500.00	\$ 2,300.00	\$ 4,800.00
Principal Reduction	3,655,000.00	3,840,000.00	7,495,000.00
Interest Expense	1,457,664.00	1,265,978.50	2,723,642.50
TOTAL:	\$ 5,115,164.00	\$ 5,108,278.50	\$ 10,223,442.50

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

**2006B (RDA) SUBORDINATE TAX ALLOCATION BONDS
(Issued in 2006)**

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	3,840,000.00	1,265,978.50	5,105,978.50
2017	4,040,000.00	1,064,447.50	5,104,447.50
2018	4,250,000.00	850,305.75	5,100,305.75
2019	4,475,000.00	622,801.38	5,097,801.38
2020	4,700,000.00	383,563.25	5,083,563.25
2021	5,005,000.00	130,505.38	5,135,505.38
2022			
TOTAL	\$ 26,310,000.00	\$ 4,317,601.75	\$ 30,627,601.75

➤ DEBT SERVICE REQUIREMENTS

2006C (RDA) SUBORDINATE TAX ALLOCATION BONDS (Issued in 2006)

BOND ISSUES:	REDEVELOPMENT AGENCY Subordinate Tax Allocation Refunding Bonds, Series 2006C
DATE OF ISSUES:	December 14, 2006
AMOUNT OF ISSUE:	\$ 46,660,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 45,055,000.00
DESCRIPTION:	The STABs 2006C were issued to refund, on an advance basis, the Agency's 1993B Bonds, to make a deposit to a debt service reserve account and to pay the costs of issuance.
PAYMENT DATES:	September 1 and March 1
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Tax Increment	\$ 1,996,113.00	\$ 2,004,469.00	\$ 4,000,582.00
Interest Earnings	130,000.00	120,000.00	250,000.00
TOTAL:	\$ 2,126,113.00	\$ 2,124,469.00	\$ 4,250,582.00
EXPENDITURES			
Professional Administrative Fees	\$ 5,380.00	\$ 5,649.00	\$ 11,029.00
Principal Reduction	170,000.00	175,000.00	345,000.00
Interest Expense	1,950,733.00	1,943,820.00	3,894,553.00
TOTAL:	\$ 2,126,113.00	\$ 2,124,469.00	\$ 4,250,582.00

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2006C (RDA) SUBORDINATE TAX ALLOCATION BONDS (Issued in 2006)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	175,000.00	1,943,820.00	2,118,820.00
2017	180,000.00	1,935,832.50	2,115,832.50
2018	190,000.00	1,928,338.75	2,118,338.75
2019	195,000.00	1,921,238.75	2,116,238.75
2020	205,000.00	1,913,585.00	2,118,585.00
2021	210,000.00	1,905,387.50	2,115,387.50
2022	220,000.00	1,896,787.50	2,116,787.50
2023	230,000.00	1,887,787.50	2,117,787.50
2024	240,000.00	1,878,267.50	2,118,267.50
2025	250,000.00	1,868,191.25	2,118,191.25
2026	260,000.00	1,857,575.00	2,117,575.00
2027	270,000.00	1,846,445.00	2,116,445.00
2028	280,000.00	1,834,700.00	2,114,700.00
2029	295,000.00	1,822,225.00	2,117,225.00
2030	305,000.00	1,809,206.25	2,114,206.25
2031	320,000.00	1,795,643.75	2,115,643.75
2032	9,660,000.00	1,579,156.25	11,239,156.25
2033	10,080,000.00	1,150,956.25	11,230,956.25
2034	10,515,000.00	704,212.50	11,219,212.50
2035	10,975,000.00	238,062.50	11,213,062.50
TOTAL	\$ 45,055,000.00	\$ 33,717,418.75	\$ 78,772,418.75

➤ DEBT SERVICE REQUIREMENTS

2008A (RDA) SUBORDINATE TAX ALLOCATION REFUNDING BONDS (Issued in 2008)

BOND ISSUES:	REDEVELOPMENT AGENCY Subordinate Tax Allocation Refunding Bonds 2008 Series A
DATE OF ISSUES:	November 6, 2008
AMOUNT OF ISSUE:	\$ 61,660,856.25
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 60,495,856.25
DESCRIPTION:	The 2008 Series A Bonds were issued by the Agency to refund prior bonds including all outstanding 2006A bonds and a portion of 2003A bonds, to fund a reserve fund, to fund the termination payment for the swap entered into in connection with the Prior Bonds and to pay the costs of issuance incurred in connection with the issuance, sale and delivery of the 2008 Series A Bonds
PAYMENT DATES:	March 1 and September 1 of each year
PAYMENT AGENT:	The Bank of New York Mellon Trust Company N.A.

DEBT SERVICE REQUIREMENTS

	FY 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Tax Increment	\$ 3,901,925.00	\$ 3,934,168.75	\$ 7,836,093.75
Interest Earnings	38,000.00	30,000.00	68,000.00
TOTAL:	\$ 3,939,925.00	\$ 3,964,168.75	\$ 7,904,093.75
EXPENDITURES			
Professional Administrative Fees	\$ 12,000.00	\$ 12,600.00	\$ 24,600.00
Principal Reduction	15,000.00	40,000.00	55,000.00
Interest Expense	3,912,925.00	3,911,568.75	7,824,493.75
TOTAL:	\$ 3,939,925.00	\$ 3,964,168.75	\$ 7,904,093.75

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2008A (RDA) SUBORDINATE TAX ALLOCATION REFUNDING BONDS (Issued in 2008)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	40,000.00	3,911,568.75	3,951,568.75
2017	65,000.00	3,908,862.50	3,973,862.50
2018	90,000.00	3,904,681.25	3,994,681.25
2019	120,000.00	3,898,756.25	4,018,756.25
2020	150,000.00	3,890,806.25	4,040,806.25
2021	185,000.00	3,880,640.63	4,065,640.63
2022	5,775,000.00	3,687,287.50	9,462,287.50
2023	6,170,000.00	3,299,075.00	9,469,075.00
2024	6,335,000.00	2,892,662.50	9,227,662.50
2025	8,500,000.00	2,410,525.00	10,910,525.00
2026	9,085,000.00	1,839,012.50	10,924,012.50
2027	8,090,000.00	1,280,825.00	9,370,825.00
2028	8,650,000.00	736,775.00	9,386,775.00
2029	7,010,000.00	649,896.88	7,659,896.88
2030	230,856.25	422,071.88	652,928.13
TOTAL	\$ 60,495,856.25	\$ 40,613,446.88	\$ 101,109,303.13

➤ 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:	\$ 67,445,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 67,445,000.00
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 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Tax Increment	\$ 1,946,905.00	\$ 5,850,550.00	\$ 7,797,455.00
Interest Earnings	2,770.00	3,000.00	5,770.00
TOTAL:	\$ 1,949,675.00	\$ 5,853,550.00	\$ 7,803,225.00
EXPENDITURES			
Professional Administrative Fees	\$ 5,000.00	\$ 5,250.00	\$ 10,250.00
Principal Reduction	0.00	2,645,000.00	2,645,000.00
Interest Expense	1,944,675.00	3,203,300.00	5,147,975.00
TOTAL:	\$ 1,949,675.00	\$ 5,853,550.00	\$ 7,803,225.00

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2014 Successor Agency to RDA 2014 Tax Allocation Refunding Bonds
(Issued in 2014)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	2,645,000.00	3,203,300.00	5,848,300.00
2017	7,960,000.00	2,991,200.00	10,951,200.00
2018	9,145,000.00	2,603,375.00	11,748,375.00
2019	8,735,000.00	2,156,375.00	10,891,375.00
2020	5,755,000.00	1,794,125.00	7,549,125.00
2021	6,040,000.00	1,504,250.00	7,544,250.00
2022	6,335,000.00	1,199,875.00	7,534,875.00
2023	3,045,000.00	965,375.00	4,010,375.00
2024	2,340,000.00	830,750.00	3,170,750.00
2025	2,450,000.00	711,000.00	3,161,000.00
2026	2,575,000.00	585,375.00	3,160,375.00
2027	2,705,000.00	453,375.00	3,158,375.00
2028	2,445,000.00	324,625.00	2,769,625.00
2029	2,570,000.00	199,250.00	2,769,250.00
2030	2,700,000.00	67,500.00	2,767,500.00
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TOTAL	\$ 67,445,000.00	\$ 19,589,750.00	\$ 87,034,750.00

➤ DEBT SERVICE REQUIREMENTS

2004 A (RDA) HOUSING SET ASIDE TAX ALLOCATION BONDS (Issued in 2004)

BOND ISSUES:	REDEVELOPMENT AGENCY - HOUSING SET ASIDE Tax Allocation Bonds, Series 2004A
DATE OF ISSUES:	December 16, 2004
AMOUNT OF ISSUE:	\$ 18,270,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 14,995,000.00
DESCRIPTION:	The proceeds of the Housing Set Aside TABs 2004A were issued to fund the low and moderate income housing projects within or of benefit to the RDA's development projects, 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

REVENUE SOURCES	FY 2014-15	FY 2015-16	FY 2014-2016
Tax Increment	\$ 1,225,093.00	\$ 1,225,518.25	\$ 2,450,611.25
Interest Earnings	10,450.00	10,000.00	20,450.00
TOTAL:	\$ 1,235,543.00	\$ 1,235,518.25	\$ 2,471,061.25
EXPENDITURES			
Professional Administrative Fee	\$ 6,000.00	\$ 6,300.00	\$ 12,300.00
Principal Reduction	395,000.00	415,000.00	810,000.00
Interest Expense	834,543.00	814,218.25	1,648,761.25
TOTAL:	\$ 1,235,543.00	\$ 1,235,518.25	\$ 2,471,061.25

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2004A (RDA) HOUSING SET ASIDE TAX ALLOCATION BONDS (Issued in 2004)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	415,000.00	814,218.25	1,229,218.25
2017	440,000.00	792,202.00	1,232,202.00
2018	460,000.00	769,027.00	1,229,027.00
2019	485,000.00	744,135.50	1,229,135.50
2020	510,000.00	717,370.00	1,227,370.00
2021	540,000.00	689,125.00	1,229,125.00
2022	565,000.00	659,287.50	1,224,287.50
2023	595,000.00	627,851.50	1,222,851.50
2024	630,000.00	594,654.00	1,224,654.00
2025	665,000.00	559,559.50	1,224,559.50
2026	700,000.00	522,218.00	1,222,218.00
2027	740,000.00	482,474.00	1,222,474.00
2028	780,000.00	440,522.00	1,220,522.00
2029	820,000.00	396,362.00	1,216,362.00
2030	870,000.00	349,283.00	1,219,283.00
2031	915,000.00	299,124.50	1,214,124.50
2032	970,000.00	246,156.00	1,216,156.00
2033	1,020,000.00	190,237.00	1,210,237.00
2034	1,080,000.00	131,227.00	1,211,227.00
2035	1,140,000.00	68,845.00	1,208,845.00
2036	655,000.00	18,405.50	673,405.50
TOTAL	\$ 14,995,000.00	\$ 10,112,284.25	\$ 25,107,284.25

➤ 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:	\$ 11,020,000.00
AMOUNT OUTSTANDING: (June 30, 2015)	\$ 9,330,000.00
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 2014-15	FY 2015-16	FY 2014-2016
REVENUE SOURCES			
Tax Increment	\$ 680,607.00	\$ 684,740.65	\$ 1,365,347.65
Interest Earnings	40,544.00	35,000.00	75,544.00
TOTAL:	\$ 721,151.00	\$ 719,740.65	\$ 1,440,891.65
EXPENDITURES			
Professional Administrative Fees	\$ 1,980.00	\$ 2,079.00	\$ 4,059.00
Principal Reduction	220,000.00	230,000.00	450,000.00
Interest Expense	499,171.00	487,661.65	986,832.65
TOTAL:	\$ 721,151.00	\$ 719,740.65	\$ 1,440,891.65

➤ DEBT SERVICE - AMORTIZATION SCHEDULE

2006A (RDA) HOUSING SET ASIDE TAX ALLOCATION BONDS (Issued in 2006)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2016	230,000.00	487,661.65	717,661.65
2017	240,000.00	475,641.40	715,641.40
2018	255,000.00	462,854.28	717,854.28
2019	265,000.00	449,295.28	714,295.28
2020	280,000.00	435,084.40	715,084.40
2021	295,000.00	420,091.28	715,091.28
2022	310,000.00	404,167.10	714,167.10
2023	330,000.00	387,171.90	717,171.90
2024	345,000.00	369,247.28	714,247.28
2025	360,000.00	350,526.00	710,526.00
2026	380,000.00	330,875.30	710,875.30
2027	400,000.00	310,162.40	710,162.40
2028	425,000.00	288,254.53	713,254.53
2029	450,000.00	265,018.90	715,018.90
2030	470,000.00	240,588.30	710,588.30
2031	495,000.00	214,962.73	709,962.73
2032	520,000.00	188,009.40	708,009.40
2033	550,000.00	159,595.55	709,595.55
2034	580,000.00	129,588.40	709,588.40
2035	610,000.00	97,987.95	707,987.95
2036	415,000.00	70,769.08	485,769.08
2037	1,125,000.00	29,874.38	1,154,874.38
TOTAL	\$ 9,330,000.00	\$ 6,567,427.45	\$ 15,897,427.45

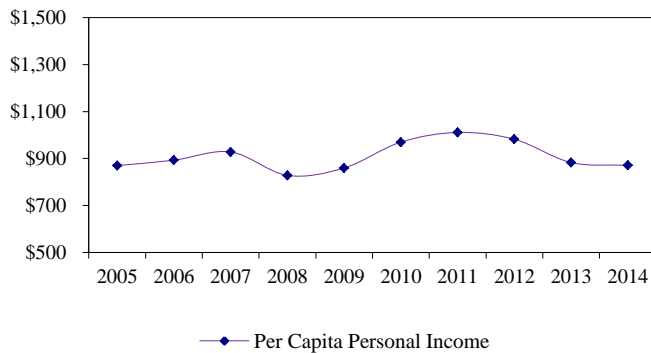
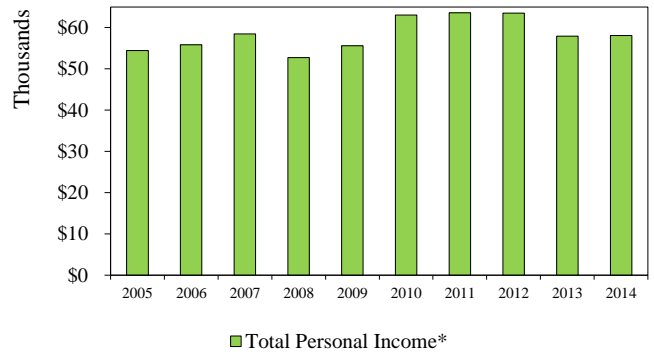
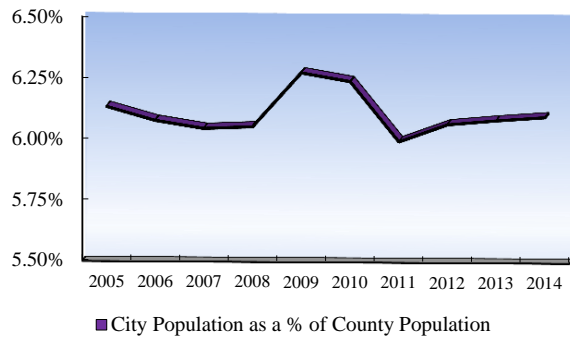


