



## Contra Costa Local Agency Formation Commission Municipal Service Review Update

May 2019

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# CHAPTER 1

## INTRODUCTION AND MUNICIPAL SERVICE REVIEW SUMMARY

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### 1.1 OVERVIEW

Local agency formation commissions (LAFCOs) are countywide agencies created by the California State legislature to discourage urban sprawl and encourage the orderly formation and development of local government agencies. LAFCOs are unique to California and there is one LAFCO in each county. LAFCO's efforts are directed at the provision of efficient and economical municipal services, logical and orderly development, and the preservation of agricultural and open space lands.

LAFCOs are charged with regulating local agency spheres of influence (SOIs) and service boundaries, including annexations and detachments; city incorporations; district formations, consolidations, mergers and dissolutions; and extension of services outside jurisdictional boundaries.

LAFCOs are also charged with preparing Municipal Service Reviews (MSRs). This MSR Update was prepared by Lamphier-Gregory and Berkson Associates for Contra Costa LAFCO. MSRs are state-mandated comprehensive analyses of specific services provided by municipalities and special districts that fall within the purview of LAFCOs. MSRs provide information about service delivery, evaluate how services are provided, and recommend actions to improve the provisions of services, and highlight best practices, risks and challenges facing the agencies. The MSR culminates in updating the sphere of influence (SOI) for each agency covered in the Review. SOIs are important as they designate an agency's probable future boundary and service area.

As part of the MSR process, LAFCOs must prepare written determinations for the following:

- Growth and population projections for the affected area
- Location and characteristics of Disadvantaged Unincorporated Communities within or contiguous to the SOI
- Present and planned capacity of public facilities and adequacy of public service, including infrastructure needs and deficiencies
- Financial ability of the agency to provide services
- Status of and opportunities for shared facilities
- Accountability for community service needs, including governmental structure and operational efficiencies

In accordance with the SOI updates, LAFCOs must prepare a written statement of determinations with respect to each of the following:

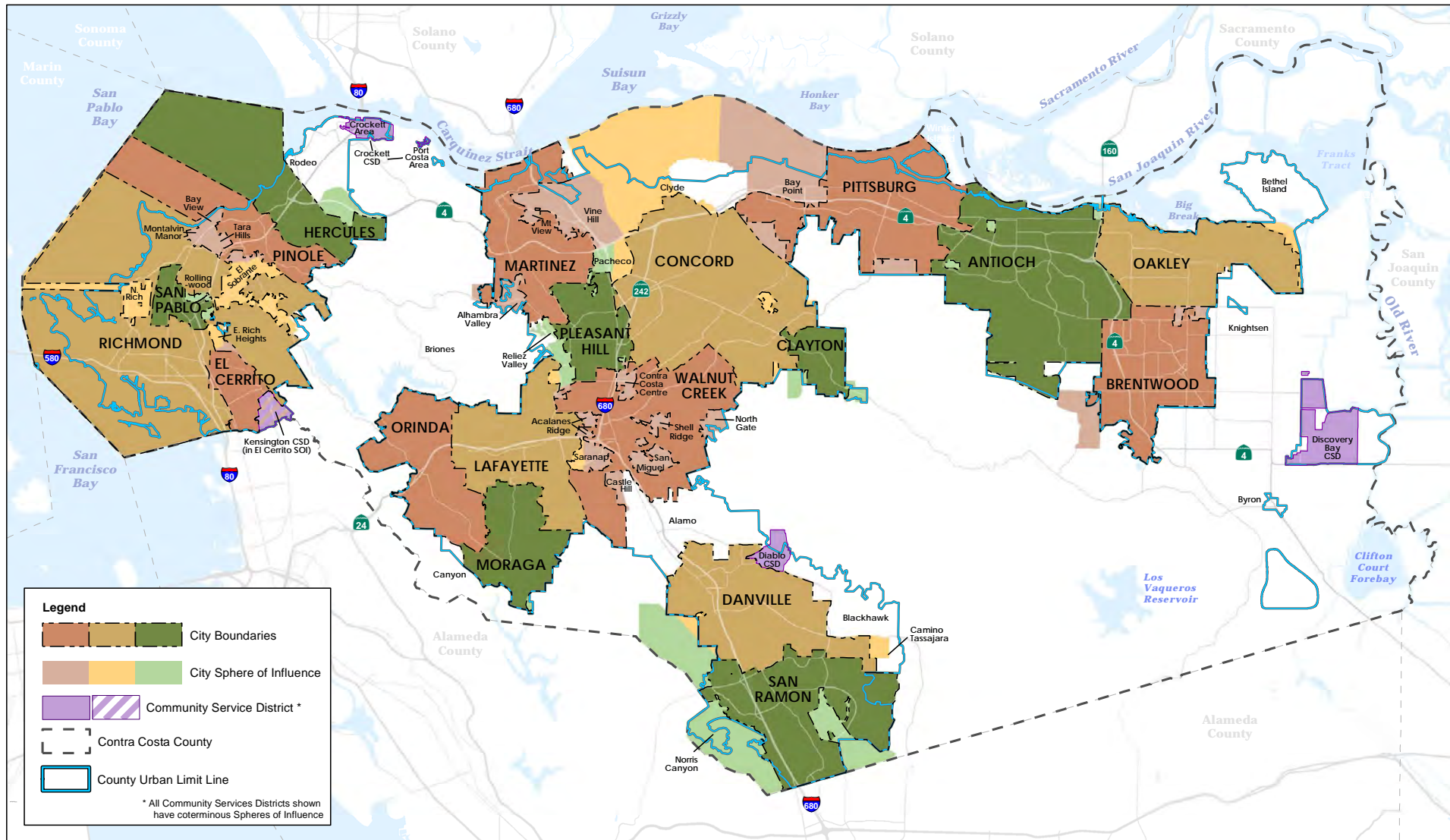
- Present and planned land uses in the area, including agricultural and open-space lands
- Present and probable need for public facilities and services
- Present capacity of public facilities and adequacy of public services
- Existence of any social or economic communities of interest if the commission determines that they are relevant to the agency.
- For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The information, recommendations, and determinations contained in an MSR are intended to guide and inform decisions regarding updates to SOIs, changes of organization and reorganizations, and service extension decisions. The Draft MSR and SOI determinations and recommendations are included in the individual agency chapters.

Contra Costa LAFCO completed its first round MSRs in 2013. City services were covered in various first round MSRs (i.e., fire/emergency medical, law enforcement, library, parks and recreation, city services by sub region, water, and wastewater). To date, LAFCO has completed second round MSRs covering water, wastewater, reclamation, fire and emergency medical, and healthcare services.

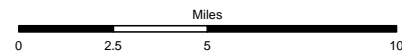
This is the second round MSR covering city services and includes a review of municipal services provided by all 19 municipalities in Contra Costa County and four of the six Community Service Districts (CSDs). **Figure 1.1** shows the location of these entities within Contra Costa County.





Map created 03/14/2019  
 by Contra Costa County Department of Conservation and Development, GIS Group  
 30 Main Road, Martinez, CA 94553  
 37.5641, -122.0713, 75601

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 1.1. Contra Costa County**  
 May 2019

## 1.2 SERVICES REVIEWED AND FOCUS AREAS

Municipalities and CSDs can provide a range of services. For this MSR Update, Contra Costa LAFCO chose to focus on some but not all the services jurisdictions provide including:

- Animal Control
- Broadband
- Building/Planning
- Law Enforcement
- Library
- Lighting
- Parks and Recreation
- Solid Waste
- Streets
- Stormwater
- Utilities (gas, electricity/community choice aggregation)

This MSR Update has four focus areas:

- Updating profile data including growth and population, jobs/housing, finances (expenses, revenues, debt, reserves, related fiscal health indicators), and staffing
- Shared services (i.e., joint powers and joint use agreements, contracts between public agencies, public-private partnerships)
- Infill development/sprawl prevention/islands
- Agricultural/open space preservation

There is substantial variation among jurisdictions regarding what services they provide directly and what services are provided by others. When a service provider other than the city itself is used, the outside provider is often the County. Examples include County library services and animal control. In other situations, a special district (e.g., Central Contra Costa Sanitary District) provides the services and the City has no financial role.

**Table 1.1** shows services provided by the cities and CSDs, as well as under contract with other service providers.

This report fulfills Contra Costa LAFCO's responsibility to conduct an MSR prior to or in conjunction with SOI updates for those jurisdictions that provided enough information for this report. The MSR serves as a resource to help the public better understand how municipal services are provided.

**TABLE 1.1**  
**SERVICE PROVISION OVERVIEW**

CITY / CSD	ANIMAL CONTROL	BROADBAND	BUILDING / PLANNING	LAW ENFORCEMENT	LIBRARY	LIGHTING	PARKS & RECREATION	SOLID WASTE	STREETS	STORMWATER	UTILITIES
Antioch	City	SP	City	City	SP	City	City	SP	City	City	SP
Brentwood	SP	SP	City	City	SP	SP	City	City	City	City	SP
Clayton	SP	SP	City	City	SP	City/SP	City	SP	City	City	SP
Concord	SP	SP	City	City	SP	City	City	SP	City	City	SP
Danville	SP	SP	Town	SP	SP	Town	Town	SP	Town	Town	SP
El Cerrito	SP	SP	City	City	SP	City	City	City/SP	City	City/SP	SP
Hercules	SP	SP	City/SP	City	SP	City	City	City/SP	City	City	SP
Lafayette	SP	SP	City/SP	SP	SP	City	City/SP	SP	City	City	SP
Martinez	SP	SP	City	City	SP	City	City	SP	City	City	SP
Moraga	SP	SP	Town	Town/SP	SP	Town	Town	SP	Town	Town	SP
Oakley	SP	SP	City	City	SP	City/SP	City/SP	SP	City	City	SP
Orinda	SP	SP	City/SP	SP	SP	City	City	SP	City	City	SP
Pinole	SP	SP	City	City	SP	City	City	SP	City	City	SP
Pittsburg	SP	SP	City	City	SP	City/SP	City	SP	City	City	SP
Pleasant Hill	SP	SP	City	City	SP	City	SP	SP	City	City	SP
Richmond	SP	SP	City	City	City	City	City	SP	City	City	SP
San Pablo	SP	SP	City	City	SP	City	City	SP	City	City	SP
San Ramon	SP	SP	City	City	SP	City/SP	City	SP	City	City	SP
Walnut Creek	SP	SP	City	City	SP	City	City	SP	City	City	SP
<b>COMMUNITY SERVICES DISTRICTS</b>											
Crockett	SP	SP	SP	SP	SP	SP	CSD	CSD/SP	SP	SP	SP
Diablo	SP	SP	SP	CSD/SP	SP	CSD/SP	CSD	SP	CSD	SP	SP
Discovery Bay	SP	SP	SP	SP	SP	SP	CSD	SP	SP	SP	SP
Kensington	SP	SP	SP	CSD	SP	SP	CSD	SP	SP	SP	SP

SP = other service provider

### 1.3 ORGANIZATION OF THIS INTRODUCTION AND SUMMARY

This summary has the following sections. Key conclusions in each section are presented below.

#### ***Methodology Summary***

This MSR Update was prepared by the MSR consultants under direction of the LAFCO Executive Officer using input provided by the cities and CSDs. The work began in mid-2018. Draft chapters were distributed to each subject agency and their comments are incorporated where relevant. The Public Review Draft MSR was released on March 27, 2019, initiating a 30-day public comment period.

A public hearing was held at the Contra Costa LAFCO meeting on April 17 and the public comment period closed on April 25, 2019. This final MSR Update incorporates minor changes related to the comments received from the Commissioners, municipalities, and public stakeholders during the review period.

On June 12, the Commission will discuss the final draft and will be asked to accept the MSR, make required findings and determinations, and approve the SOI updates.

#### ***Growth and Population Update***

Population in the County is expected to increase from an estimated 1,132,140 in 2017 to approximately 1,387,000 by 2040. Growth projections are not distributed evenly across the jurisdictions and Concord, Richmond, and Antioch are expected to grow the most.

#### ***Jobs, Employed Residents and Housing***

Most jurisdictions in Contra Costa have jobs/employed residents and jobs/housing units ratios that are lower than many inner-Bay counties. These low values indicate that Contra Costa serves as a bedroom area for those counties that attract most employment. Until conditions change, this situation causes longer commute times, results in wasted off-peak capacity in the transportation network, and increases the amount of pollutants emitted by transportation.

#### ***Financial Status of Municipalities and CSDs***

Financial conditions vary among jurisdictions. Several jurisdictions have a healthy financial condition. A few jurisdictions face heavy debt loads compared with their revenue and many have large unfunded pension and to a lesser extent other post-employment benefit (OPEB) liabilities. Short-term financial conditions are only severe in El Cerrito, where this report recommends further analysis before any future SOI adjustment is considered. Many cities are improving their financial condition and outlook.

#### ***Shared Services***

Probably all jurisdictions participate in some shared services, either directly through a contract with another jurisdiction or through participation in a joint powers agreement. Shared services provide efficiencies and economies for jurisdictions and their citizens.

### ***Infill Development/Sprawl Prevention/Islands***

LAFCO encourages jurisdictions to pursue infill development before adding new land to either the SOI or boundary. Achieving this goal is supported by the existence of voter approved Urban Limit Lines (ULLs) and Urban Growth Boundaries (UGBs) covering all jurisdictions in the County, and by Contra Costa LAFCOs Agricultural and Open Space Preservation Policy (AOSPP). These policies also discourage sprawl.

There are 16 small “city” islands in the County, and Contra Costa LAFCO has a policy to discourage the creation of islands and encourage annexation of small islands. Several of the islands include disadvantaged communities that would benefit from annexation to an adjacent city.

### ***Sphere of Influence Recommendations***

This report recommends that Contra Costa LAFCO maintain and reaffirm the SOIs for the 23 jurisdictions studied in this report. The report also recommends that no changes to the SOIs of six jurisdictions be approved until further analysis is completed.

## **1.3.1 METHODOLOGY**

The municipal services reviewed as part of this MSR Update were identified at the outset of the process; as well as types of data required, a timeline for data collection, and criteria to be used when making the MSR and SOI determinations required as part of this report.

In May 2018, the LAFCO Executive Officer and lead MSR consultant attended the monthly Public Managers Association meeting to kick-off the MSR Update process. In June 2018, questionnaires were sent to City/District Managers and Finance Directors. In addition to agency questionnaires, the MSR team conducted a comprehensive review of publicly available documents from existing, readily available sources (e.g., US Census, Association of Bay Area Governments, State Department of Finance, city, district, and county websites). To assist in the data gathering process, an Agency Profile (partially pre-populated by MSR team) was distributed to each city and CSD with a request to verify and supplement the data. Agency profiles focused on MSR-related issues (i.e., agency overview; agency services, finances, growth and population; boundaries, islands, disadvantaged communities). For each of the agencies being reviewed, a list of service level statistics was compiled to help determine the adequacy of public services provided by each city and CSD. These agency-specific service level statistics are provided in Attachment B.

Following the verification and augmentation of the Agency Profile data, a draft profile chapter was prepared and sent to each city and CSD for review, verification, and comments. In some cases, the requested data was not provided in time to be included in this MSR.

Upon release of the Public Review Draft MSR, each subject agency was notified by email, and each agency was encouraged to place the Draft MSR on their meeting agenda for public discussion. The public comment period ended April 25, 2019.