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CITY OF PITTSBURG

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
2005	62,605	54,472	870	5.1%	1,020,898	6.13%
2006	62,547	55,873	893	4.5%	1,029,377	6.08%
2007	63,004	58,479	928	4.5%	1,042,341	6.04%
2008	63,652	52,730	828	6.7%	1,051,674	6.05%
2009	64,600	55,580	860	7.7%	1,029,703	6.27%
2010	64,967	63,039	970	11.3%	1,041,274	6.24%
2011	62,877	63,570	1,011	12.3%	1,049,025	5.99%
2012	64,660	63,513	982	11.0%	1,066,096	6.07%
2013	65,664	57,965	883	13.4%	1,079,597	6.08%
2014	66,695	58,063	871	9.7%	1,094,000	6.10%

Source: On-line factfinder.census.gov

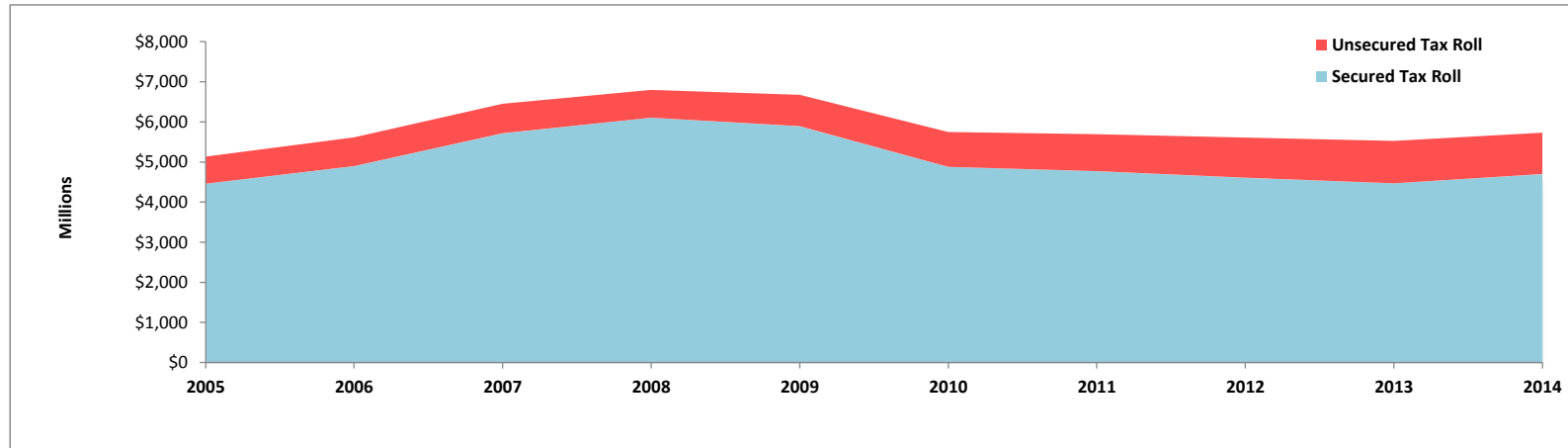
*US Department of Commerce - Bureau of Economic Analysis (Contra Costa County)
Pittsburg Chamber of Commerce

CITY OF PITTSBURG
Principal Employers
FY 2013-14 and Nine Years Ago

<u>Employer</u>	<u>2013-14</u>			<u>2004-05</u>	
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>
Pittsburg Unified School District	1,172	1	3.2%		
USS - Posco Industries	700	2	1.9%	1,000	1
Los Medanos Community College	472	3	1.3%		
Dow Chemical Company	350	4	0.9%	380	2
Mi Pueblo Foods	137	8	0.4%		
City of Pittsburg	222	6	0.6%		
Angelica Corporation (Laundry)	185	7	0.5%		
Ramar Foods	132	10	0.4%	120	8
Walmart	250	5	0.7%	220	3
WinCo Foods	134	9	0.4%		
Home Depot				180	4
Target				170	5
Safeway				150	6
American Color Graphics				140	7
Best Buy				100	9
Redwood Painting				100	10
Subtotal	<u>3,754</u>		<u>10.1%</u>	<u>2,560</u>	
Employees in the City of Pittsburg	<u>37,098</u>				

Source: Telephone Survey by Finance Administrative Assistant
2004-05 data from CAFR (Chamber of Commerce)

CITY OF PITTSBURG
Assessed and Estimated Actual
Value of Taxable Property
Last Ten Fiscal Years



Fiscal Year	Secured Tax Roll			Unsecured Tax Roll	GROSS Tax Roll	LESS: Exemptions		NET Assessed Valuation (a)	Total Direct Tax Rate (b)
	Land	Improvements	Personal Property			HOPTR (1)	Others		
2005	1,214,874,628	3,226,664,477	17,393,708	675,820,760	5,134,753,573	69,378,527	69,291,313	4,996,083,733	0.74275
2006	1,417,629,819	3,461,480,941	19,005,669	717,030,128	5,615,146,557	68,931,232	66,144,479	5,480,070,846	0.73642
2007	1,755,807,325	3,935,984,909	25,561,424	735,525,554	6,452,879,212	67,070,432	111,498,185	6,274,310,595	0.73326
2008	2,079,929,185	3,998,818,379	27,034,992	692,059,619	6,797,842,175	66,662,966	129,436,694	6,601,742,515	0.74171
2009	1,886,619,969	3,977,346,545	29,871,943	782,213,672	6,676,052,129	66,141,210	138,181,611	6,471,729,308	0.74057
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

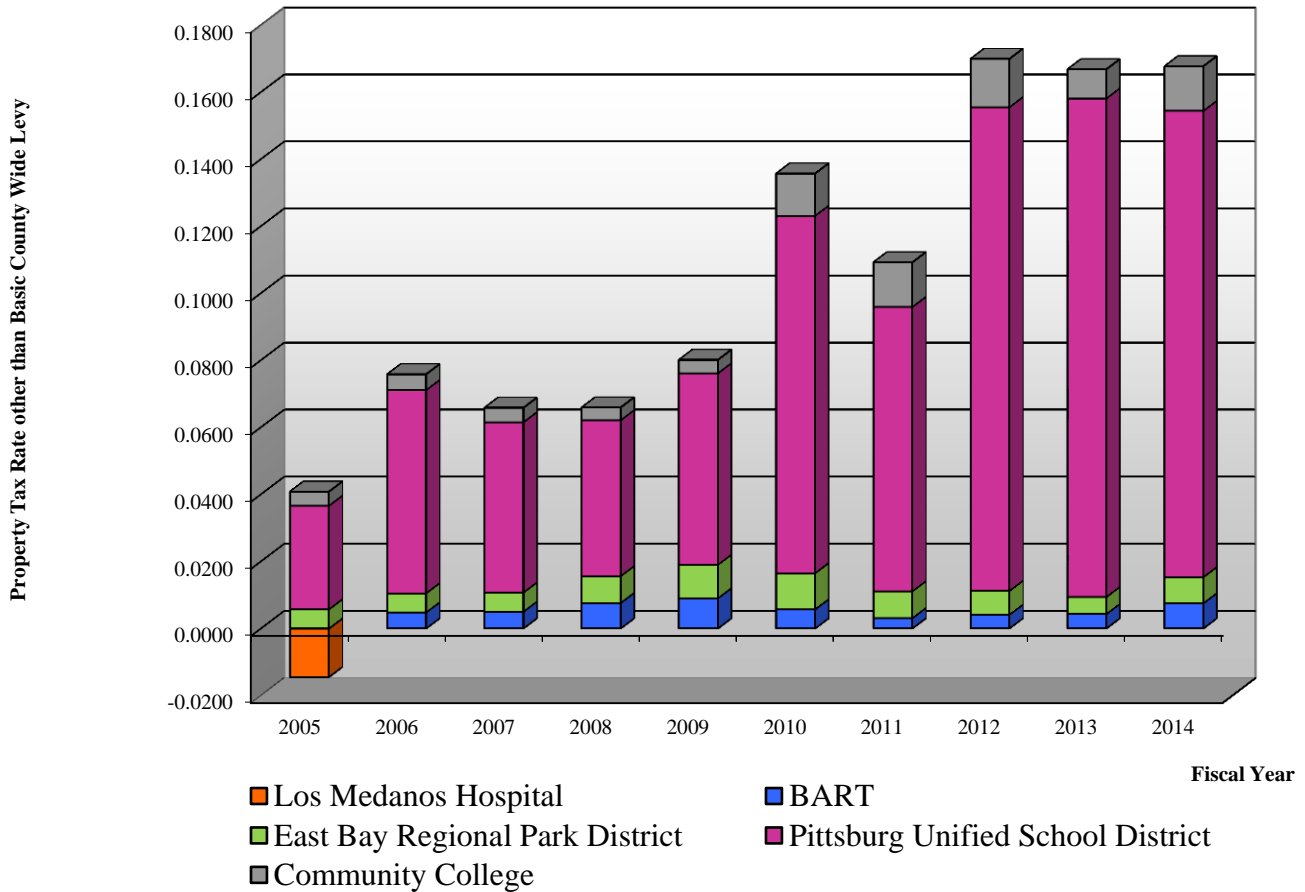
Source: Contra Costa County Auditor Controller Office Certificate of Assessed Valuations

(a) 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.

(b) 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.

(1) Homeowners' Property Tax Relief

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
2005	1.0000	0.74275	-0.0144	-	0.0057	0.0309	0.0042	1.7691
2006	1.0000	0.73642	0.0000	0.0048	0.0057	0.0606	0.0047	1.8074
2007	1.0000	0.73326	0.0000	0.0050	0.0057	0.0508	0.0043	1.7941
2008	1.0000	0.74171	0.0000	0.0076	0.0080	0.0465	0.0038	1.8000
2009	1.0000	0.74057	0.0000	0.0090	0.0100	0.0571	0.0040	1.8117
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

* 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
FY 2013-14 and Nine Years Ago

Taxpayer	2013-14			2004-05		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Delta Energy Center	\$ 326,900,000	2	5.89%	509,700,000	1	11.60%
Calpine Corporation	321,240,000	3	5.79%			
Dow Agrosiences LLC	327,316,210	1	5.90%	105,994,902	3	2.41%
USS - Posco Industries	246,066,357	4	4.44%	283,467,110	2	6.45%
United Spiral Pipe LLC	135,562,535	5	2.44%			
K2 Pure Solution	133,318,129	6	2.40%			
Sierra Pacific Properties	101,404,796	7	1.83%	66,120,386	4	1.50%
Century Plaza Corporation	68,809,329	8	1.24%	57,450,404	5	1.31%
Kirker Creek Limited Partnership	68,107,724	9	1.23%	42,424,585	6	0.97%
San Marco Properties LLC	54,312,194	10	0.98%			
GWF Power System Limited Partner				28,302,037	10	0.64%
National Energy				30,043,868	8	0.68%
Praxair						
ACG-Pittsburg Investors LLC						
Albert D. Seeno Construction Co.						
Franklin Los Medanos Association						
Ronald P and Maureen Ashley						
Seecon Financial				34,407,158	7	0.78%
Oakmont Properties II & III LP				29,077,592	9	0.66%
<hr/>						
Subtotal	<u>\$1,783,037,274</u>		<u>32.14%</u>	<u>\$1,123,503,292</u>		<u>25.56%</u>

Total Net Assessed Valuation:

Fiscal Year 2013-14	\$5,547,144,833
Fiscal Year 2004-2005	\$4,395,191,900

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 XIII B of the California Constitution, enacted by the passage of Proposition 4 at the November 6, 1979 general election, the growth in the level of certain appropriations from tax proceeds are generally limited to the level of the prior year's appropriation limit as adjusted for changes in cost of living and population. Other adjustments may be made for such reasons as the transfer of services from one government entity to another

ASSESSED VALUATION – A dollar value placed on real estate or other property by the County as a basis for levying property taxes.

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 year's 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 YEAR – The fiscal year for which the budget is being considered; fiscal year following the current year.

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 – 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.

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.

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 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.

GRAPHIC INFORMATION SYSTEM (GIS) - A system designed to capture, store, manipulate, analyze, manage, and present all types of spatial or geographical data.

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.

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.

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.

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.

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 – 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.

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

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 Pittsburgh.
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 Pittsburgh.

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 Comprehensive 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.

$$\text{Annual Depreciation} = \frac{\text{Cost less Salvage Value}}{\text{Number of Estimated Life}}$$

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 surplus¹. 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 surplus 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.)	

¹For 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.

City of Pittsburg

Debt Management Policy

June 2012

I. INTRODUCTION

The City of Pittsburg has established this Debt Management Policy to provide clear and comprehensive guidelines for the issuance and financial management of the City of Pittsburg's debt portfolio. This policy supports the City of Pittsburg's Mission of providing responsive and high quality public services for its citizens and ensures that the City of Pittsburg is financially self-sustaining and fiscally strong. Finally, this Debt Policy requires that the City Council specifically authorize each debt financing by resolution.

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 (Section VI)
- To ensure that any debt instrument utilized be fully understood by Staff (Section V)
- To ensure that all debt obligations will be met in a timely & efficient manner (Section IV #4)
- To mandate that the City comply with all debt covenants (Section IV)
- 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. The City of Pittsburg's Director of Finance is the Director of Finance and Administration. This City Debt Management Policy grants the Director of Finance and Administration 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 and Administration 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 Debt Financing Team consists of:

1. Financial 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
- 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 sale and delivery of the bonds, as well as coordination of 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 of Bond Purchase Contract for the Bonds and review or draft the 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 –

- 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
- As the escrow agent holds the investments acquired with the proceeds of an advance refunding and uses those funds for payments on those investments to pay debt service on the refunding bonds
- 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

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

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 City's credit quality, 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 a financial advisor 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 covenants 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 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 that 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. 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. General Obligation (GO) Bonds

In California, GO Bonds require a supermajority voter approval. Most GO bonds are backed by the issuer's ability to level ad valorem tax in amounts sufficient to meet debt service requirements.

8. Certificate of Participation

Also known as 'COP', this security that represents a share of an issuer's lease payment. When a City finances a public facility through a lease-purchase transaction, the interest in that City's lease payment often is assigned to a third party that issues certificates of participation. The certificates represent a share of the lease payment to be received by the investor.

Comparison of Financing Methods	
<p>General Obligation Bonds</p> <ul style="list-style-type: none"> * Strong market acceptance * Significant structuring flexibility * Favorable interest rates * No reserve fund requirement * No trustee required * Voter approval usually required * Pledge of general credit required * Difficult to enter market 	<p>Revenue Bonds</p> <ul style="list-style-type: none"> * Debt is secured by system users * Debt limits not applicable * Higher interest costs than GO's * Debt service reserve required * Trustee required * Voter approval usually not required * Coverage covenants usually included * Limited revenues available to secure debt
<p>Special Assessment Bonds</p> <ul style="list-style-type: none"> * Voter approval usually not required * Debt limits may not apply * Debt is secured by beneficiaries * Complexity greater than GO's * Market concerns about defaults * Limited revenues to secure debt * Higher interest costs due to higher risk 	<p>Certificates of articipation</p> <ul style="list-style-type: none"> * Voter approval usually 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 various 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.

Derivative Products

Because of their complexity, unless otherwise amended, Derivative Products such as *Interest Rate Swaps*, *Inverse Floaters*, and other hybrid securities are prohibited from the City of Pittsburg's Debt Management Policy.

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. 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:

<u>Moody's Investor's Service, Inc</u>	<u>Standard & Poor's Corporation</u>	<u>Fitch Investors Service, Inc</u>	<u>Definition</u>
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. Standard & Poor's and Fitch use "=" and "-" to indicate relative strength or weakness in the "BBB", "A", and "AA" categories.