A public hearing was held on April 17, 2019 to discuss the draft MSR. This final MSR Update incorporates minor changes related to the comments received from the Commissioners,

municipalities, and public stakeholders during the review period. **Attachment D** to this MSR presents a compilation of the comments received and responses.

On June 12, 2019, Contra Costa LAFCO will hold a public hearing on the Final Draft MSR at which time the Commission will be asked to accept the MSR, make the required findings and determinations, and approve the SOI updates.

### 1.3.2 GROWTH AND POPULATION UPDATE

In 2018, Contra Costa County's population was estimated by the California Department of Finance at 1,149,363 placing it as the ninth largest county in California.<sup>1</sup> The Association of Bay Area Governments (ABAG) forecasts city and County populations as shown in **Table 1.2**.<sup>2</sup> Forecast 2010-2040 growth ranges from less than 600 in Clayton to more than 76,000 in Concord while percentage growth over the same period ranges from 5.5% in Clayton to 62.8% in Concord.

**TABLE 1.2**  
**YEAR 2010, 2017, AND 2040 POPULATION ESTIMATES AND PROJECTIONS**  
**CONTRA COSTA COUNTY**

JURISDICTION	2010	2017 <sup>1</sup>	2040
Antioch	101,695	113,061	130,725
Brentwood	52,020	63,042	84,460
Clayton	10,665	11,431	11,255
Concord	122,155	129,159	198,850
Danville	42,470	44,396	47,350
El Cerrito	23,550	24,939	29,075
Hercules	23,680	26,317	28,700
Lafayette	23,995	25,655	26,815
Martinez	35,995	38,097	40,035
Moraga	16,035	16,991	18,080
Oakley	35,280	41,742	54,435
Orinda	17,300	19,199	18,745
Pinole	18,940	19,236	21,930
Pittsburg	63,415	72,647	91,615
Pleasant Hill	32,990	35,068	35,925

<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>

<sup>2</sup> ABAG. Projections 2017.



JURISDICTION	2010	2017 <sup>1</sup>	2040
Richmond	103,050	119,067	164,220
San Pablo	29,730	31,593	34,090
San Ramon	71,295	82,643	84,165
Walnut Creek	64,920	70,667	81,265
Crockett CSD		2,562	
Diablo CSD		807	
Discovery Bay CSD		14,765	
Kensington CSD		5,602	
Unincorporated County	162,645	172,513	199,105
Contra Costa County Total <sup>2</sup>	1,051,830	1,149,363	1,387,300

<sup>1</sup> California Department of Finance, January 1, 2018 estimate for cities; American Community Survey, 2016 estimate for CSDs.

<sup>2</sup> Total reflects total of incorporated areas and balance of unincorporated County.

### 1.3.3 JOBS, EMPLOYED RESIDENTS, AND HOUSING

Historically, jurisdictions in Contra Costa County have provided more housing than they have jobs. This leads to suboptimal use of transportation resources, increases travel times and costs for residents, produces more pollutants than would occur if commuting distances were shorter, and allows residents less time to spend with their families and in their communities.

The jobs/employed residents' ratio measures the balance between where people work and where they live.

Jobs/employed resident ratios close to 1.0 imply that those who work in an area are likely to be employed in the same area, although a 1.0 ratio does not necessarily mean that the people who live in a municipality work there or that those who work in a municipality live there. As the size and population of the area being considered increases, the ratio will move towards 1.0, i.e., the ratio is more likely to be close to 1.0 for the nine-county Bay Area than for a single jurisdiction. Higher ratios suggest more jobs than employed residents while lower ratios suggest more employed residents than jobs.

**Table 1.3** shows jobs compared with employed persons for the municipalities in Contra Costa County. Several jurisdictions have ratios of less than 0.5, indicating a jobs/ employed resident imbalance. Several of these jurisdictions are in eastern Contra Costa County. The overall ratio of 0.70 for Contra Costa shows the County serves as a bedroom for people who work elsewhere. For purposes of comparison, a similar analysis conducted for Santa Clara County in 2015 showed a county-wide Jobs/Employed Resident ratio of 1.18.

**TABLE 1.3**  
**JOBS, EMPLOYED RESIDENTS, AND JOBS PER EMPLOYED RESIDENT BY JURISDICTION**  
**YEARS 2010 AND 2040**

JURISDICTION	JOBS		EMPLOYED RESIDENTS		JOBS PER EMPLOYED RESIDENT	
	2010	2040	2010	2040	2010	2040
Antioch	20,115	25,745	48,385	61,020	0.42	0.42
Brentwood	11,625	11,990	18,095	29,030	0.64	0.41
Clayton	1,995	2,095	6,245	6,975	0.32	0.30
Concord	54,275	95,455	61,520	93,480	0.88	1.02
Danville	11,840	13,120	21,280	26,630	0.56	0.49
El Cerrito	5,315	5,910	12,590	16,170	0.42	0.37
Hercules	4,955	5,420	12,370	15,300	0.40	0.35
Lafayette	8,990	9,940	12,185	15,030	0.74	0.66
Martinez	20,710	26,085	19,565	22,000	1.06	1.19
Moraga	4,570	5,725	7,620	9,400	0.60	0.61
Oakley	3,410	5,365	15,425	23,080	0.22	0.23
Orinda	4,835	5,500	8,275	10,435	0.58	0.53
Pinole	6,700	8,485	9,345	10,665	0.72	0.80
Pittsburg	11,835	15,615	27,185	39,380	0.44	0.40
Pleasant Hill	16,360	19,800	17,420	19,550	0.94	1.01
Richmond	30,685	61,815	44,610	70,010	0.69	0.88
San Pablo	7,430	9,100	10,970	12,840	0.68	0.71
San Ramon	47,950	71,775	36,240	46,940	1.32	1.53
Walnut Creek	50,855	58,090	32,075	42,240	1.59	1.38
Unincorporated County	35,790	41,085	76,035	95,700	0.47	0.43
Contra Costa County Total	360,230	498,115	497,445	665,875	0.72	0.75

Source: ABAG Projections 2017

Another frequently used measure of whether the number of housing units can meet demand is the jobs/housing ratio. This measures the number of jobs as a fraction of the number of housing units. This ratio will differ from the jobs/employed resident ratio because the number of employed residents per housing unit will differ from 1.0 and many housing units are occupied only by residents who are not employed (e.g., retirees). **Table 1.4** shows the jobs/housing ratio for municipalities in Contra Costa. There is a close to 1:1 match between jobs and housing units countywide, but there is much variation among jurisdictions. The ratio in several jurisdictions is expected to move further away from 1.0 which implies an imbalance. For purposes of comparison, a similar analysis of the cities in Santa Clara County completed in 2014 found a jobs housing ratio of 1.63, a level exceeded by only three of Contra Costa's 19 jurisdictions.



**TABLE 1.4**  
**JOBS, HOUSING UNITS, AND JOBS/HOUSING RATIO FOR CONTRA COSTA JURISDICTIONS**  
**YEARS 2010 AND 2040**

JURISDICTION	JOBS		HOUSING UNITS		JOBS/HOUSING RATIO	
	2010	2040	2010	2040	2010	2040
Antioch	20,115	25,745	34,849	41,830	0.58	0.62
Brentwood	11,625	11,990	17,523	27,550	0.66	0.44
Clayton	1,995	2,095	4,086	4,205	0.49	0.50
Concord	54,275	95,455	47,125	67,145	1.15	1.42
Danville	11,840	13,120	15,934	16,300	0.74	0.80
El Cerrito	5,315	5,910	10,716	12,355	0.50	0.48
Hercules	4,955	5,420	8,553	9,835	0.58	0.55
Lafayette	8,990	9,940	9,651	10,165	0.93	0.98
Martinez	20,710	26,085	14,796	15,640	1.40	1.67
Moraga	4,570	5,725	57,554	6,020	0.08	0.95
Oakley	3,410	5,365	11,484	17,050	0.30	0.31
Orinda	4,835	5,500	6,804	6,935	0.71	0.79
Pinole	6,700	8,485	7,158	7,430	0.94	1.14
Pittsburg	11,835	15,615	21,126	27,525	0.56	0.57
Pleasant Hill	16,360	19,800	14,321	14,550	1.14	1.36
Richmond	30,685	61,815	39,328	56,310	0.78	1.10
San Pablo	7,430	9,100	9,571	10,010	0.78	0.91
San Ramon	47,950	71,775	26,222	30,920	1.83	2.32
Walnut Creek	50,855	58,090	32,681	38,650	1.56	1.50
Unincorporated County	35,790	41,085	-	69,530	-	0.59
Contra Costa County Total	360,230	498,115	-	489,955	-	1.02