VIII. MARKET RELATIONSHIPS

The Director of Finance and Administration will be responsible for maintaining relationships with investors, credit analysts, and rating agencies.

IX. ON-GOING DEBT ADMINISTRATION

The Director of Finance and Administration 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 Consultant(s) to comply with the Securities and Exchange Commission Rule 15c2 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 and Administration 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.

x. DEBT MANAGEMENT POLICY REVIEW

The Director of Finance and Administration 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.

XI. SOURCES for this Debt Policy

-California Debt Issuance Primer, California Debt and Investment Advisory Commission 9CDIAC)

-Debt Issuance and Management Guide for Smaller Governments, Governmental Finance Officers Association (GFOA)

-Debt Management Policies from:

- Bay Area Toll Authority
- City of Pasadena
- City of San Luis Obispo
- Port Commission of the City and County of San Francisco
- San Diego Water Authority

City of Pittsburgh 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. Given the complexity of derivative products, the City of Pittsburgh and its related entities will no longer utilize derivative products in its debt issuances.

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 generally are required in connection with competitive sales and sometimes in connection with negotiated 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. The negotiated sale method is often used when the issue is: a first time sale by a particular issuer, a complex security structure, such as a variable rate transaction, an unusually large issue, or in a highly volatile or congested market.

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.

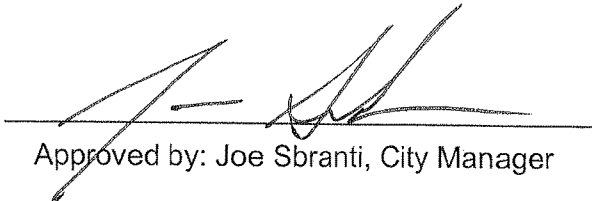
Subordinate Lien Debt: Debt whose terms require it to be repaid with pledged revenues net of the amount necessary to make debt service payments on senior lien debt.

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.

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
Method of Funding (circle)	Advance	Reimbursement	
Frequency of Funding (circle)	Monthly	Quarterly	Annually
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 Adding)
Chapter 3.26 to the Pittsburg Municipal)
Code Relating to Fiscal Sustainability and)
Reserve Funds)

ORDINANCE NO. 12-1363

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.

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 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. However, the City Council shall, on a best efforts basis, take such steps as necessary to achieve the minimum Budget Stabilization Fund 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 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 eight percent (8%) 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 additional funding for 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 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.

SECTION 3. 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 December 17, 2012 and was adopted and ordered published at a meeting of the City Council held on January 22, 2013 by the following vote:

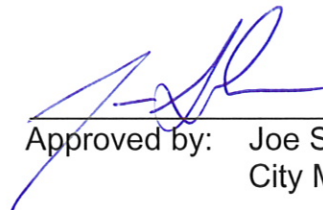
AYES:	Casey, Evola, Johnson, Longmire, Parent
NOES:	None
ABSENT:	None
ABSTAINED:	None


Nancy L. Parent, 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.

**STATEMENT OF INVESTMENT POLICY
FOR
THE CITY OF PITTSBURG
(Proposed July 2013)**

I. INTRODUCTION

This statement is intended to provide guidelines for the prudent investment of surplus funds and bond proceeds of the City of Pittsburg (the “City”), and to outline the policies for maximizing the efficiency of the City’s cash management system. The ultimate goal is to enhance the economic status of the City while protecting its funds.

II. SCOPE

This investment policy applies to the City’s pooled investment fund, which encompasses the following:

- General Fund
- Special Revenue Funds
- Enterprise Funds
- Trust and Agency Funds
- Capital Project Funds

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 regards 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

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 of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.
2. **Liquidity:** The portfolio will be structured with sufficient liquidity to allow the City to meet anticipated cash requirements.
3. **Yield:** A competitive market rate of return is the third objective of the investment program after the fundamental requirements of safety and liquidity have been met.

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

All persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the prudent investor standard: "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

Authorized individuals acting in accordance with this Policy and written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion.

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 internal controls should address: Delegation of authority to subordinate staff members, control of collusion, separation of transaction authority from accounting and record keeping, written confirmations of transactions, reconciliation of custody statements, and wire transfer procedures and agreements.

1. The City Treasurer shall audit and examine all investments made by the City, or its duly authorized personnel, at those times deemed necessary by him and shall in his discretion report his 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. provide 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 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 essential service bonds secured with revenue from a water, sewer, power or electric system 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 nationally recognized statistical-rating organization. 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 of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of 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 in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization.
- (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 nationally recognized statistical-rating organization.

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 rated in one of the two highest rating categories by a nationally recognized statistical-rating organization. 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 nationally recognized statistical-rating 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 nationally recognized rating services. 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 be in compliance 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 nationally recognized statistical-rating organization. A maximum of 30 percent of the City's portfolio may be invested in this category.

11. Asset-Backed Securities

A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough 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 nationally recognized statistical-rating organization and shall be issued by an institution rated in one of the three highest rating categories by a nationally recognized statistical-rating organization. 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 nationally recognized statistical-rating organization. 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

^{*} Permissible on or after January 1, 2015
City of Pittsburgh, CA
FY2015-16 Adopted Budget

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 nationally recognized statistical rating organizations.
- (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.

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 Requirements¹

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	A1/P1	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

Investment Type	City Minimum Quality Parameters	Code Minimum Quality Parameters	City Maximum % of Portfolio	Code Maximum % of Portfolio	City Maximum Maturity	Code Maximum Maturity
Commercial Paper	A1/P1/F1	A1/P1/F1	25%/5% issuer ²	25%	270 Days	270 Days
Negotiable Certificates of Deposits	Aa/AA-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 Funds	Multiple ³	Multiple ³	20%	20%	N/A	N/A
Local Agency Investment Fund	None	None	\$50 million ⁴	\$50 million	N/A	N/A
CAMP ⁵	None	None	None	None	N/A	N/A

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, and authorized pools, to no more than 5 percent of the portfolio.
3. Must receive the highest rating by two of the three largest nationally recognized rating agencies 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 \$50 million cap for the City of Pittsburg funds.
 5. CAMP is California Asset Management Program.

IX. DIVERSIFICATION

In an effort to reduce portfolio risk while attaining market average rates, the City's portfolio will be suitably diversified by type and institution. With the exception of U.S. Treasury securities, Federal Agency securities, 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.

X. MAXIMUM MATURITY

The City's cash management system is designed to accurately monitor and forecast revenues and expenditures thus enabling the City to invest funds to the fullest extent 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 either 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 into 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, taking into account the City's investment risk constraints and cash flow needs.

XV. REPORTING REQUIREMENTS

The following investment reports shall be provided to the City Council, City Manager, and Finance Director.

1. Monthly Transactions Report: A monthly report of investment transactions shall be submitted to the City Council as included with the quarterly Investment Report.
2. Quarterly Investment Report: 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
 - Statement that portfolio is in compliance with investment policy ,or the manner in which the portfolio is not in compliance

- Statement denoting ability of City to meet its expenditure requirements for the next six months, or provide sufficient 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 of time.

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 feature 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 Principals (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 to be 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.

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.

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. $[(\text{Total assets}) - (\text{Liabilities})]/(\text{Number of shares outstanding})$

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), in order 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 which 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.

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 non-interest 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 particular 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 on the basis of a rate of discount. Notes are obligations which mature between 1 year and 10 years. Bonds are long-term obligations which 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 return 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 return 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.

**CITY OF PITTSBURG
PURCHASING POLICIES**

REVISED MAY 2013

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CITY OF PITTSBURG PURCHASING POLICIES

1 Authority Provided

The City Council adopts the following Purchasing Policies in conformance to the authority provided by Pittsburg Municipal Code Chapter 2.85, Purchasing System. The City Council may add, rescind, or otherwise amend any purchasing policy through the adoption of a resolution or motion.

The City Council further directs the Chief Purchasing Officer to develop and adopt purchasing procedures which implement these Purchasing Policies.

2 Delegation of Purchasing Authority

Except as specified 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 Managers, Police Chief, Director of Finance, City Clerk and Director of Power.

Excluding purchases whose term exceeds one (1) year, the Chief Purchasing Officer is authorized to make the following purchases without the City Council's prior approval and may delegate this authority to any Executive Team Member, or Executive Team Member's assignee(s):

	Supplies	General Services	Professional Services	Public Works Projects
Executive Team Member	\$75,000 or Less	\$75,000 or Less	\$75,000 or Less	\$75,000 or less.
City Manager	\$150,000 or Less	\$150,000 or less	\$150,000 or less	\$150,000 or less.

Supplies are the purchase or lease of goods and equipment in the general conduct of the City's business, except supplies for a public works project which is regulated under the California Public Contracts Code.

General Services are 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 Services are 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 Project 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

The Chief Purchasing Officer is authorized to permit informal bidding, as defined through administrative procedures, 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

4.1 Informal Bidding Procedures

The Chief Purchasing Officer shall develop and adopt administrative procedures outlining the requirements of informal bidding procedures for the purchase of supplies, general services, and professional services. Such procedures shall assure continuity and uniformity of the City's purchasing practices.

4.2 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.

Based on unique facts or circumstances and a recommendation with justification from the affected department director, then the City Manager may waive one or more purchasing procedures if he/she determines the interests of the City or its local businesses or its residents are best served; provided, however, such waiver is not in violation of City Council policy or applicable law.

4.3 Cooperative Purchasing

The Chief Purchasing Officer may authorize the use of an agreement for supplies or services negotiated by another governmental agency ("Cooperative Agreement") if: (a) the Cooperative 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 Cooperative Agreement is identified on the California Multiple Award Schedules ("CMAS") listing maintained by the State of California Department of General Services – Procurement Division.

5 Informal Bidding Procedure, Public Works Projects

This item is regulated in accordance with **Municipal Code Chapter 2.86, Informal Bidding Procedures**, which is reflected as follows:

5.1 Purpose (Municipal Code 2.86.010)

This section is enacted under the authority of the California Public Contract Code section 22034 which requires a city which elects to become subject to the uniform construction cost accounting procedures as set forth in Public Contract Code sections 22000 through 22044 to enact an ordinance governing informal bidding procedures for the selection of contractors to perform public works projects.

5.2 Definitions (Municipal Code 2.86.020)

In this section, unless the context otherwise requires:

A. "Commission" means the California Uniform Construction Cost Accounting Commission under Public Contract Code Section 22010, et seq.

B. "Public project" means a project defined in Section 20161 of the Public Contract Code which reads as follows:

- (a) A project for the erection, improvement, painting or repair of public buildings and works.
- (b) Work in or about streams, bays, waterfronts, embankments or other work for protection against overflow.
- (c) Street or sewer work except maintenance or repair.
- (d) Furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers.

5.3 Informal Bidding Procedures (Municipal Code 2.86.030)

A public project of one hundred seventy five thousand dollars (\$175,000.00) or less may be let to contract by the informal procedure as set forth in Section 22032 et seq. of the Public Contract code.

5.4 Contractors List (Municipal Code 2.86.040)

The City Manager or designee(s) shall develop and maintain a list of qualified contractors identified according to categories which comply with Section 22034 of the Public Contract Code and criteria adopted by the commission. During November of each year the City Manager or his/her designee(s) shall develop the contractors list by mailing a written notice to construction trade journals designated by the commission under Section 22036 inviting all licensed contractors to submit the name of their firm to the city for inclusion on the contractors list of qualified bidders for the following calendar year.

5.5 Size of Project – Methods for Bidding (Municipal Code 2.86.050)

A. Where public project of thirty thousand dollars (\$45,000.00) or less is to be performed, the City may perform it by its employees, by force account, by negotiated contract or by purchase order, or the City may elect to follow the informal bidding procedure prescribed in subsection B of this section and as amended in Public Contract Code Sections 22032 and 22034.

B. Where a public project of one hundred seventy five thousand dollars (\$175,000.00) or less is to be performed, not less than ten (10) days before the bids are due, the City Manager or his/her designee shall mail a written notice inviting informal bids to (1) all contractors for the category of work to be bid as shown on the contractors list developed in accordance with PMC 2.86.040, and/or (2) all construction trade journals designated by the commission under Public Contract Code Section 22036. Additional contractors and construction trade journals may be notified at the discretion of the City Manager or designee.

C. If there is no list of qualified contractors for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the commission.

5.6 Award of Contracts (Municipal Code 2.86.060)

A. The City Manager or his/her designee(s) is authorized to award informal contracts under this chapter in accordance with City Council policy.

B. If all bids received on a public project under this procedure set forth in this section are in excess of one hundred seventy five thousand dollars (\$175,000.00), the City Council may award the contract at one hundred eighty seven thousand, five hundred dollars (\$187,500.00) or less to the lowest responsible bidder if the Council determines that the City's original cost estimate was reasonable.

5.7 Alternate Bidding Procedure (Municipal Code 2.86.070)

The procedure set forth in this section is an alternate to the procedure set forth in Public Contract Code Sections 20160 – 20174.

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 Chief Purchasing Officer may direct and/or require 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 Chief Purchasing Officer shall 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.

Note: Best value is the valuation of price in conjunction with quality of service.

The Chief Purchasing Officer and/or City Council may waive formal bidding requirements for the purchase of supplies, general services or professional services when utilizing a Cooperative Agreement as identified in Section 4.3 above.

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.

7 Local Preference

The City shall provide a one percent (1%) preference for local vendors on all qualifying purchases. 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 in Pittsburg, California.

8 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.

9 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.

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Approval of the Operating Budget)
for Fiscal Year 2015-16 for the City of)
Pittsburg and Appropriation of Funds)
for Fiscal Year 2015-16)

RESOLUTION NO. 15-13053

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the City Manager has prepared, transmitted and presented the one year Preliminary Operating Budget for Fiscal Year 2015-16 to the City Council for its consideration; and

WHEREAS, the City prepares and adopts the Preliminary Operating Budget for Fiscal Year 2015-16 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 May 4, 2015 the City Council held a meeting for the purpose of reviewing the Preliminary Operating Budget for Fiscal Year 2015-16 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 2015-16 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 finds and determines as follows:

Section 1. Findings

- 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 2015-16 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 2015-16.
- 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 Attachment I, Adopted Citywide Expenditure Budgets for Fiscal Year 2015-16.
- D. The revenues for all City funds are projected as set forth in the respective staff report Attachment II, Adopted Estimated Citywide Revenues Fiscal Year 2015-16.
- 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/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 City Manager/Executive Director. These changes cannot increase the department budget.

Section 2. Authorization

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting held on 15th day of June, 2015, by the following vote:

AYES: Casey, Craft, Evola, Johnson, Longmire
NOES: None
ABSTAINED: None
ABSENT: None


Dwaine "Pete" Longmire, Mayor

ATTEST:


Alice E. Evenson, City Clerk



City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565

June 5, 2015

Honorable Mayor and Members of the City Council:

I am pleased to submit the Fiscal Year 2015-16 Annual Budget for the City of Pittsburg (City), which provides a comprehensive financial framework for the coming year. The City's total revenues (excluding transfers) are \$156.7 million, of which 21.65 percent comprises the General Fund. The City's total expenditure budgets (excluding transfers) are \$159.8 million, of which 23.8 percent is the General Fund, the City's main source of unrestricted funds. These proposed budgets fund a total of 255 full time equivalent employees, including 11 new full-time positions that are being restored from prior eliminations during the recession, (pre-recession full-time equivalent positions were 308). This Budget reflect the City's continuing commitment to provide quality services to our residents, while maintaining the City's long-term financial sustainability target of having a structurally balanced General Fund by fiscal year 2018-19.

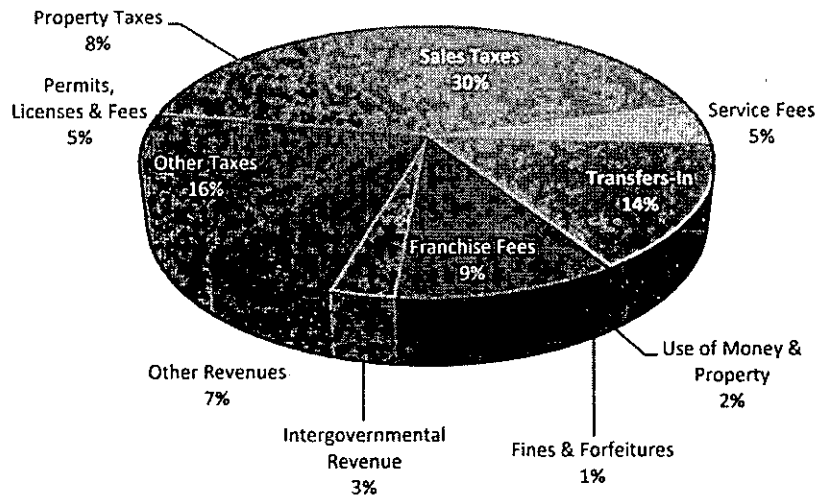
Overview of the General Fund Proposed Operating Budget for FY 2015-16

	FY 2014-15 Year-End Estimate	FY 2015-16 Budget	Difference	Percent Difference
Revenues	35,217,543	37,883,398	2,665,855	7.57%
Expenditures	36,910,555	39,239,629	2,329,074	6.31%
Surplus (Deficit)	(1,693,012)	(1,356,231)	(336,781)	19.89%
Use of Budget Stabilization Fund	1,693,012	1,356,231	336,781	

Revenues

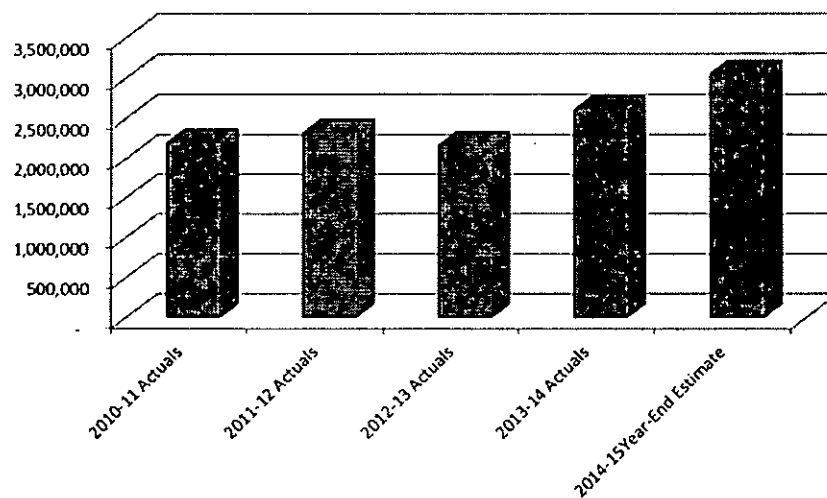
The City's revenue streams are influenced by overall economic conditions. Total General Fund revenues for FY 2015-16 are projected to be approximately \$39.2 million or 5.4 percent greater than the FY 2014-15 year-end estimate. The General Fund's major revenue sources include property and sales taxes, transfers and vehicle taxes and franchise taxes. Together these sources comprise 68 percent of total general fund revenues for FY 2015-16, as shown on the graph that follows. The remaining 32 percent includes revenues such as departmental revenues, cost reimbursements from other funds and interest revenues.

General Fund Revenues

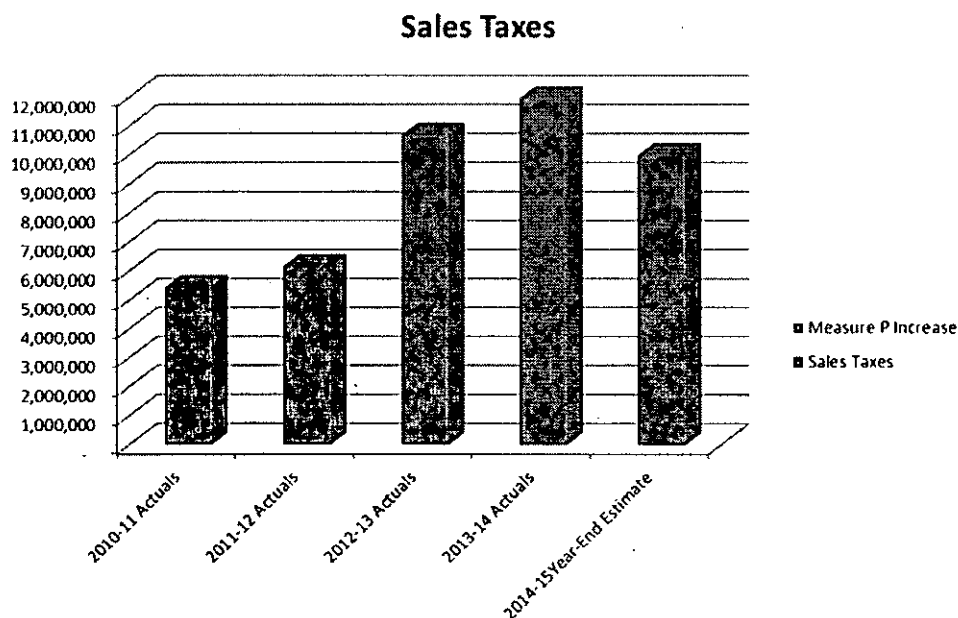


The City continues to see signs of improvement through increases in both property tax and sales tax revenues. Property tax revenue projections result in increases of approximately \$177,000 from year-end estimates, a 5.8 percent estimated increase. Property tax revenue increases are due to additional single family and commercial construction, and recovering property values.

Property Taxes



Sales tax revenues are projected to increase by \$1.8 million over year-end estimates, an 18.5% estimated increase. Sales tax revenue increases are mainly due to the one time catch-up and overlap as the "triple flip" unwinds. The "triple flip" was a mechanism adopted in 2004 to fund the state's economic recovery bond program and balance the state's deficit. The City and County portion of the sales and use tax were reduced by 0.25 percent to pay for the bonds. Cities and counties were then provided with ad valorem tax revenues in lieu of these revenues. The State Department of Finance expects the Economic Recovery Bonds to be fully paid in July 2015 and the full 1 percent of sales and use tax due to the cities and counties will then be restored on or about January, 2016. Since the triple flip reimbursements have been effectively one quarter behind since the beginning, due to the overlap of the reimbursement and the return of the full 1 percent rate, the City anticipates a one-time increase in sales tax revenues of \$897,000 in FY 2015-16. Additionally, the City expects to see consistent steady gains of approximately 2.7 percent through FY 2015-16 as upward trends in construction, transportation and general retail continues along with a one-time impact of \$250,000 from the construction of the Columbia Solar project.



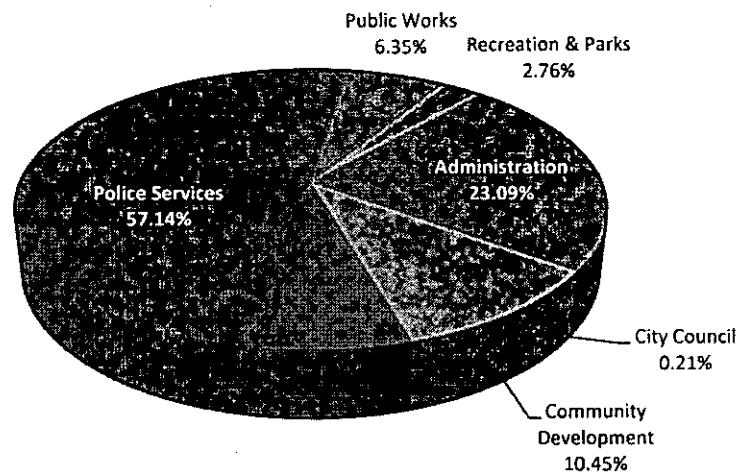
Expenditures

General Fund expenditures are projected to increase by \$2.3 million in FY2015-16. The increases are primarily due to increased personnel costs, retirement and health insurance rates, the assumption of full staffing for the entire year and financial impacts of new Memoranda of Understanding (MOUs) projected or approved for the City's various employee groups.

Although revenues have improved, the costs to deliver current services are also growing. Per recently negotiated MOUs, Public Safety and Teamsters salaries are increasing by 4 percent. In

order to maintain the efficiency of City operations and to better serve our residents and the business community in a growing economy, the City is gradually restoring positions from prior eliminations. The FY2015-16 operating budget reflects increased staffing by 11 positions over the number of staff at the beginning of Fiscal Year 2013-14, for a total of 255 full time equivalent positions.

General Fund Expenditures



7-year General Fund Balancing Plan and Implementation of Fiscal Sustainability Ordinance

The current City budget is the fifth year in the 7-year General Fund Balancing Plan (Plan) that is included in this FY 2015-16 budget book. As described in the Plan, the Plan assumes relatively conservative revenue projections and expected expenditure assumptions currently available, with the underlining goal of obtaining a structurally balanced budget in FY 2018-19. The Plan, in combination with the actual revenues and expenses, has been favorable most years since FY 2011-12. This has resulted in the use of approximately \$1.7 million from the Budget Stabilization Fund to balance the General Fund, an amount that is significantly less than the \$7 million estimated to be needed to balance those budgets.

Fiscal Sustainability Ordinance – This is the third year the City's General Fund budget has been developed under the requirements outlined in the City's Fiscal Sustainability Ordinance. The balance of the Budget Stabilization Fund is projected to be \$6.2 million at the end of FY 2014-15 which is in excess of the \$2 million required by the Ordinance. Staff is currently estimating \$1.3 million will be needed from the Fund to balance the FY 2015-16 budget. This is slightly less than what was projected last year mainly due to an increase in property tax revenues.

20-year General Fund Forecast – In addition to the annual budget and the 7-year General Fund budgeting plan, the City also uses a long-range 20-year forecast. This forecast

incorporates both anticipated revenues from development, assessed market value and economic recovery as well as a systematically structured expenditure plan to cover current costs as well as the post retirement issues (Contra Costa County Employees' Retirement Association (CCCERA), Pension, and the Other Post-Employment Benefit (OPEB) liabilities).

CCCERA – In 2001, the City terminated participation in the Contra Costa County Employees Retirement Association (CCCERA) and converted to the CalPERS retirement system. The termination agreement with CCCERA required the City to cover unfunded pension liabilities for former employees receiving a pension from CCCERA. In FY 2013-14, the City reduced its CCCERA unfunded liability by \$5.8 million, borrowing and repaying by FY 2017-18, a \$3.8 million loan from the City's Water Fund balance. The City continues to pay down its unfunded liability with 13 annual payments of \$1,306,656.

Pension - One of the benefits offered by the City to its employees is participation in the CalPERS pension program. Following significant losses during the recession, CalPERS has been forced to recover their lost funds through rate increases. In addition to the loss recovery, several actuarial assumption changes also substantially increased projected pension costs.

Assembly Bill (AB) 340 pension reform created the Public Employees' Pension Reform Act (PERPA) that implemented new benefit formulas and the final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PERPA. This created a second tier for the City's pension plan. The impacts of the second tier will be realized as the City experiences employee attrition. The City is working on reducing this liability through employee attrition and negotiated employee contributions, along with City contributions.

OPEB Liabilities – In December 2013, the City established an agreement with the California Public Employees' Retirement System (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 on an annual basis in order to reduce its unfunded OPEB liability. At June 30, 2014, The City's CERBT account had a balance of \$1,283,465. The FY2015-16 budget contains a contribution of \$523,962 towards future OPEB costs.

Looking Forward

Staff will continue to streamline the City's organization and strive to optimize the existing workforce to meet the needs of our residents throughout the City. By continuing to improve efficiencies and focus on achieving the City's 7-Year General Fund Balancing Plan and longer-term 20-year forecast of the City's General Fund, staff feels the City, its residents, business leaders and community partners will continue to invest in these efforts and strengthen both the City and the community.

Crime Rates – The Pittsburg Police department, working with residents, strives to maintain record-low crime levels, as shown in the tables below. Over the past year, the City saw the rate of Violent Crimes decrease 3.8 percent, while Property Crime rates saw increases of 17.2 percent. Overall, Pittsburg continues to compare very well with nearby cities:

VIOLENT CRIME COMPARISON BY CITY			PROPERTY CRIME COMPARISON BY CITY		
PER 1,000 RESIDENTS			PER 1,000 RESIDENTS		
CITY/YEAR	2013	2014	CITY/YEAR	2013	2014
Walnut Creek	1.2	1.1	Brentwood	24.5	24.8
Brentwood	1.7	1.9	Walnut Creek	33.6	38.2
Pleasant Hill	3.2	2.6	Pittsburg	34.2	38.5
Pittsburg	2.8	2.7	Concord	49.1	45.4
Concord	3.3	3.7	Pleasant Hill	45.9	50.4
Antioch	9.1	8.9	Antioch	52.4	51.2

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

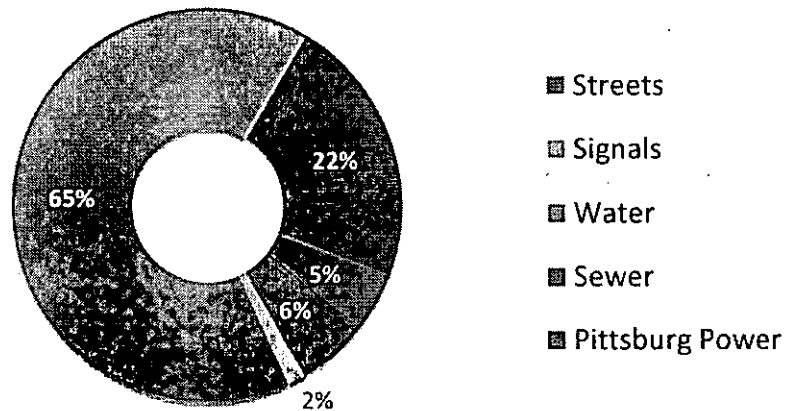
Property Crime includes: Burglary, Larceny Theft, Vehicle Theft, and Arson

Development – Pittsburg is a great place with many talented people and a diversity of interests. The business community works hard and City government strives to maintain that tradition. The Fiscal Year 2015/16 Proposed Operating Budget again balances a variety of needs and wants, focuses both short and long-term, and reflects strategic planning priorities and results. Staff's objective now is to look outward and place attention on not just maintaining the quality of life in the Pittsburg, but improving it.

The proposed capital projects budget for FY 2015-16 totals approximately \$16.7 million, as summarized on the chart that follows. A majority of the capital projects are related to improvements to the City's water distribution system and Water Treatment Plant. Funds for infrastructure projects come from water and sewer operations funds, developer fees, grants and regional fees for storm drainage and fuel taxes.