Sources: ABAG Projections 2017; Bay Area Census housing unit data for 2010

In addition to the ABAG projections, there are other regional planning and policymaking efforts to help guide development in Contra Costa County. For over a decade, local governments and regional agencies have been working together to encourage the growth of jobs and production of housing in areas supported by amenities and infrastructure. Plan Bay Area, developed and approved by ABAG and the Metropolitan Transportation Commission (MTC), is a long-range integrated transportation and land use/housing strategy for the San Francisco Bay Area, including Contra Costa County.<sup>3</sup> Plan Bay Area was first adopted in 2013 and updated four years later as required by law. In August 2019, ABAG and MTC will embark on another update.

<sup>3</sup> ABAG and MTC, Plan Bay Area 2040, Regional Transportation Plan and Sustainable Communities Strategy for the San Francisco Bay Area, 2013, as amended July 2017.

Plan Bay Area is the regional response to California Senate Bill 375 – the California Sustainable Communities and Climate Protection Act of 2008, which requires the state’s metropolitan areas to reduce greenhouse gas emissions from cars and light trucks. Plan Bay Area directs new growth within existing urban footprints, locally adopted urban growth boundaries, and along major transit corridors, which is anticipated to provide more development in pedestrian- and bike-friendly areas that are close to public transit, jobs, schools, shopping, recreation, and other amenities.<sup>4</sup> Directing growth to these areas has the ancillary effect of protecting farmland, open space, and natural resources in the Bay Area, and is in line with the goals of LAFCOs.

As part of the Plan Bay Area development process, local jurisdictions have identified Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs), forming the implementing framework. PDAs are areas where new development will support the day-to-day needs of residents and workers in a pedestrian-friendly environment served by transit. PCAs are areas of regionally significant open space facing development pressure and for which there is a broad consensus for long-term protection. Promoting development within PDAs reduces development pressure on open space and agricultural lands—a key interest of LAFCOs. Municipalities in Contra Costa County (except for Brentwood and Clayton) have identified at least one PDA within their boundaries. Contra Costa County has also identified PDAs within urbanized unincorporated areas.

Other regional plans that help guide development and preserve agricultural and open space land including the East Contra Costa Habitat Conservation Plan and various land use compacts (e.g., Briones Hills Agricultural Preservation Area compact).

### 1.3.4 FINANCIAL STATUS OF CITIES, TOWNS AND CSDs

In the first decade of this millennium, several jurisdictions in Contra Costa were growing rapidly and their budgets benefitted from the increases in assessed valuation, sales tax receipts, and other taxes and fees associated with new development. The economic slowdown that began in 2008 hit Contra Costa local government agencies hard, especially those municipalities that had a large share of new housing stock. Several of these jurisdictions saw their assessed valuation, which drives property tax revenue, decline significantly due to rampant home foreclosures and vacancies. Jurisdictions with older housing stock saw a smaller percentage decline in assessed values because Proposition 13 caps had kept assessed valuations below market values and even as market values declined, they did not dip below Proposition 13 assessed valuation caps. In addition, sales tax declined significantly as did other sources of revenue.

Jurisdictions responded by cutting spending where possible. Some also raised fees as permissible under state law and went to their voters to ask them to approve additional taxes. The result is that even if one ignores the unequal allocation of base property taxes which can be the result of several factors, jurisdictions are funded unevenly as is shown in **Table 1.5**.

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<sup>4</sup> Local jurisdictions maintain control of all decisions to adopt plans and permit or deny development projects.

**TABLE 1.5**  
**COMPARISON OF SELECTED CITY REVENUE ENHANCEMENTS FY 2017**

CITY	PROPERTY TAX % RATE (1)	PROPERTY TAX % OF GENERAL FUND	PARCEL TAX SPEC. ASSESS.	1% SALES TAX % OF GF	ADDITIONAL LOCAL SALES TAX % RATE	ADDITIONAL LOCAL SALES TAX EXPIRES	UTILITY USERS TAX (2)	TOTAL % RATE (3)
Antioch	11.4%	34%	n/a	37%	0.50%	2021	n/a	10.0%
Brentwood	13.4%	27%	n/a	18%	n/a	n/a	n/a	10.0%
Clayton	0.7%	54%	\$1,100,000	10%	n/a	n/a	n/a	4.0%
Concord	10.6%	15%	n/a	45%	0.50%	2025	n/a	10.0%
Danville	7.6%	55%	\$580,000	22%	n/a	n/a	n/a	6.5%
El Cerrito	22.2%	27%	n/a	22%	1.00%	2026	8%	10.0%
Hercules	5.4%	7%	n/a	13%	0.50%	n/a	8%	10.0%
Lafayette	6.7%	28%	n/a	18%	n/a	n/a	n/a	9.5%
Martinez	15.9%	37%	n/a	21%	0.50%	2031	n/a	10.0%
Moraga	5.3%	26%	n/a	12%	1.00%	2033	n/a	n/a
Oakley	7.1%	46%	n/a	14%	n/a	n/a	n/a	10.0%
Orinda	7.4%	48%	\$514,000	15%	0.50%	2022	n/a	10.0%
Pinole	18.8%	20%	n/a	44%	1.00%	n/a	8%	10.0%
Pittsburg	18.3%	8%	n/a	32%	n/a	n/a	n/a	12.0%
Pleasant Hill	5.7%	25%	\$560,000	35%	0.50%	2037	1% (intrastate tel)	10.0%
Richmond	28.5%	22%	n/a	25%	1.00%	n/a	9.5%-10%	10.0%
San Pablo	9.8%	2%	n/a	9%	0.50%	2022 (.25%)	4%	12.0%
San Ramon	9.6%	39%	\$6,900,000	20%	n/a	n/a	n/a	7.25%
Walnut Creek	9.5%	27%	n/a	24%	n/a	n/a	n/a	8.5%

(1) Increment Factor (% share of tax growth) for TRA with the majority of agency assessed value (Report: EA3281-01\_2017\_18; fund codes from Report: DG3876 Chart of Funds; Property Tax Division Contra Costa County Office of the Auditor-Controller).

(2) Utility Users Tax, CaliforniaCityFinance.com, Michael Coleman 530.758.3952, file: "UUT15p.xlsx", 2015.

(3) Transient Occupancy Tax, CaliforniaCityFinance.com, Michael Coleman 530.758.3952, file: "TOT15p.xlsx", 2015.

While many jurisdictions face fiscal challenges, all the subject municipalities and CSDs believe they can meet their obligations and provide necessary services over the next five years. Several jurisdictions have used reserves to offset revenue declines rather than relying solely on service reductions; and as a result, their fund balances have not returned to their locally established goals. Detailed findings can be found in the analyses of each local agency.

There are several fiscal challenges facing many jurisdictions.