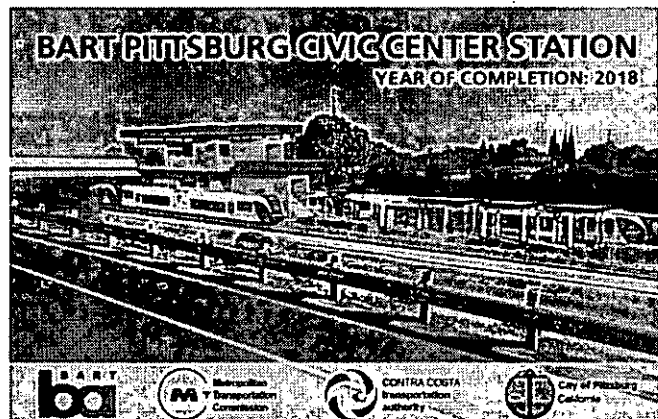
Category	Project Name	Allocation FY 2015/16
Streets	Railroad Avenue Pavement Preservation	\$985,263
Signals	West Leland Road/Oak Hills Drive Signal	78,062
	Intelligent Transportation System (ITS) Upgrade	170,000
Water	WTP Intake Modifications/WTP Sludge Handling Facility Phase 1B	6,797,000
	Automatic Water Meter Reading System	250,000
	Western Loop 16-inch Main Loftus Road	950,000
	Water Main Buchanan Road (Phase 1)	2,350,000
	WTP Capital Repairs/Filter Rehabilitation	100,000
	2016/17 Water Main Installation	450,000
Sewer	2014/15 Sewer Replacement Program	3,700,000
Pittsburg Power	Substation K Switchgear Upgrade	470,000
	2015/16 Cable Replacement	175,000
	Substation P Switchgear Upgrade	200,000
	Totals	\$16,675,325

Summary of Capital Projects by Category



Columbia Solar - Columbia Solar, owned by Hanergy America, is a 19 MW solar photovoltaic electric generating facility located in Pittsburg. Hanergy America is a subsidiary of the world's largest thin-film solar company with more than 10,000 employees worldwide. Columbia Solar, constructed on more than 100 acres of brownfield land along Pittsburg-Antioch Highway, will directly convert sunlight to electricity. The Project will sell its entire output to Pacific Gas & Electric under a long-term power purchase agreement. Columbia Solar is expected to achieve commercial operation by Summer 2015.

eBART - eBART is a \$463 million extension of the BART system from the Pittsburg-Bay Point station to Hillcrest Avenue in Antioch. eBART will use diesel trains that are smaller than conventional BART trains, and will offer BART patrons a seamless transfer to the main BART system from eastern Contra Costa County communities. The \$12 million Pittsburg Center Station will be a platform located in the freeway median, with access to Railroad Avenue at the overcrossing. The station and the extension are scheduled to open in 2018. The City is constructing a passenger drop-off and pick-up area at the northeast corner of Railroad and California Avenues that will also be a hub for local bicycle trails and public transit in close proximity to the eBART station. The facility is scheduled to open in 2018.



Veterans Square - The Housing Authority of the City of Pittsburg is proposing to fund a loan to a private developer of up to \$947,000 for construction of thirty (30) units of housing and services specifically for veterans. As proposed, the project includes 28 one-bedroom units and two two-bedroom units, with a washer and dryer for every 10 units. The common area facilities in the project include a community room, on-site management office, and resident storage facilities. The Developer intends to include an on-site service center for veteran's services, such as health and wellness classes, education and employment services, and social activities.

Housing Rehabilitation Loan Program - The Housing Rehabilitation Loan Program (Program) will be funded by the Housing Authority of the City of Pittsburg and administered by Contra Costa County. The Program provides low interest loans of up to \$30,000 to qualified low-income households for improvements such as a new roof, bathroom remodel and ADA ramps. The Program will enable the City to preserve existing affordable units in the community.

Conclusion

I would like to thank the City Council for their guidance and support throughout the development of this proposed budget. In addition, I would like to thank the Finance Department Budget staff and staff in all other City Departments who have contributed to the Fiscal Year 2015-16 budget. I would like to give special thanks to Karen Chang who took the lead as Interim Finance Director and Diane Agar, Finance Accounting and Budget Manager throughout this year's budget process.



Joe Sbranti
City Manager

Summary of Fund Conditions

	Estimated Reserves June 30, 2015	Projected Revenues 2015-16	Transfers-In	Projected Expenditures 2015-16	Transfers-Out	Estimated Balance June 30, 2016
General Fund						
General Fund	8,455,057	33,934,921	5,304,708	38,014,875	1,224,754	8,455,057
Subtotal, General Fund	\$ 8,455,057	\$ 33,934,921	\$ 5,304,708	\$ 38,014,875	\$ 1,224,754	\$ 8,455,057
Internal Service Funds						
Building Maintenance	366,102	1,614,140	-	1,600,976	10,639	368,627
Fleet Maintenance	946,176	1,715,462	-	1,906,497	15,883	739,258
Fringe Benefits	866,163	1,423,396	-	1,380,102	83,240	826,217
Information Communication Services	510,530	1,112,380	-	1,106,792	4,325	511,793
Insurance	394,541	973,753	-	973,753	-	394,541
Other Post-Employment Benefits (OPEB)	153,488	2,648,992	523,962	3,183,554	-	142,888
Subtotal, Internal Service Funds	\$ 3,237,000	\$ 9,488,123	\$ 523,962	\$ 10,151,674	\$ 114,087	\$ 2,983,324
Enterprise Funds						
Golf Course	13,893	-	15,000	15,444	-	13,449
Island Energy	1,555,063	5,554,227	-	5,883,855	45,504	1,179,931
Marina	618,516	2,143,245	-	2,194,046	21,126	546,589
Pittsburg Power	2,709,787	1,819,981	50,000	1,339,245	844,281	2,396,242
Sewer Utility	5,273,107	5,034,380	700,000	6,528,700	797,747	3,681,040
Water Front Operations	21,843	860,250	-	787,060	-	95,033
Water Utility	8,804,278	30,041,294	4,287,500	27,277,513	6,031,484	9,824,075
Subtotal, Enterprise Funds	\$ 18,996,487	\$ 45,453,377	\$ 5,052,500	\$ 44,025,863	\$ 7,740,142	\$ 17,736,359
Special Revenue Funds						
Assets Seizure	33,283	-	-	-	-	33,283
Budget Stabilization	7,795,505	-	-	-	1,381,231	6,414,274
CA Energy Conservation Program	38,405	-	74,500	74,500	-	38,405
CalHome Program	33,383	-	-	-	-	33,383
California Theatre	13,784	100,025	250,000	349,616	-	14,193
City Housing Fund	673,503	215,438	-	269,148	-	619,793
Economic Development	222,665	294,017	162,000	494,798	50,000	² 133,884
Gas Tax	1,147,901	1,416,086	-	-	2,058,874	505,113
Hillview Jr. High Athletic Field	135,185	50,000	-	-	-	185,185
Housing Authority-Section 8	1,113,524	13,559,705	-	13,473,626	11,714	1,187,889
HUD Community Development Block Grant	137,704	678,983	-	714,231	1,414	101,042
Lighting and Landscape	168,458	2,801,420	1,102,154	3,978,696	93,336	-
Lighting and Landscaping Oak Hill	31,223	33,959	-	65,182	-	-
Marina Vista Field Replacement	192,245	20,000	-	-	-	212,245
Measure C Tax Fund	153,056	726,050	985,263	985,263	687,774	191,332
Miscellaneous Grants	-	5,000	-	-	-	5,000
Neighborhood Stabilization	43,169	-	-	-	-	43,169
Park Maintenance CFD 2007-1	(129,055)	72,446	-	85,616	266	(142,491)
Public Safety CFD 2005-1	7,573	261,394	-	256,736	3,228	9,003
Public, Education & Gov't Fees (PEG)	389,165	151,600	-	150,000	-	390,765
San Marco CFD 2004-1	171,313	572,250	-	679,393	6,722	57,448
Small Cities Grant	1,138	-	-	-	-	1,138
Solid Waste	236,651	456,300	-	538,248	101,980	52,723
Southwest Pittsburg GHAD II	2,702,818	787,000	-	556,596	6,430	2,926,792
Storm Water Utility NPDES	199,961	846,932	100,000	1,090,925	55,309	659
Traffic Congestion Relief	5,263	32	-	-	-	5,295
Vista Del Mar CFD 2005-2	6,402	204,065	-	197,946	865	11,656
Subtotal, Special Revenue Funds	\$ 15,524,222	\$ 23,252,702	\$ 2,673,917	\$ 23,960,520	\$ 4,459,143	\$ 13,031,178
Capital Projects Funds						
Bailey Road Maintenance	698,066	165,000	-	-	-	863,066
Debt Service	-	-	-	-	-	-
Capital Improvement	3,479	-	78,062	78,062	-	3,479
Community Capital Improvement	283,813	-	-	-	-	283,813
Inclusionary Housing	381,514	-	-	-	-	381,514
Infrastructure Repair & Replacement	419,245	-	-	-	-	419,245
Kirker Creek Drainage Fees	356,680	-	-	-	16,961	339,719
Park Dedication	54,300	-	-	54,300	-	-
Proposition 1B Local ST Road Impr.	1,879	-	-	-	-	1,879
RDA - Project Fund	35	-	-	-	-	35

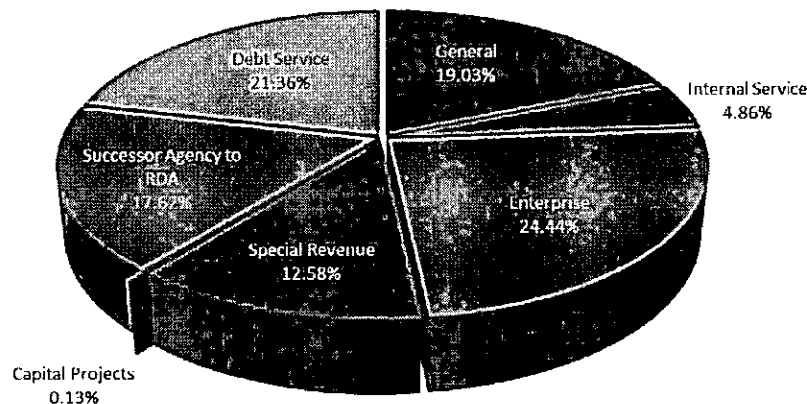
	Estimated Reserves June 30, 2015	Projected Revenues 2015-16	Transfers-In	Projected Expenditures 2015-16	Transfers-Out	Estimated Balance June 30, 2016
Regional Traffic Mitigation	1,746,289	-	-	-	-	1,746,289
Traffic Impact Fair Share	502,482	-	-	-	-	502,482
Traffic Mitigation	2,075,238	14,800	-	246,298	78,062	1,765,678
Subtotal, Capital Projects Funds	\$ 6,523,020	\$ 179,800	\$ 78,062	\$ 378,660	\$ 95,023	\$ 6,307,199
Successor Agency to RDA Funds						
RDA-Tax Increment	447,092	505,051	300,000	295,957	925,000	31,186
Redevelopment Obligation Retirement Fund	-	34,586,951	925,000	-	34,586,953	924,998
Subtotal, Successor Agency to RDA Funds	\$ 447,092	\$ 35,092,002	\$ 1,225,000	\$ 295,957	\$ 35,511,953	\$ 956,184
Debt Service Funds						
Assessment Districts Funds	3,792,958	3,739,306	-	2,897,309	-	4,634,955
Pension Obligations	1,826,145	4,808,851	-	4,803,522	-	1,831,474
RDA Debt Service and Bond Funds	88,395,043	728,000	32,676,693	33,359,693	300,000	88,140,043
RDA - Housing Debt Service and Bond Funds	3,692,512	45,000	1,910,260	1,955,260	-	3,692,512
³Subtotal, Debt Service Funds	\$ 97,706,658	\$ 9,321,157	\$ 34,586,953	\$ 43,015,784	\$ 300,000	\$ 98,298,984
Total, All Funds	\$ 150,889,536	\$ 156,722,082	\$ 49,445,102	\$ 159,843,333	\$ 49,445,102	\$ 147,768,285

1. Represents working capital and does not include fixed assets, inventory, long term advances or loans.
2. Decreased fund balance is due to a loan agreement between the City of Pittsburg and Century Plaza Development Corporation. Loan disbursements of \$350,000 in FY 2014/15 and \$150,000 in FY 2015/16 will maintain current anchor tenant structure and occupants in the Shopping Center which in turn will save jobs, increase value of property, retain the sales tax base, and add overall economic vitality of the City.
3. Debt Service fund balances include debt service reserves held by trustee.

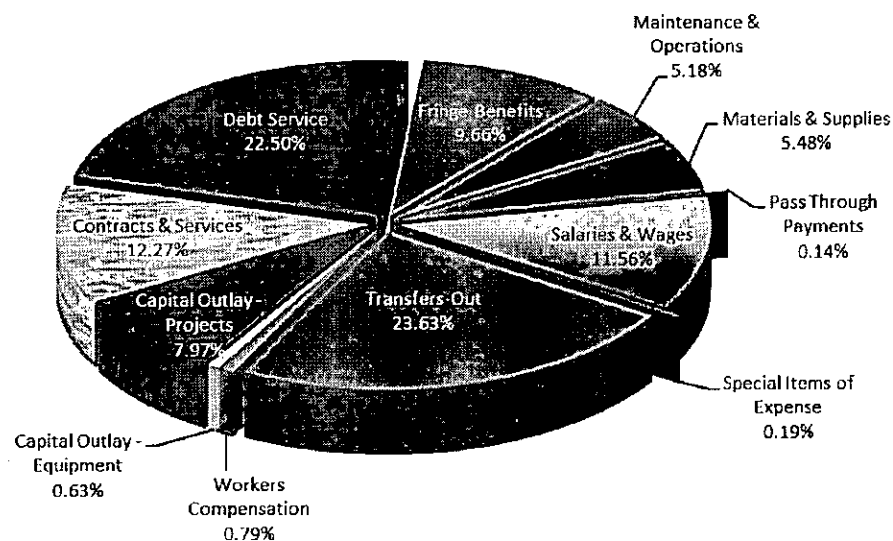
Summary of Revenues and Expenditures – All Funds

	2013-14 Actual	2014-15 Amended Budget	2015-16 Proposed Budget	Change from 2014-15	% Change
Revenue					
General Fund	35,774,781	37,130,178	39,239,629	2,109,451	5.68
Internal Service Funds	9,222,431	7,949,949	10,012,085	2,062,136	25.94
Enterprise Funds	33,929,071	40,739,674	50,385,227	9,645,553	23.68
Special Revenue Funds	26,614,626	30,653,785	25,926,625	(4,727,160)	-15.42
Capital Projects Funds	3,689,519	5,354,797	257,862	(5,096,935)	-95.18
Successor Agency to RDA Funds	40,906,368	37,305,858	36,317,002	(988,856)	-2.65
Debt Service Funds	137,273,155	39,989,119	44,028,754	4,039,635	10.10
Total, Revenues	\$ 287,409,951	\$ 199,123,360	\$ 206,167,184	\$ 7,043,824	3.54 %
Expenditure					
Capital Outlay - Equipment	1,670,343	2,475,327	1,309,752	(1,165,575)	-47.09
Capital Outlay - Projects	8,515,541	36,921,823	16,675,325	(20,246,498)	-54.84
Contracts & Services	23,462,518	26,337,432	25,670,878	(666,554)	-2.53
Debt Service Funds	133,327,084	42,048,466	47,094,246	5,045,780	12.00
Fringe Benefits	16,456,673	19,422,716	20,226,513	803,797	4.14
Maintenance & Operations	10,312,651	10,494,470	10,848,727	354,257	3.38
Materials & Supplies	10,911,073	11,610,789	11,467,273	(143,516)	-1.24
Pass Through Payments	260,488	312,513	297,640	(14,873)	-4.76
Salaries & Wages	21,435,998	23,783,001	24,200,928	417,927	1.76
Special Items of Expense	920,821	280,979	401,356	120,377	42.84
Transfers-Out	140,726,187	54,227,560	49,445,102	(4,782,458)	-8.82
Workers Compensation	1,014,994	1,422,512	1,650,695	228,183	16.04
Total, Expenditures	\$ 369,014,371	\$ 229,337,588	\$ 209,288,435	\$ (20,049,153)	-8.74 %