- The cost of pensions and OPEBs are increasing and are likely to consume an increasing share of jurisdictions' expenditures. Barring new revenue sources or changes to pension laws, there is no easy fix. The establishment of pension and OPEB trusts can help agencies increase earnings on their deposits, and manage contributions towards growing pension and OPEB payments when needed to mitigate impacts on funding of agency services.
- Stormwater control requirements mandated by regional and state agencies are increasing the cost of treating stormwater without providing compensating new revenue sources. In addition, there are other unfunded mandates facing jurisdictions.
- The incremental sales taxes approved by voters in some jurisdictions will expire and to date voters have not been asked to approve extensions.
- Many cities used redevelopment to fund capital projects deemed necessary to the revitalization of most cities in Contra Costa County. The importance of redevelopment varied by city and in some cases included only a small portion of a city and in others covered much of the incorporated area. Redevelopment funds also represented the largest source of public funding produced by cities that was channeled into affordable housing. Redevelopment was canceled in 2011 and obligations incurred by that time are being funded. There are some successor programs for redevelopment but those have not been used extensively to date.
- Many activities of jurisdictions involve providing capital infrastructure including roads and signalization, stormwater drains, sidewalks, parks and recreation facilities, other public buildings, and water and sewerage systems in some cities. Many cities do not spend enough on capital facilities to offset the effects of depreciation and changes in technology. There is some funding available from county, regional, state, and federal sources for roads and signalization but this is often insufficient compared with the need. Some jurisdictions seek voter approval for special taxes and fees to cover these costs. Many, but not all of these initiatives have been successful, but a capital funding shortfall remains. Because reinvestment in capital facilities is often less than depreciation, many jurisdictions are recording a decline in net assets.

Highlights of finance issues for each jurisdiction are listed in **Table 1.6**.

**TABLE 1.6**  
**SIGNIFICANT FINANCIAL CONSIDERATIONS BY JURISDICTION**

JURISDICTION	NET WORTH/RESERVES	REVENUES AND EXPENDITURES	OTHER
Antioch	<ul style="list-style-type: none"> <li>Stable net position and improving liquidity ratio</li> <li>Increasing pension and OPEB liabilities</li> </ul>	<ul style="list-style-type: none"> <li>Local sales tax expires in 2021</li> </ul>	<ul style="list-style-type: none"> <li>Require funds for road repair</li> </ul>
Brentwood	<ul style="list-style-type: none"> <li>Improving net position and improving liquidity ratio</li> </ul>	-	-
Clayton	<ul style="list-style-type: none"> <li>Improving net position and stable liquidity ratio</li> <li>Increasing pension and OPEB liabilities</li> </ul>	-	<ul style="list-style-type: none"> <li>Low tax and expenditure rates</li> </ul>
Concord	<ul style="list-style-type: none"> <li>Stable net position and liquidity ratio</li> <li>Increasing pension and OPEB liabilities</li> </ul>	<ul style="list-style-type: none"> <li>Foresees growing structural budget deficit</li> </ul>	<ul style="list-style-type: none"> <li>Supplemental sales tax expires in 2025</li> </ul>
Danville	<ul style="list-style-type: none"> <li>High unrestricted funds balance</li> <li>Improving liquidity ratio</li> </ul>	-	<ul style="list-style-type: none"> <li>Defined contribution retirement plan</li> </ul>
El Cerrito	<ul style="list-style-type: none"> <li>Stable net position and low liquidity ratio</li> <li>Increasing pension and OPEB liabilities</li> </ul>	<ul style="list-style-type: none"> <li>Local sales tax expires in 2026</li> </ul>	<ul style="list-style-type: none"> <li>Low reserves</li> </ul>
Hercules	<ul style="list-style-type: none"> <li>Low but stable liquidity ratio</li> </ul>	-	<ul style="list-style-type: none"> <li>High debt burden given city size</li> </ul>
Lafayette	<ul style="list-style-type: none"> <li>Stable net position and declining liquidity ratio</li> </ul>	<ul style="list-style-type: none"> <li>Multiple failed local tax elections</li> </ul>	<ul style="list-style-type: none"> <li>Defined contribution retirement plan</li> </ul>
Martinez	<ul style="list-style-type: none"> <li>Improving liquidity ratio</li> <li>Increasing pension liability</li> </ul>	<ul style="list-style-type: none"> <li>Local sales tax expires in 2033</li> </ul>	-
Moraga	<ul style="list-style-type: none"> <li>Stable liquidity ratio</li> <li>Increasing pension liabilities</li> </ul>	<ul style="list-style-type: none"> <li>Local sales tax expires in 2033</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate reserves</li> </ul>

JURISDICTION	NET WORTH/RESERVES	REVENUES AND EXPENDITURES	OTHER
Oakley	<ul style="list-style-type: none"> <li>Improving liquidity ratio</li> <li>Low pension and no OPEN liability</li> </ul>	-	-
Orinda	<ul style="list-style-type: none"> <li>Declining liquidity ratio</li> </ul>	<ul style="list-style-type: none"> <li>Local sales tax expires in 2022</li> </ul>	<ul style="list-style-type: none"> <li>Defined contribution retirement plan</li> </ul>
Pinole	<ul style="list-style-type: none"> <li>Improving liquidity ratio</li> <li>Increasing pension liability and stable OPEB liability</li> </ul>	<ul style="list-style-type: none"> <li>Projecting shortfalls due to pension costs</li> </ul>	-
Pittsburg	<ul style="list-style-type: none"> <li>Decreasing liquidity ratio</li> <li>Increasing pension liability</li> </ul>	<ul style="list-style-type: none"> <li>Using reserves to offset shortfalls</li> </ul>	-
Pleasant Hill	<ul style="list-style-type: none"> <li>Decreasing liquidity ratio</li> <li>Increasing pension liability</li> </ul>	-	<ul style="list-style-type: none"> <li>Low debt per capita</li> </ul>
Richmond	<ul style="list-style-type: none"> <li>Low liquidity ratio</li> <li>Low fund balances given budget size</li> <li>Increasing pension liability</li> </ul>	<ul style="list-style-type: none"> <li>High expenditures per capita</li> </ul>	<ul style="list-style-type: none"> <li>Voters have approved multiple additional taxes</li> </ul>
San Pablo	<ul style="list-style-type: none"> <li>Decreasing but high liquidity ratio</li> <li>Increasing pension liability</li> </ul>	<ul style="list-style-type: none"> <li>Half of local sales tax expires in 2022</li> </ul>	-
San Ramon	<ul style="list-style-type: none"> <li>Fluctuating liquidity ratio</li> </ul>	-	<ul style="list-style-type: none"> <li>Expenditures for new civic center affect trends</li> </ul>
Walnut Creek	<ul style="list-style-type: none"> <li>Fluctuating liquidity ratio</li> <li>Increasing pension liability</li> </ul>	-	<ul style="list-style-type: none"> <li>Low debt per capita</li> </ul>
Crockett CSD	<ul style="list-style-type: none"> <li>Relatively small agency</li> <li>Increasing pension liability</li> </ul>	-	<ul style="list-style-type: none"> <li>Enterprise activities larger than general government activities</li> </ul>

JURISDICTION	NET WORTH/RESERVES	REVENUES AND EXPENDITURES	OTHER
Diablo CSD	<ul style="list-style-type: none"> <li>Relatively small agency</li> <li>Declining liquidity ratio</li> </ul>	–	<ul style="list-style-type: none"> <li>Defined contribution retirement plan</li> </ul>
Discovery Bay CSD	<ul style="list-style-type: none"> <li>Stable liquidity ratio</li> </ul>	–	<ul style="list-style-type: none"> <li>Enterprise activities larger than general government activities</li> <li>Defined contribution retirement plan</li> </ul>
Kensington CSD	<ul style="list-style-type: none"> <li>Stable liquidity ratio</li> <li>Increasing pension liability</li> </ul>	–	–

### ***POSITIVE FISCAL INDICATORS***

Several cities and districts covered in this MSR Update have made positive strides to enhance fiscal health including maintaining strong liquidity ratios (i.e., most agencies covered in this MSR), reducing debt obligation, maintaining a positive net position, implementing successful local revenue measures, and preparing timely financial planning reports. Some examples are presented below.