2015-16 Revenues by Fund Type



2015-16 Expenditures by Category



Revenue Source by Category and Object – All Funds

	2013-14 Actual	2014-15 Amended Budget	2015-16 Proposed Budget	Change from 2014-15	% Change
General Fund					
Fines & Forfeitures	577,106	510,870	534,950	24,080	4.71
Franchise Fees	3,493,640	3,549,224	3,635,003	85,779	2.42
Intergovernmental Revenue	1,049,236	1,339,802	1,236,078	(103,724)	-7.74
Other Revenues	2,016,973	2,457,354	2,717,962	260,608	10.61
Other Taxes	5,586,833	5,731,249	6,379,598	648,349	11.31
Permits, Licenses & Fees	1,760,840	1,515,511	1,815,609	300,098	19.80
Property Taxes	2,613,320	2,712,987	3,237,582	524,595	19.34
Sales Taxes	11,950,533	10,006,156	11,831,031	1,824,875	18.24
Service Fees	2,096,676	1,950,678	2,005,674	54,996	2.82
Transfers-In	3,854,811	6,765,483	5,304,708	(1,460,775)	-21.59
Use of Money & Property	774,813	590,864	541,434	(49,430)	-8.37
Subtotal, General Fund	\$ 35,774,781	\$ 37,130,178	\$ 39,239,629	\$ 2,109,451	5.68 %
Internal Service Funds					
Other Revenues	4,740,464	4,353,705	5,720,778	1,367,073	31.40
Service Fees	3,851,128	2,929,489	3,767,345	837,856	28.60
Transfers-In	641,755	666,755	523,962	(142,793)	-21.42
Use of Money & Property	(10,916)	-	-	-	-100.00
Subtotal, Internal Service Funds	\$ 9,222,431	\$ 7,949,949	\$ 10,012,085	\$ 2,062,136	25.94 %
Enterprise Funds					
Debt Service	26,957	46,000	20,000	(26,000)	-56.52
Franchise Fees	580,000	580,000	580,000	-	-
Intergovernmental Revenue	815,486	260,000	11,273,524	11,013,524	4,235.97
Other Revenues	581,707	2,525,979	2,483,568	(42,411)	-1.68
Service Fees	30,390,358	28,859,507	29,647,583	788,076	2.73
Transfers-In	660,619	7,069,392	4,937,000	(2,132,392)	-30.16
Use of Money & Property	873,944	1,398,796	1,443,552	44,756	3.20
Subtotal, Enterprise Funds	\$ 33,929,071	\$ 40,739,674	\$ 50,385,227	\$ 9,645,553	23.68 %
Special Revenue Funds					
Fines & Forfeitures	6,946	-	-	-	-100.00
Franchise Fees	151,720	145,000	150,000	5,000	3.45
Intergovernmental Revenue	13,268,902	15,289,361	13,425,281	(1,864,080)	-12.19
Other Revenues	1,786,932	1,375,409	1,361,450	(13,959)	-1.01
Other Taxes	2,803,930	2,525,500	2,240,986	(284,514)	-11.27
Permits, Licenses & Fees	45,000	25,000	-	(25,000)	-100.00
Sales Taxes	72,075	111,750	113,460	1,710	1.53
Service Fees	135,138	112,102	127,800	15,698	14.00
Special Assessments	4,871,435	5,146,922	5,549,531	402,609	7.82
Transfers-In	3,262,165	5,673,688	2,673,917	(2,999,771)	-52.87
Use of Money & Property	210,383	249,053	284,200	35,147	14.11
Subtotal, Special Revenue Funds	\$ 26,614,626	\$ 30,653,785	\$ 25,926,625	\$ (4,727,160)	-15.42 %
Capital Projects Funds					
Intergovernmental Revenue	1,353,795	2,178,499	165,000	(2,013,499)	-92.43
Other Revenues	98,688	131,522	-	(131,522)	-100.00
Service Fees	528,241	9,816	-	(9,816)	-100.00
Transfers-In	1,689,429	2,942,938	78,062	(2,864,876)	-97.35
Use of Money & Property	19,366	92,022	14,800	(77,222)	-83.92
Subtotal, Capital Projects Funds	\$ 3,689,519	\$ 5,354,797	\$ 257,862	\$ (5,096,935)	-95.18 %
Successor Agency to RDA Funds					
Intergovernmental Revenue	461,977	-	-	-	-100.00
Other Revenues	1,361,452	234,478	437,058	202,580	86.40
Property Taxes	38,486,428	36,543,918	34,586,951	(1,956,967)	-5.36
Transfers-In	429,439	366,962	1,225,000	858,038	233.82
Use of Money & Property	167,072	160,500	67,993	(92,507)	-57.64
Subtotal, Successor Agency to RDA Funds	\$ 40,906,368	\$ 37,305,858	\$ 36,317,002	\$ (988,856)	-2.65 %

	2013-14 Actual	2014-15 Amended Budget	2015-16 Proposed Budget	Change from 2014-15	% Change
Debt Service Funds					
Debt Service	997,420	585,460	741,910	156,450	26.72
Other Revenues	215	-	-	-	-100.00
Service Fees	2,568,147	4,814,718	4,868,351	53,633	1.11
Special Assessments	3,520,814	3,555,406	3,697,920	142,514	4.01
Transfers-In	130,187,969	31,011,385	34,702,453	3,691,068	11.90
Use of Money & Property	(1,410)	22,150	18,120	(4,030)	-18.19
Subtotal, Debt Service Funds	<u>\$ 137,273,155</u>	<u>\$ 39,989,119</u>	<u>\$ 44,028,754</u>	<u>\$ 4,039,635</u>	<u>10.10 %</u>
Total, All Funds	<u>\$ 287,409,951</u>	<u>\$ 199,123,360</u>	<u>\$ 206,167,184</u>	<u>\$ 7,043,824</u>	<u>3.54 %</u>

Summary of Expenditures by Program – All Funds

	2013-14 Actual	2014-15 Amended Budget	2015-16 Proposed Budget	Change from 2014-15	% Change
City Council					
City Council	85,456	79,345	81,537	2,192	2.76
Subtotal, City Council	\$ 85,456	\$ 79,345	\$ 81,537	\$ 2,192	2.76 %
Administration					
City Manager	165,582	256,905	235,684	(21,221)	-8.26
City Clerk	202,363	345,304	451,385	106,081	30.72
City Attorney	457,024	508,641	518,092	9,451	1.86
Human Resources	629,676	768,033	832,167	64,134	8.35
Debt service:					
Treasurer	6,629	6,622	16,766	10,144	153.19
Finance	2,204,641	2,566,161	2,990,270	424,109	16.53
General Fund - Non Departmental	5,088,470	3,653,047	4,015,315	362,268	9.92
Information Technology	899,147	1,099,323	1,111,117	11,794	1.07
Employee Fringe Benefits	1,716,904	1,788,506	1,463,342	(325,164)	-18.18
Other Post-Employment Benefits (OPEB)	2,487,460	2,096,905	3,183,554	1,086,649	51.82
Insurance	918,083	796,644	973,753	177,109	22.23
Budget Stabilization	-	3,126,345	1,381,231	(1,745,114)	-55.82
Subtotal, Administration	\$ 14,775,979	\$ 17,012,436	\$ 17,172,676	\$ 160,240	0.94 %
Police Department					
Police Services	19,385,017	21,677,617	22,421,879	744,262	3.43
San Marco CFD	539,039	465,681	686,115	220,434	47.34
Vista Del Mar CFD	163,135	158,313	198,811	40,498	25.58
Public Safety CFD	269,402	232,339	259,964	27,625	11.89
Asset Forfeitures	60,680	-	-	-	-100.00
Police Grants	306,599	345,146	-	(345,146)	-100.00
Subtotal, Police Department	\$ 20,723,872	\$ 22,879,096	\$ 23,566,769	\$ 687,673	3.01 %
Enterprise Services					
Marina	1,807,404	2,163,136	2,215,172	52,036	2.41
Golf Course	15,772	165,487	15,444	(150,043)	-90.67
R/R Ave e-BART CFD	830	3,533,184	-	(3,533,184)	-100.00
Environmental Affairs	581,036	930,427	864,728	(65,699)	-7.06
CDBG Entitlements	593,389	751,985	715,645	(36,340)	-4.83
Waterfront Operations	712,837	939,639	787,060	(152,579)	-16.24
Economic Development	1,112,402	959,250	544,798	(414,452)	-43.21
TOTAL Enterprise Services	4,823,670	9,443,108	5,142,847	(4,300,261)	-0.46
Community Development					
Planning Division	932,863	998,560	1,025,389	26,829	2.69
Building Division	902,542	1,035,358	1,041,914	6,556	0.63
Engineering Division	1,724,936	1,860,757	2,033,510	172,753	9.28
Gas Tax	2,169,664	2,749,676	2,058,874	(690,802)	-25.12
Measure J Tax	911,157	3,220,528	1,673,037	(1,547,491)	-48.05
NPDES	816,105	1,278,726	1,146,234	(132,492)	-10.36
Southwest Pittsburg GHAD	411,040	467,998	563,026	95,028	20.31
Pittsburg CIP	-	966,938	78,062	(888,876)	-91.93
Developer Fee Fund	861,041	10,611,715	395,621	(10,216,094)	-96.27
Community Capital Improvements	2,000,451	1,571,161	-	(1,571,161)	-100.00
Infrastructure Repair & Replacement	-	1,261,000	-	(1,261,000)	-100.00
TOTAL Community Development	10,729,799	26,022,417	10,015,667	(16,006,750)	-0.62
Public Works - Maintenance Services					
Public Works Administration	91,804	90,804	102,447	11,643	12.82
Streets	1,832,982	2,193,176	2,248,667	55,491	2.53
Street Lighting	538,055	788,623	858,042	69,419	8.80
Street Trees	357,965	445,311	421,593	(23,718)	-5.33
Concrete	112,253	91,019	98,331	7,312	8.03
Fleet Maintenance	1,549,160	2,174,265	1,922,380	(251,885)	-11.58
Building Maintenance	1,275,800	1,911,280	1,611,615	(299,665)	-15.68
Graffiti Removal Program	131,061	167,034	141,472	(25,562)	-15.30
Subtotal, Public Works - Maintenance Services	\$ 5,889,080	\$ 7,861,512	\$ 7,404,547	\$ (456,965)	-5.81 %
Recreation and Parks					
Recreation & Parks Administration	120,019	91,437	141,509	50,072	54.76
Recreation Services	642,345	800,419	829,535	29,116	3.64

	2013-14 Actual	2014-15 Amended Budget	2015-16 Proposed Budget	Change from 2014-15	% Change
Parks & Recreation - Swim Center Maint.	77,909	88,937	112,091	23,154	26.03
Parks & Recreation - Landscape	2,392,615	2,431,570	2,694,066	262,496	10.80
Landscape - Oak Hills Assessment	47,569	62,930	65,182	2,252	3.58
Park Maintenance CFD	53,145	66,122	85,882	19,760	29.88
Recreation Grants	12,151	4,280	-	(4,280)	-100.00
Police Department					
California Theatre	237,062	394,315	349,616	(44,699)	-11.34
Subtotal, Recreation and Parks	\$ 3,582,815	\$ 3,940,010	\$ 4,277,881	\$ 337,871	8.58 %
Public Works - Water and Sewer Enterprises					
Water Operating	13,727,965	18,080,366	18,127,595	47,229	0.26
Water CIP	1,585,688	6,346,227	7,400,000	1,053,773	16.60
Water Facility Reserve Fee Funds	974,793	8,695,955	4,487,500	(4,208,455)	-48.40
Sewer Maintenance	2,073,040	2,719,805	2,812,983	93,178	3.43
Sewer CIP	2,490,302	3,508,501	3,700,000	191,499	5.46
Sewer Facility Reserve Fee Funds	-	133,113	-	(133,113)	-100.00
Water Bond Debt Service	2,431,992	5,379,927	3,293,902	(2,086,025)	-38.77
Sewer Bond Debt Service	1,039,786	821,765	813,464	(8,301)	-1.01
Subtotal, Public Works - Water & Sewer Enterprises	\$ 24,323,566	\$ 45,685,659	\$ 40,635,444	\$ (5,061,215)	-11.05 %
Housing Authority					
Housing Authority - Section 8	12,666,242	13,348,466	13,485,340	136,874	1.03
City Housing	252,954	188,721	269,148	80,427	42.62
Subtotal, Housing Authority	\$ 12,919,196	\$ 13,537,187	\$ 13,754,488	\$ 217,301	1.61 %
Pittsburg Power Company					
Island Energy	4,015,258	5,684,074	5,084,359	(599,715)	-10.55
Pittsburg Power	1,746,290	2,396,276	2,103,526	(292,750)	-12.22
Power Company Capital Projects	2,367,610	1,707,849	925,000	(782,849)	-45.84
Subtotal, Pittsburg Power Company	\$ 8,129,158	\$ 9,788,199	\$ 8,112,885	\$ (1,675,314)	-17.12 %
Successor Agency to Former RDA					
RDA Property Maintenance	(286)	-	-	-	-100.00
RDA General	38,415,940	31,087,427	(1)35,511,953	4,424,526	14.23
RDA Administration	562,387	360,503	295,957	(64,546)	-17.90
RDA Capital Projects Fund	336,992	949,849	-	(949,849)	-100.00
RDA Tax Allocation Bonds	195,199,398	30,157,624	(1)33,659,693	3,502,069	11.61
RDA Housing Bonds	1,934,671	1,956,694	(1)1,955,260	(1,434)	-0.07
Subtotal, Successor Agency to Former RDA	\$ 236,449,102	\$ 64,512,097	\$ 71,422,863	\$ 6,910,766	10.71 %
Debt Service Funds					
Pension Obligation Bond	1,983,627	4,079,490	4,803,522	724,032	17.75
Assessment Districts	24,599,051	4,497,032	2,897,309	(1,599,723)	-35.57
Subtotal, Debt Service Funds	\$ 26,582,678	\$ 8,576,522	\$ 7,700,831	\$ (875,691)	-10.21 %
Total, Uses by Program	\$ 369,014,371	\$ 229,337,588	\$ 209,288,435	\$ (20,060,153)	-8.74 %

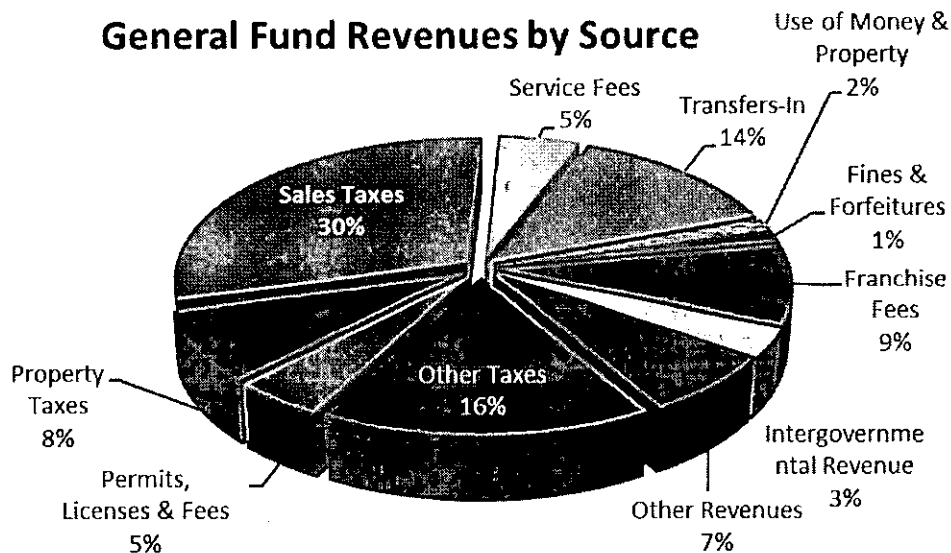
(1) Includes transfers between funds in the Successor Agency program budget to pay for debt obligation in the amount of \$ 35,511,953; therefore uses appear to be overstated by \$35,511,953

General Fund Revenues

	2013-14 Actual	2014-15 Amended Budget	2015-16 Proposed Budget	Change from 2014-15	% Change
Property Taxes					
Homeowners Tax Relief	84,676	95,000	85,000	(10,000)	-10.53
Prior Year Taxes	(111,808)	(100,000)	(50,000)	50,000	-50.00
Secured Property Taxes	1,866,225	1,995,362	2,442,582	447,220	22.41
Supplemental Taxes	199,805	200,000	200,000	-	-
Unitary Taxes	232,545	209,290	250,000	40,710	19.45
Unsecured Property Taxes	341,877	313,335	310,000	(3,335)	-1.06
Subtotal, Property Taxes	\$ 2,613,320	\$ 2,712,987	\$ 3,237,582	\$ 524,595	19.34 %
Sales Taxes					
Sales & Use Taxes	5,309,723	5,453,624	6,652,188	1,198,564	21.98
Sales & Use Taxes - Backfill	3,109,159	939,282	1,510,303	571,021	60.79
Sales Taxes - Increase	3,531,651	3,613,250	3,668,540	55,290	1.53
Subtotal, Sales Taxes	\$ 11,950,533	\$ 10,006,156	\$ 11,831,031	\$ 1,824,875	18.24 %
Other Taxes					
Business License Tax	509,881	480,000	520,000	40,000	8.33
Motor Vehicle Tax	3,795,560	4,061,249	4,514,598	453,349	11.16
Other Taxes	237,356	210,000	245,000	35,000	16.67
Public Safety - Prop 172 Sales Tax	540,771	530,000	550,000	20,000	3.77
Transient Occupancy Taxes	503,265	450,000	550,000	100,000	22.22
Subtotal, Other Taxes	\$ 5,586,833	\$ 5,731,249	\$ 6,379,598	\$ 648,349	11.31 %
Franchise Fees					
Calpine	15,030	15,224	15,394	170	1.12
Comcast Broadband	572,024	570,000	580,000	10,000	1.75
Franchise Fees - Other	145,575	150,000	170,000	20,000	13.33
PG&E	487,572	490,000	490,000	-	-
Pittsburg Disposal	1,440,714	1,489,000	1,502,000	13,000	0.87
RCTS	832,725	835,000	877,609	42,609	5.10
Subtotal, Franchise Fees	\$ 3,493,640	\$ 3,549,224	\$ 3,635,003	\$ 85,779	2.42 %
Service Fees					
Building Service Fees	226,965	202,100	210,115	8,015	3.97
Engineering Service Fees	1,330	1,000	780	(220)	-22.00
Other Reimbursements	393,851	285,477	320,000	34,523	12.09
Other Service Fees	538,067	486,700	559,136	72,436	14.88
Planning Service Fees	21,365	17,675	5,975	(11,700)	-66.20
Police Service Fees	466,407	467,326	437,688	(29,638)	-6.34
Public Works Service Fees	286,951	317,000	281,500	(35,500)	-11.20
Recreation Entrance Fees	96,053	114,000	136,000	22,000	19.30
Recreation Service Fees	65,643	57,400	52,480	(4,920)	-8.57
Recreation Sports Fees	44	2,000	2,000	-	-
Subtotal, Service Fees	\$ 2,096,676	\$ 1,950,678	\$ 2,005,674	\$ 54,996	2.82 %
Use of Money & Property					
Investment Earnings	512,833	302,000	261,000	(41,000)	-13.58
Rental Income	261,980	288,864	280,434	(8,430)	-2.92
Subtotal, Use of Money & Property	\$ 774,813	\$ 590,864	\$ 541,434	\$ (49,430)	-8.37 %
Fines & Forfeitures					
Abandoned Vehicle Abatement	127,330	125,000	125,000	-	-
Booking Fees	9,730	10,000	8,000	(2,000)	-20.00
Code Enforcement Fines	82,430	55,870	78,000	22,130	39.61
Police Fines	128,870	115,000	115,450	450	0.39
Police Forfeitures	1,040	2,000	2,000	-	-
POST Reimbursements	39,584	17,500	25,000	7,500	42.86
Traffic Fines	184,759	180,000	180,000	-	-
Vehicle Code Fines	3,363	5,500	1,500	(4,000)	-72.73
Subtotal, Fines & Forfeitures	\$ 577,106	\$ 510,870	\$ 534,950	\$ 24,080	4.71 %
Permits, Licenses & Fees					
Building Fees	97,087	83,550	94,300	10,750	12.87
Building Permits	724,954	642,000	706,000	64,000	9.97
Business License Fees	141,334	109,650	139,000	29,350	26.77
Engineering Fees	680,925	543,600	771,258	227,658	41.88
Other Fees	10,261	10,261	10,261	-	-
Other Permits	4,277	2,000	1,390	(610)	-30.50

	92,456	110,200	76,600	(33,600)	
	2013-14 Actual	2014-15 Amended Budget	2015-16 Proposed Budget	Change from 2014-15	% Change
Planning & Zoning					
Police Fees	9,546	14,250	16,800	2,550	17.89
Subtotal, Permits, Licenses & Fees	\$ 1,760,840	\$ 1,515,511	\$ 1,815,609	\$ 300,098	19.80 %
Intergovernmental Revenue					
Grants	36,777	36,900	152,900	116,000	314.36
Other Reimbursements	130,500	130,500	130,500	-	-
State Mandated Costs	906	30,000	32,678	2,678	8.93
Tipping Fee	881,053	1,142,402	920,000	(222,402)	-19.47
Subtotal, Intergovernmental Revenue	\$ 1,049,236	\$ 1,339,802	\$ 1,236,078	\$ (103,724)	-7.74 %
Other Revenues					
Administrative Overhead	1,611,061	1,679,271	1,702,812	23,541	1.40
Donations	2,174	-	10,650	10,650	-100.00
Gain - Fixed Assets	21,720	-	-	-	-100.00
Loan Repayments	-	150,000	53,000	(97,000)	-64.67
Other	57,823	321,000	550,500	229,500	71.50
Other Reimbursements	124,195	107,083	61,000	(46,083)	-43.03
School Resource Officer Reimbursement	200,000	200,000	340,000	140,000	70.00
Subtotal, Other Revenues	\$ 2,016,973	\$ 2,457,354	\$ 2,717,962	\$ 260,608	10.61 %
Transfers-In					
Transfers-In	3,854,811	6,765,483	5,304,708	(1,460,775)	-21.59
Subtotal, Transfers-In	\$ 3,854,811	\$ 6,765,483	\$ 5,304,708	\$ (1,460,775)	-21.59 %
Total, General Fund Revenues	\$ 35,774,781	\$ 37,130,178	\$ 39,239,629	\$ 2,109,451	5.68 %

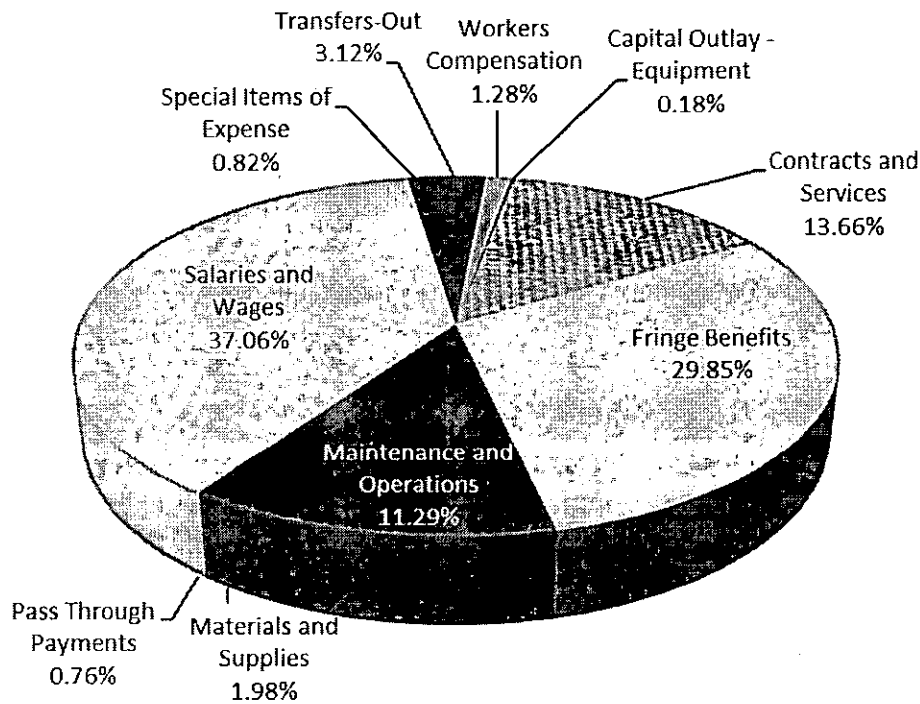
General Fund Revenues by Source



General Fund Expenditures by Category

	2013-14 Actual	2014-15 Amended Budget	2015-16 Proposed Budget	Change from 2014-15	% Change
Capital Outlay - Equipment	18,194	326,000	70,000	(256,000)	-78.53
Contracts & Services	4,093,692	5,330,996	5,359,444	28,448	0.53
Fringe Benefits	8,952,469	11,237,205	11,714,401	477,196	4.25
Maintenance & Operations	4,259,035	3,591,308	4,431,901	840,593	23.41
Materials & Supplies	668,106	824,540	776,195	(48,345)	-5.86
Pass Through Payments	260,488	312,513	297,640	(14,873)	-4.76
Salaries & Wages	13,058,571	13,686,195	14,541,923	855,728	6.25
Special Items of Expense	69,057	111,715	322,806	211,091	188.95
Transfers-Out	2,994,417	1,310,936	1,224,754	(86,182)	-6.57
Workers Compensation	304,808	443,901	500,565	56,664	12.77
Total, General Fund Expenditures	\$ 34,678,797	\$ 37,175,309	\$ 39,239,629	\$ 2,064,320	5.55 %

2015-16 General Fund Expenditures by Category





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

DATE: 6/5/2015

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution for Approval of the City of Pittsburg's Operating Budget for Fiscal Year 2015-16 and Appropriation of Funds for Fiscal Year 2015-16

MEETING DATE: 6/15/2015

EXECUTIVE SUMMARY

On May 4, 2015, a budget workshop meeting was held to review and receive public input and discussion regarding the Draft Operating Budget for Fiscal Year 2015-16. The Fiscal Year 2015-16 budget must be appropriated by July 1, 2015 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 2015-16 contains an overall estimated revenue stream of \$206.2 million and overall appropriations of \$209.3 million. Included in the total appropriations budget are \$39.2 million for the General Fund, \$10.2 for the Internal Service Funds, \$51.8 million for the Enterprise Funds, \$28.4 million for the Special Revenue Funds, \$43.7 million for the Debt and Project Funds and \$35.8 million for the Successor Agency to the Former Pittsburg Redevelopment Agency Funds.

The Fiscal Year 2015-16 City Manager Budget Message is set forth as attachment I. The City of Pittsburg Fiscal Year 2015-16 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 2015-16 General Fund Revenues and Expenditures are included in attachments VI and VII.

RECOMMENDATION

Adopt the budget for the City of Pittsburg for the Fiscal Year 2015-16.

BACKGROUND

The City's proposed FY 2015-16 Operating Budget was presented to the City Council at a Budget Workshop held on May 4, 2015.

The proposed FY 2015-16 budget is scheduled to be adopted at the City Council meeting on June 15, 2015. 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 2015-16 will be on the City's website before the June 15, 2015 City Council meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents. A hard copy of the same document will be filed at the Contra Costa County Library, Pittsburg Branch.

SUBCOMMITTEE FINDINGS

On April 23, 2015 the Finance Committee met to review the Draft FY 2015-16 Operating Budget.

STAFF ANALYSIS

The City Manager's attached Budget Message provides an overview of the City's FY 2015-16 General Fund budget as well as a description of the City's financial challenges.

ATTACHMENTS: Resolution
Attachment I: Fiscal Year 2015-16 City Manager Budget Message
Attachment II: Summary of Fund Conditions for FY 2015-16
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: Diane Agar, Finance Division Manager – Accounting and Budget
Reviewed by: Brad Farmer, Director of Finance

BEFORE THE HOUSING AUTHORITY OF THE CITY OF PITTSBURG

In the Matter of:

Approval of the Budget for Fiscal)
Year 2015-16 for the City of Pittsburg)
Housing Authority and Appropriation)
Of Funds for Fiscal Year 2015-16)

RESOLUTION NO. 15-291

The City of Pittsburg Housing Authority DOES RESOLVE as follows:

WHEREAS, the City Manager has prepared, transmitted and presented the one year Preliminary Operating Budget Plan for Fiscal Year 2015-16 to the City Council for its consideration; and

WHEREAS, the City prepares and adopts the City of Pittsburg Housing Authority 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 City Council held a meeting on May 4, 2015 for the purpose of reviewing and discussing the Pittsburg Housing Authority budget for the Fiscal Year 2015-16 and recommend estimated revenues in the amount of \$13,559,705 and a spending plan of \$13,485,340.

NOW, THEREFORE, the City of Pittsburg Housing Authority finds and determines as follows:

Section 1. Findings

- 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 2015-16 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 2015-16.
- C. Those funds are hereby and shall be appropriated in the estimated revenue amount of \$13,559,705 and a spending plan of \$13,485,340.
- D. That the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the City of Pittsburg Housing Authority in accordance with the City's approved budget, programs and policies.
- E. That the City of Pittsburg Housing Authority authorizes changes to be made to the annual budget 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/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 City Manager/Executive Director. These changes cannot increase the department budget.

Section 2. Authorization

PASSED AND ADOPTED by The City of Pittsburg Housing Authority at a regular meeting held on the 15th day of June, 2015, by the following vote:

AYES: Casey, Craft, Evola, Johnson, Mingo, Longmire
NOES: None
ABSTAINED: None
ABSENT: Alvergue


Dwaine "Pete" Longmire, Chair

ATTEST:


Alice E. Evenson, Agency Secretary



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

DATE: 6/5/2015

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Approval of the Operating Budget Plan for Fiscal Year 2015-16 for the City of Pittsburg Housing Authority and Appropriation of Funds for Fiscal Year 2015-16

MEETING DATE: 6/15/2015

EXECUTIVE SUMMARY

On May 4, 2015, a budget workshop meeting was held to review and receive public input regarding the Preliminary Operating Budget for Fiscal Year 2015-16. The budget must be appropriated for Fiscal Year 2015-16 by July 1, 2015 to provide on-going financing for the Pittsburg Housing Authority (PHA) activities during the next fiscal year.

FISCAL IMPACT

The Pittsburg Housing Authority budget for Fiscal Year 2015-16 estimates revenues in the amount of \$13,559,705 and a spending plan of \$13,485,340 for the Section 8 Housing Fund.