- Cities of Clayton and Pleasant Hill, as well as Crockett, Diablo and Discovery Bay CSDs report having no outstanding debt obligations
- Cities/towns of Danville, Lafayette, and Orinda, as well as Diablo and Discovery Bay CSDs have no unfunded pension liabilities
- Many cities have minimal or no OPEB unfunded liabilities
- Most of the subject cities and CSDs regularly update their capital improvement programs to plan for funding future improvements
- All the subject cities and CSDs prepare annual financial reports reviewed by independent auditors and issue Certified Annual Financial Reports; and with a few exceptions, these reports are prepared in a timely manner

While cities and CSDs can take steps to stabilize and improve financial conditions, over the longer-term, state legislation is needed to address many of the issues, such as changes to the pension system, state funding of infrastructure, and unfunded state mandates.

### **1.3.5 SHARED SERVICES**

Probably all jurisdictions participate in some shared services, either directly through a contract with another jurisdiction, participation in a joint powers agreement such as for solid waste management (e.g., Central Contra Costa Solid Waste Authority) or in a voter approved entity including the Contra Costa Transportation Authority. Shared services are valuable. Examples of shared services are shown below and are discussed further in the individual agency profiles

- Many cities have shared agreements with Contra Costa County for library facilities and services.
- The City of San Pablo's shared Police Dispatch and Records Management System is a shared joint function with the cities of Pinole and Hercules; and the City of San Pablo has joint use arrangements with the West Contra Costa Unified School District.
- The San Ramon Police Department (PD) participates in the Central County SWAT Team with Martinez, Walnut Creek, Pleasant Hill, and Bay Area Rapid Transit Police to safely resolve critical incidents. The San Ramon PD also uses a joint-use 911 Communications Center for all emergency and non-emergency calls for service. The City of San Ramon shares capital facilities with San Ramon Unified School District for school parks, the aquatic center, and the Dougherty Valley Performing Arts Center. Additionally, the two San Ramon libraries are shared with the County library system.
- The City of Walnut Creek owns several facilities which are leased by other agencies (i.e., Lindsay Wildlife Experience, Gardens at Heather Farm, UC Master Gardeners, Walnut Creek Historical Society, Assistance League of Diablo Valley, Walnut Creek Model Railroad Society, Walnut Creek Downtown, Walnut Creek Library). Walnut Creek also provides street sweeping services to Lafayette under a contract.
- The Discovery Bay CSD leases an old fire house station from East Contra Costa Fire Protection District for landscaping services (i.e., crew and equipment).

### **1.3.6 INFILL DEVELOPMENT/SPRAWL PREVENTION/ISLANDS**

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act, LAFCO is charged with encouraging efficient development of existing vacant lands and infill properties within an agency's boundary. This MSR reviews the sprawl prevention and infill development efforts of each city.

There are a number of regional efforts that help guide orderly, efficient patterns of urban development, prevent urban sprawl, and help preserve agricultural and open space lands. Such plans and policies include the ABAG/MTC Plan Bay Area, the Regional Housing Need Plan, voter approved ULLs/UGBs, regional transportation plans, and habitat conservation plans, as well as local agency and LAFCO plans and policies.

As part of the Plan Bay Area process, many cities have identified PDAs. The PDAs are intended to encourage the growth of jobs and production of housing in areas supported by amenities and infrastructure. Many Contra Costa cities are growing via infill development and do not anticipate that current or projected growth patterns will require expansion beyond their existing municipal boundaries or SOIs. As shown in this MSR Update, a majority of cities have identified undeveloped entitled residential acres in considering their anticipated future growth patterns, as well as a number of commercial and residential projects in the entitlement process. Plan Bay Area concentrates most growth in PDAs, all of which lie within existing urbanized areas.



Each jurisdiction is assigned a Regional Housing Needs Allocation (RHNA) that covers an eight-year period. Each jurisdiction must zone land in a manner suitable for the number and types of housing required by its RHNA to receive state approval of its housing element.<sup>5</sup> All Contra Costa jurisdictions have done so.

Two additional regional policies discourage sprawl outside of existing urban boundaries and SOIs. First, Contra Costa voters approved an ULL that imposes financial penalties for the County and cities that approve development outside the ULL except in unusual circumstances. The County and 16 cities have adopted the countywide ULL. The cities of Antioch, Pittsburg, and San Ramon have their own voter approved UGBs. And while special districts and LAFCO are not bound by the ULL and UGBs, these agencies respect the growth boundaries.

Second, in 2016, Contra Costa LAFCO approved an AOSPP that promotes LAFCO's mission of supporting logical and orderly development and preserving agricultural and open space lands. LAFCO's policy provides goals, policies, and guidelines for stakeholders, applicants, and LAFCO Commissioners relating to LAFCO applications. LAFCO's AOSPP was developed to guide LAFCO's decisions regarding agricultural and open space lands in Contra Costa County, as well as to clarify LAFCO's expectations in reviewing applications that include agricultural and open space lands.

Contra Costa County has adopted policies intended to strengthen the agricultural sector of the economy which will make agricultural land less attractive for conversion. Also, some cities have developed policies relating to agriculture and open space preservation (see Attachment A).

Regarding islands, in 2012, Contra Costa LAFCO held a workshop on unincorporated islands in Contra Costa County; and subsequently developed a policy to discourage the creation of islands and encourage annexation of small islands. Islands create illogical boundaries and service challenges for residents and local agencies.

There are currently 16 small "city" islands in Contra Costa County that can be annexed through an expedited LAFCO process. These islands are located throughout the County and within the SOIs of the cities of Antioch, Brentwood, Clayton, Concord, Pleasant Hill, San Pablo, San Ramon, and Walnut Creek. Several of these islands are disadvantaged communities which could benefit from annexation to a city. LAFCO encourages annexation of these small islands.

## **1.4 SPHERE OF INFLUENCE DETERMINATIONS**

Government Code section 56425(e) requires LAFCO to prepare a written statement of determinations as part of the review of the existing SOI for each local agency. The SOI determinations in this MSR Update are summarized below.

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<sup>5</sup> ABAG, Regional Housing Need Plan, San Francisco Bay Area, 2014-2022.

*Present and Planned Land Uses (including agricultural and open space lands)* – The cities and CSDs reviewed in this MSR Update plan for a variety of land uses within their boundaries, representing a continuation of the current mix of uses, including industrial, office, commercial, residential, transit oriented development, retail, agricultural, and open space. Present and planned land uses are adequate for existing residents as well as future growth, as demonstrated in the local agency General Plans.

*Present and Probable Need for Public Facilities and Services* – There are no anticipated changes in the type of public services and facilities required within the SOIs for the cities and CSDs reviewed in this MSR Update. The level of demand for these facilities and services, however, will increase commensurate with anticipated population and job growth over the next five years.

*Present and Probable Future Capacity of Public Facilities and Services* – The present capacity of public facilities in the cities and CSDs reviewed in this MSR Update appears adequate. The cities and CSDs reviewed in this MSR Update anticipate they will continue to have adequate capacity during the next five years.

*Existence of any Social or Economic Communities of Interest* – In general, communities of interest within the municipal boundaries of the cities and CSDs covered in this MSR Update are included within their SOIs. As part of this review, Contra Costa LAFCO has identified specific social or economic communities of interest relevant to the cities/towns of Danville, Lafayette, Pleasant Hill, San Pablo, and Walnut Creek.

There are several communities located in the East Danville and Camino Tassajara areas that are within Danville’s SOI and are communities of interest. There has been some growth and development in and around these areas. Also, there has been interest by some of the residents in these areas for enhanced police services and annexation to the Town of Danville. This report recommends that the Town consider annexing these areas.

In the past several years, there has been interest by neighborhood groups in the Newell Avenue/Olympic Blvd and Reliez Valley areas to annex to the City of Lafayette. City officials have discussed potential annexation with these neighborhoods indicating that due to deficient infrastructure (e.g., roads, drainage); a special tax would be needed to support City services in these areas. Discussions continue with the interested parties.

Contra Costa LAFCO has identified three islands within the City of Pleasant Hill’s SOI that potentially represent communities of interest that the City should consider annexing.

The Rollingwood community is a community of interest and is a small island which can be annexed via an expedited process. LAFCO encourages the City of San Pablo to consider annexing the Rollingwood island.

There are several communities of interest within the City of Walnut Creek’s SOI but not within the municipal boundary. Residents in these areas have Walnut Creek addresses, travel City streets, attend City schools, and are surrounded by the City of Walnut Creek. This report recommends that the City consider annexing these island and pocket areas.

*Present and Probable Need for Sewer, Municipal and Industrial Water, or Structural Fire Protection Public Facilities and Services of any Disadvantaged Unincorporated Communities Within the Existing SOI* – There are disadvantaged communities within the boundary, SOI, or contiguous to the SOI of the cities of Antioch, Brentwood, Concord, El Cerrito, Martinez, Oakley, Pinole, Pittsburg, Pleasant Hill, Richmond, San Pablo, and Walnut Creek.

Bethel Island in its entirety is a disadvantaged unincorporated community. Most of Bethel Island does not have access to municipal water service.

## **1.5 SPHERE OF INFLUENCE RECOMMENDATIONS**

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the following cities and CSDs reviewed in this MSR Update:

- City of Antioch
- City of Brentwood
- City of Clayton
- City of Concord
- Town of Danville
- City of El Cerrito
- City of Hercules
- City of Lafayette
- City of Martinez
- Town of Moraga
- City of Oakley
- City of Orinda
- City of Pinole
- City of Pittsburg
- City of Pleasant Hill
- City of Richmond
- City of San Pablo
- City of San Ramon
- City of Walnut Creek
- Crockett CSD
- Diablo CSD
- Town of Discovery Bay CSD
- Kensington Police Protection and CSD

This report also recommends that any future SOI changes for the City of El Cerrito not be considered until such time as another review is conducted to examine the City’s financial ability to provide services; and that any future SOI changes not be considered for the City of Concord, Town of Moraga, and City of Richmond until such time as a more complete review has been conducted to examine their capacity, adequacy, and financial ability to provide services.

## **1.6 CONCLUDING REMARKS**

Since the prior MSRs were last conducted for cities, towns, and CSDs, these jurisdictions have continued to provide service, have worked to address concerns raised in the prior MSRs, and several have secured new funding sources to address community needs. All jurisdictions have shown operational, financial, governance, and operational abilities to continue to provide services and to support reasonable growth within the next five years. This MSR recommends that the SOIs for all the studied jurisdictions remain unchanged at this time.

Many communities that were seriously affected by the Great Recession and its effects on residents and real estate values have now largely or fully recovered. There are potentially serious financial challenges, largely caused or exacerbated by pension obligations for those communities that offer defined-benefit retirement programs. Many jurisdictions are addressing this growing concern.

Compared to their peers in other Bay Area counties, jurisdictions in Contra Costa have a jobs/housing imbalance, namely too few jobs for the number of residents and housing units. This results in severe impacts on the transportation network and longer commutes that cause more pollution, greater commuting expenses, and excessive time away from families and communities. The region should rely on existing planning programs to address this concern and Contra Costa jurisdictions can advocate for a change in the policies that led to the current situation.

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## **ACKNOWLEDGEMENTS**

*This MSR Update would not be possible without the substantial information and time investment provided by the 19 cities and 4 CSDs included in this report. We express our appreciation to the leadership of these agencies, including city managers, finance directors, public works directors, and community development directors, as well as to the staffs of the 23 agencies, whose contributions to the data gathering efforts were invaluable.*

*We also extend our thanks to Contra Costa LAFCO Executive Officer Lou Ann Texeira, who provided project direction and review; Richard Berkson of Berkson Associates, who provided the fiscal review and analysis for each agency; Don Tatzin, who provided assistance in writing the Executive Summary; and the County demographics/GIS staff, who prepared the maps and select demographic information for this MSR Update.*

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# CHAPTER 2

## CITY OF ANTIOCH

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### 2.1 AGENCY OVERVIEW

The City of Antioch, incorporated in 1872, covers an area of approximately 28 square miles. With an estimated population of 113,061, the City has a population density of approximately 4,037 persons per square mile.<sup>1</sup>

The City of Antioch lies in eastern Contra Costa County between the cities of Brentwood and Oakley on the east and Pittsburg on the west. County lands bound the City to the south. The Sphere of Influence (SOI) for the City of Antioch is mostly coterminous with the municipal boundary, with the exception of extensions to the north (San Joaquin River and County boundary) and to the south, as shown in **Figure 2.1**. The City has its own voter-approved Urban Limit Line which surrounds the entire City.

Land uses in the City include a mix of industrial, residential, office, commercial, transit oriented development, retail, mixed use, agricultural, and open space. Agricultural uses include hayfields, vineyards, almond orchards, and walnut orchards.

#### 2.1.1 FORM OF GOVERNMENT

The City of Antioch is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the directly elected Mayor; members serve staggered four-year terms.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>





Map created 06/11/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 39 Muir Road, Martinez, CA 94553  
 37.59:41.791N 122.07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 2.1. City of Antioch Municipal Boundary and Sphere of Influence**  
 May 2019

**2.1.2 STAFFING**

Total City staffing for fiscal year (FY) 2017 included 269.0 full-time equivalent (FTE) employees. **Table 2.1** shows the four service areas with the highest staffing levels.

**TABLE 2.1  
CITY OF ANTIOCH  
HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Police	128.0
Public Works	83.0
Finance and Administrative Services	21.0
Community Development	15.0

Source: City of Antioch

Similar to other cities in Contra Costa County, the police service function had the highest staffing level in the City of Antioch, with 128.0 FTE employees.

**2.1.3 JOINT POWERS AUTHORITIES**

The City of Antioch is a member of several joint powers authorities (JPAs), which are listed in **Table 2.2**.

**TABLE 2.2  
CITY OF ANTIOCH  
JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG’s mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Antioch Public Finance Authority	Bond financing
Contra Costa Delta Highway Joint Powers Financing Authority	Transportation
Contra Costa Water District	Treated water
Contra Costa Transportation Authority	Congestion management
Delta Diablo Sanitation District	Recycled water program

JOINT POWERS AUTHORITY	SERVICE
East/Central County Wastewater Management Authority	—
East Contra Costa Regional Fee and Finance Authority	Transportation mitigation fee program
Eastern Contra Costa Transit Authority (TriDelta)	Transportation
State Route 4 Bypass Authority	Transportation

Source: City of Antioch

#### 2.1.4 AWARDS AND RECOGNITION

Since the first round Municipal Service Review (MSR), the City of Antioch has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for FYs 2013 through 2017.

## 2.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 2.3**, municipal services for the City of Antioch are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 2.3**  
**CITY OF ANTIOCH**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	City of Antioch
Broadband	AT&T, Comcast, River Delta Wireless, Winters Broadband
Building / Planning	City of Antioch
Law Enforcement	City of Antioch
Library	Contra Costa County
Lighting	City of Antioch
Parks and Recreation	City of Antioch
Solid Waste	Allied Waste
Stormwater	City of Antioch
Streets	City of Antioch



SERVICE	SERVICE PROVIDER
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	n/a

Source: City of Antioch

The City of Antioch reports the following opportunities and challenges related to its provision of municipal services.

*Opportunities*

- Brackish water desalination plant, anticipated to deliver up to 6 million gallons a day of high quality, reliable, and sustainable water to the City

*Challenges*

- Creation of quality jobs
- Unfunded state mandates (e.g., affordable housing, clean water, greenhouse gas emissions)
- Funding future pension costs and the uncertainty of the projected rate of return for California Public Employees Retirement System investments
- Staffing shortfalls and ongoing retirements in areas related to development and capital improvements

A summary of the City’s municipal service level statistics for FY 2017 is provided in **Attachment B**.