RECOMMENDATION

Approve the Operating Budget for Fiscal Year 2015-16 and adopt the budget for the Pittsburg Housing Authority, for the Fiscal Year 2015-16.

BACKGROUND

A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2015-16 will be placed on the City's website before the June 15, 2015 City Council meeting and can be located by navigating to Departments/Finance/Financial/Fiscal Year 2015-16. A hard copy of the same document will also be filed at the Contra Costa County Library, Pittsburg Branch.

SUBCOMMITTEE FINDINGS

The City of Pittsburg Preliminary Operating Budget for the Fiscal Year 2015-16 was presented to the Finance Committee on April 23, 2015. The Finance Committee did not have any comments or questions related to the Housing Authority budget.

STAFF ANALYSIS

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, Pittsburg's Housing Authority's ("PHA") fund balance decreased dramatically over the past couple of years to less than one month of operating expenses. According to HUD's Calendar Year 2015 Renewal Funding, PHA has approximately \$893,766 fund balance available as of 12-31-2014 to supplement PHA's funding.

The FY 2015-16 budget revenue projection is based on the HUD's Calendar Year 2015 Renewal Funding annual increment. The administrative funding is based on HUD's funding letter, which was prorated to 99% of eligibility to the FY 2013-14 funding. As a result of the HUD's cash management policy, we estimate utilizing \$47,533 in reserves to balance the Housing Authority's FY 2014-15 budget.

It's been a challenge for the PHA to maintain the level of service with the significant reduction of administrative fees. PHA's plan is to increase the leasing of units in order to compensate for the lowered administrative fees, however, PHA still anticipates a net loss in program revenue should HUD make further reductions in the administrative fee proration.

The City Management has established a 7 year forecast to help manage the Housing Authority's budget. It should also be noted that the 2015 House appropriation bill provides the needed funding increase to cover any anticipated negative fund balances, and would supplement shortfalls through FY 2019-2020 for program costs, excluding administrative fees.

ATTACHMENTS: Resolution

Report Prepared By: Karen Chang, Finance Division Manager - Reporting
Reviewed by: Brad Farmer, Director of Finance

BEFORE THE PITTSBURG POWER COMPANY OF THE CITY OF PITTSBURG

In the Matter of:

Approval of the Budget for Fiscal)
Year 2015-16 for the Pittsburg Power)
Company and Appropriation of Funds)
For Fiscal Year 2015-16)

RESOLUTION NO. 15-317

The Pittsburg Power Company of the City of Pittsburg DOES RESOLVE as follows:

WHEREAS, the Executive Director has prepared, transmitted and presented the one year Preliminary Operating Budget for Fiscal Year 2015-16 to the City Council for its consideration; and

WHEREAS, the City 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 City Council held a budget workshop meeting on May 4, 2015 for the purpose of reviewing and discussing the Preliminary Operating Budget for Fiscal Year 2015-16, and for providing opportunities for public input and discussion on said Preliminary Pittsburg Power Company Budget; and

WHEREAS, the City Council, having fully reviewed the Preliminary Pittsburg Power Company Budget for Fiscal Year 2015-16 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 of the City of Pittsburg finds and determines as follows:

Section 1. Findings

- 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 2015-16 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 2015-16.
- C. Those funds are hereby and shall be appropriated in the estimated revenue amount of \$1,869,981 and a spending plan of \$2,183,526 for the Pittsburg Power Fund. In addition, the budget recommends estimated revenues in the amount of \$5,554,227 and a spending plan of \$5,929,359 for the Island Energy Fund for Fiscal Year 2015-16.
- 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 the City's approved budgets, programs and policies.

- E. That the Pittsburg Power Company of the City of Pittsburg authorizes changes to be made to the annual budget 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/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.

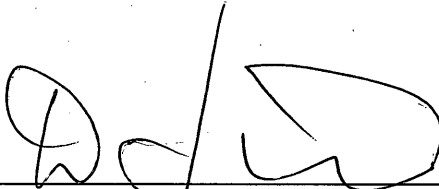
Items Delegated to Department Heads:

- 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 City Manager/Executive Director. These changes cannot increase the department budget.

Section 2. Authorization

PASSED AND ADOPTED by The Pittsburg Power Company of the City of Pittsburg at a regular meeting held on the 15th day of June, 2015, by the following vote:

AYES: Casey, Craft, Evola, Johnson, Longmire
NOES: None
ABSTAINED: None
ABSENT: None


Dwaine "Pete" Longmire, Chair

ATTEST:


Joe Sbranti, Executive Secretary



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

DATE: 6/5/2015

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Adoption of a Power Company Resolution for Approval of the Budget for Fiscal Year 2015-16 for the Pittsburg Power Company and Appropriation of Funds for Fiscal Year 2015-16

MEETING DATE: 6/15/2015

EXECUTIVE SUMMARY

On May 4, 2015 a budget workshop meeting was held to review the Preliminary Operating Budget for Fiscal Year 2015-16 including the proposed Pittsburg Power Company Budget. The budget must be appropriated for Fiscal Year 2015-16 before July 1, 2015 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 2015-16 estimates revenues in the amount of \$1,869,981 and a spending plan of \$2,183,526 for the Pittsburg Power Fund. In addition, the budget estimates revenues in the amount of \$5,554,227 and a spending plan of \$5,929,359 for the Island Energy Fund.

RECOMMENDATION

Approve the Operating Budget Plan for Fiscal Year 2015-16 and adopt the budget for the Pittsburg Power Company for the Fiscal Year 2015-16.

BACKGROUND

The Preliminary Operating Budget for Fiscal Year 2015-16 for the City of Pittsburg, including the Pittsburg Power Company, was presented to the City Council at a budget workshop meeting held on May 4, 2015.

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 2015-16 will be placed on the City's website before the June 15,

2015 City Council meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents. A hard copy of the same document will also be filed at the Contra Costa County Library, Pittsburg Branch.

SUBCOMMITTEE FINDINGS

The City of Pittsburg Preliminary Operating Budget Plan for the Fiscal Year 2015-16 was presented to the Finance Subcommittee on April 23, 2015. The Finance Subcommittee did not have any comments or changes to the Pittsburg Power FY 2015-16 budget.

STAFF ANALYSIS

None

ATTACHMENTS: Resolution

Report Prepared By: Diane Agar, Finance Division Manager – Accounting and Budget
Reviewed By: Brad Farmer, Director of Finance

BEFORE THE SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT
DISTRICT II

In the Matter of:

Approval of the Budget Plan for Fiscal)
Year 2015-16 for the Southwest)
Pittsburg Geologic Hazard Abatement)
District II (GHAD II) and Appropriation)
of Funds for Fiscal Year 2015-16)

RESOLUTION NO. 15-051

The Southwest Pittsburg Geologic Hazard Abatement District II DOES RESOLVE
as follows:

WHEREAS, the Executive Director has prepared, transmitted and presented the
one year Preliminary Operating Budget for Fiscal Year 2015-16 to the City Council for its
consideration; and

WHEREAS, the District prepares and adopts the Southwest Pittsburg 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 Board of Directors held a meeting on June 15, 2015 for the
purpose of reviewing and discussing the Southwest Pittsburg GHAD II budget for the
Fiscal Year 2015-16 and recommend estimated revenues in the amount of \$787,000 and a
spending plan of \$563,026.

NOW, THEREFORE, Southwest Pittsburg GHAD II finds and determines as follows:

Section 1. Findings

- 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 2015-16 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 2015-16.
- C. Those funds are hereby and shall be appropriated in the estimated revenue
amount of \$787,000 and a spending plan of \$563,026.
- 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 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.

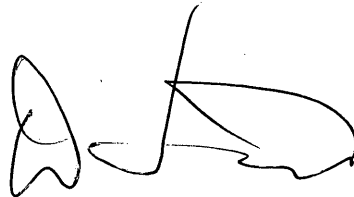
Items Delegated to the General Manager:

- 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. Authorization

PASSED AND ADOPTED by The Southwest Pittsburg GHAD II at a regular meeting held on the 15th day of June, 2015, by the following vote:

AYES: Casey, Craft, Evola, Johnson, Longmire
NOES: None
ABSTAINED: None
ABSENT: None



Dwaine "Pete" Longmire, Chair

ATTEST:



Alice E. Evenson, Clerk of the Board



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

DATE: 6/5/2015
TO: Chair and Agency Members
FROM: Joe Sbranti, Executive Director
SUBJECT: Adoption of a GHAD Resolution for Approval of the Budget for Fiscal Year 2015-16 for the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD II) and Appropriation of Funds for Fiscal Year 2015-16
MEETING DATE: 6/15/2015

EXECUTIVE SUMMARY

On May 4, 2015 a budget workshop meeting was held to review the Preliminary FY 2015-16 Operating Budget including the GHAD II budget. The FY 2015-16 budget must be appropriated before July 1, 2015 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 2015-16 estimates revenues in the amount of \$787,000 and a spending plan of \$563,026.

RECOMMENDATION

Approve the Operating Budget for Fiscal Year 2015-16 and adopt the budget for the Southwest GHAD II, for the Fiscal Year 2015-16.

BACKGROUND

The Preliminary Operating Budget Plan for Fiscal Year 2015-16 for the Southwest GHAD II was presented to the GHAD II Board of Directors at a budget workshop meeting held on May 4, 2015. A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2015-16 will be placed on the City of Pittsburg's website before the June 15, 2015 City Council/GHAD Board meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents. A hard copy of the same document will also be filed at the Contra Costa County Library, Pittsburg Branch.

SUBCOMMITTEE FINDINGS

The Preliminary Operating Budget Plan for the Fiscal Year 2015-16 was presented to the Finance Subcommittee on April 23, 2015. The Subcommittee members did not express any questions or concerns related to the GHAD II budget.

STAFF ANALYSIS

None

ATTACHMENTS: Resolution

Report Prepared By: Diane Agar, Finance Division Manager – Accounting and Budget
Reviewed By: 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 2015-16 in Accordance with)
Proposition III and Article XIII (B))

RESOLUTION NO. 15-13058

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, Article XIII (B) of the California Constitution Proposition IV establishes 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 City's population change and the change in California per Capita Personal Income factors to compute the Appropriations Limit; and

WHEREAS, the Division Manager – Accounting has made the calculations specified in said Law and concludes that the appropriations subject to limitation is the sum of One Hundred-thirty-four million, eight-hundred-sixty-nine thousand, seven-hundred-eighty-three Dollars (\$134,869,783); 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 finds and determines as follows:

Section 1.

The recitals set forth are true and correct statements and hereby incorporated.

Section 2.

The City Council does hereby authorized and approve that the Fiscal Year 2015-16 Appropriations Limit of the City of Pittsburg is established at \$134,869,783 using the City's Population Change and the change in the California per Capita Personal Income factors; and

That 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 15th of June, 2015, by the following vote:

AYES: Casey, Craft, Evola, Johnson, Longmire

NOES: None

ABSTAINED: None

ABSENT: None

A handwritten signature in black ink, appearing to read 'Dwaine Longmire', written over a horizontal line.

Dwaine "Pete" Longmire, Mayor

ATTEST:

A handwritten signature in black ink, appearing to read 'Alice E. Evenson', written over a horizontal line.

Alice E. Evenson, City Clerk



May 2015

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, mandates the Department of Finance (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, 2015, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2015-16. 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 2015-16 appropriations limit. Attachment B provides city and unincorporated county population percentage change. Attachment C provides 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. Consult the Revenue and Taxation Code section 2228 for further information regarding the appropriations limit. Article XIII B, section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code 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 issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. 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, 2015.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

KEELY M. BOSLER
Chief Deputy 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 2015-16 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2015-16	3.82

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2015-16 appropriation limit.

2015-16:

Per Capita Cost of Living Change = 3.82 percent
Population Change = 0.93 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.82 + 100}{100} = 1.0382$

Population converted to a ratio: $\frac{0.93 + 100}{100} = 1.0093$

Calculation of factor for FY 2015-16: $1.0382 \times 1.0093 = 1.0479$

Fiscal Year 2015-16

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2014 to January 1, 2015 and Total Population, January 1, 2015

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2014-2015	1-1-14	1-1-15	1-1-2015
Contra Costa				
Antioch	1.51	106,691	108,298	108,298
Brentwood	3.04	54,824	56,493	56,493
Clayton	0.70	11,209	11,288	11,288
Concord	1.09	124,709	126,069	126,069
Danville	1.12	43,206	43,691	43,691
El Cerrito	0.72	24,115	24,288	24,288
Hercules	0.71	24,601	24,775	24,775
Lafayette	1.88	24,690	25,154	25,154
Martinez	1.34	36,788	37,281	37,384
Moraga	0.63	16,363	16,466	16,466
Oakley	1.74	38,124	38,789	38,789
Orinda	2.78	18,109	18,612	18,612
Pinole	0.71	18,813	18,946	18,946
Pittsburg	1.73	66,479	67,628	67,628
Pleasant Hill	0.72	33,917	34,162	34,162
Richmond	0.90	106,388	107,346	107,346
San Pablo	0.78	29,499	29,730	29,730
San Ramon	1.49	77,410	78,561	78,561
Walnut Creek	0.83	66,319	66,868	66,868
Unincorporated	1.04	166,510	168,239	168,323
County Total	1.28	1,088,764	1,102,684	1,102,871

*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 2015-16
Gann Appropriations Limit Calculations

	<u>City Population Change</u>	<u>County Population Change</u>
Population Change as of January 1, 2015	1.73 (1)	1.28 (1)
	<u>Per Capita Change</u>	<u>Consumer Price Index CPI of Contra Costa County</u>
Cost of Living FY 2015-16	1.0382 (1)	0.027 (2)
FY 15-16 Gann Limit Growth Factor 1 + Larger of County and City Population		<u>1.0173</u>
1 + Larger of Per Capita Change and 12-Month Change in CPI for County	x	<u>1.0382</u>
INCREASE in City's Appropriations Limit for FY 2015-16 -		<u><u>1.056161</u></u>
FY 2014-15 Appropriations Limit		\$ 127,698,145 (3)
Growth Factor	x	1.056161
FY 2015-16 APPROPRIATIONS LIMIT		<u><u>\$ 134,869,783</u></u>

NOTE:

- (1) California Department of Finance Letter Dated May, 2015
- (2) Contra Costa County Consumer Price Index Average
- (3) FY2014-15 General Fund Appropriations Limit



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

DATE: 5/19/2015
TO: Mayor and Council Members
FROM: Joe Sbranti, City Manager
SUBJECT: Adopt Resolution Establishing the Appropriations Limit for the 2015-16 Fiscal Year in Accordance with Proposition III and Article XIII (B)
MEETING DATE: 6/15/2015

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 2015-16 Appropriations Limit is \$134,869,783 and will exceed the estimated General Fund spending plan of \$39.2 Million.

RECOMMENDATION

Staff recommends that the City Council adopt this Resolution in compliance of 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)
 - 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 FY 2015-16 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 Appropriations subject to limitations for FY2015-16 is \$134,869,783.

SUBCOMMITTEE FINDINGS

N/A

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 2015-16 is \$39,239,629 against the calculated limit of \$134,869,783.

Appropriations subject to the limit for fiscal year 2014-15 totaled \$36,890,048 against the Adopted Limit of \$127,698,145 for that same year.

ATTACHMENTS: Resolution
California Department of Finance Letter dated May, 2015
Gann Calculations

Report Prepared By: Diane Agar, Division Manager – Accounting
Reviewed by: Brad Farmer, Director of Finance