**2.2.1 ANIMAL CONTROL**

The City of Antioch provides animal control services through the Antioch Animal Services Center. The Antioch Animal Services Center is responsible for the enforcement of Local and State Laws relating to the care, control, and protection of animals and Antioch citizens. Officers’ responsibilities include picking up and confining stray, sick, injured, vicious, and dead animals; issuance of dog licenses; patrolling the City streets; control of animal nuisance problems and animal euthanasia. The Animal Shelter also provides adoption, volunteer, and education programs. City expenditures for animal control services vary year to year, at \$865,468 in FY 2017, up from \$818,707 in FY 2016 and down from \$867,451 in FY 2015.

For 2017, 43.5 dog licenses were issued per 1,000 population. The number of animals handled by the City of Antioch in 2017 was 3,632 and 1,587 calls for service were received, reflecting a downward trend from 3,058 in FY 2015.

### 2.2.2 BROADBAND

The City of Antioch does not provide public broadband service. Although broadband service includes Winters Broadband and River Delta Wireless, XFINITY from Comcast and AT&T Internet are the two main internet providers in the City.<sup>2</sup> These providers use a variety of wired technologies including cable and DSL. The City of Antioch did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Antioch received a grade of C-, which indicates that internet service providers did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>3</sup>

The City of Antioch did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### 2.2.3 BUILDING/PLANNING

The City of Antioch Community Development Department provides building and planning services. Department expenditures vary year to year, at \$1.4 million in FY 2017, up from \$1.3 million in FY 2016 and down from \$1.7 million in FY 2015.

The City of Antioch issued 2,424 residential and 184 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$113,436,750.

Projects under construction in FY 2017 included multiple commercial and residential solar installations, a preschool and daycare center, several commercial remodels, and a charter elementary school. The City's Project Development Pipeline can be viewed at <https://www.antiochca.gov/fc/community-development/planning/Project-Pipeline.pdf>.

Planning city-wide has been captured in the General Plan and the Strategic Plan.

### 2.2.4 LAW ENFORCEMENT

The City of Antioch Police Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$36.3 million, reflecting an upward trend from approximately \$31.6 million in FY 2015.

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<sup>2</sup> Reese, Nick. Internet Access in California: Stats & Figures. *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>3</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

The City of Antioch has 0.9 FTE sworn personnel per 1,000 population, which represents a slight decrease from 0.93 FTE in 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>4</sup> There were 43.16 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 11% in 2017, and the violent crime clearance rate was 45%.<sup>5</sup>

### 2.2.5 LIBRARY

Contra Costa County provides library services for the City of Antioch at its Antioch Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>6</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

### 2.2.6 LIGHTING

Lighting (street and traffic) is provided and maintained by the City of Antioch Department of Public Works. City expenditures for light and signal maintenance were approximately \$782,319 in FY 2017, up from \$729,368 in FY 2015. The City maintains 87 signalized intersections, 3,132 traffic lights, and 5,441 street lights.

### 2.2.7 PARKS AND RECREATION

The City of Antioch Department of Public Works is the service provider for parks and recreation facilities, as well as landscaped medians and public planter beds, and the Recreation Department is the service provider for recreation programs. FY 2017 expenditures for parks were approximately \$4 million in FY 2017, reflecting an upward trend from approximately \$3.7 million in FY 2015.

<sup>4</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>5</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>6</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

The City provides an extensive range of recreational activities and events for all ages, along with sports leagues, aquatics, marina activities, spring break camps and various special events.

The City provides and maintains 2.9 park acres per 1,000 residents, 0.895 recreation center per 20,000 residents, and 24.9 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

### **2.2.8 SOLID WASTE**

Solid waste services are provided to the City of Antioch via franchise agreement with Republic Services. The City of Antioch FY 2017 expenditures for solid waste services were \$195,795, down slightly from \$196,683 in FY 2015.

The City reported approximately 63,482 tons of waste disposed per capita for 2017. The 2017 per resident disposal rate was 3.1 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **2.2.9 STORMWATER/DRAINAGE**

The City of Antioch Department of Public Works provides and maintains the City's stormwater drainage system. The City reports that they have 225.89 miles of closed storm drain lines and that 1.28% of their 7,422 storm drain inlets are equipped with trash capture. The City of Antioch also reports compliance with National Pollution Discharge Elimination System standards. Stormwater expenditures were \$923,645 in FY 2017, down from \$943,615 in FY 2015.

### **2.2.10 STREETS/ROADS**

The City of Antioch Department of Public Works provides and maintains 316.58 street miles as well as landscaped medians and other public landscaping. The lane miles of the City's Class 1 and 2 bike lanes were unavailable at the time of this MSR update. FY 2017 expenditures for streets were approximately \$4,896,374.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Antioch was 68 (fair) in 2017, up from 66 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>7</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance. The City's own 2017 Pavement Management System Report indicates a PCI of 71.

### 2.2.11 UTILITIES

Pacific Gas & Electric provides gas and electricity service to the City of Antioch. The City is not a member of a Community Choice Aggregation program.

The City of Antioch did not report whether it had concerns about the ability of utility service providers to serve the City's existing or growing population.

## 2.3 FINANCIAL OVERVIEW

This section provides an overview of the City's financial health and assesses the City of Antioch's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 2.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City of Antioch.

The City of Antioch prepares a biennial budget. As summarized in the City's budget, Mid-Year Budget Review,<sup>8</sup> and described below, the City's revenues do not cover its expenditures in FY 2018-19, and the City will use \$2.2 million of reserves to balance the budget. Even with the use of reserves, the City's unassigned reserves exceed the City's policy that reserves equal or exceed a minimum 20% of revenues. **Table 2.4** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year (see Attachment C).

The City's budget forecast anticipates "unsustainable structural deficits"<sup>9</sup> beginning in FY 2020-21. The anticipated deficits would have been compounded by the sunset of Measure C in 2021<sup>10</sup>; however, Measure C was replaced by Measure W, a one-cent sales tax approved by voters in

<sup>7</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>8</sup> Staff Report to the City Council, Mid-Year Budget Review, March 13, 2018, pg. 13.

<sup>9</sup> City of Antioch 2017-19 Operating Budget, pg. ii.

<sup>10</sup> A one-half-cent local sales tax measure adopted in 2013 that generates about \$6.9 million annually

November 2018. Anticipated increases in unfunded pension liabilities and required payments will worsen the City's fiscal position.<sup>11</sup>

The City of Antioch increased its General Fund reserve policy from 10% to 20% of revenues for FY 2018 and subsequent years; the City has consistently exceeded 35% of annual General Fund expenditures over the past several years, even with the use of reserves in FY 2019 to cover shortfalls (see Attachment C). The City also retains reserves for replacement, mandated liabilities, and litigation/insurance. The City Council established a budget stabilization fund in March of 2018 during its mid-year budget review to aid in future planning and with the large projected California Public Employees Retirement System (CalPERS) increases.

**TABLE 2.4**  
**CITY OF ANTIOCH**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$15,099,000	\$16,363,000	\$18,196,000
Sales Tax	17,595,000	19,973,000	19,395,000
Other Revenues (including Transfers)	17,910,000	20,810,000	15,263,000
<i>Total General Fund Revenues</i>	<i>\$50,604,000</i>	<i>\$57,146,000</i>	<i>\$52,854,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>12.9%</i>	<i>-7.5%</i>
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration <sup>1</sup>	\$5,198,000	\$7,749,000	\$928,000
Public Safety	30,312,000	33,597,000	35,460,000
Other (includes Transfers Out)	12,503,000	13,008,000	12,136,000
<i>Total Expenditures</i>	<i>\$48,013,000</i>	<i>\$54,354,000</i>	<i>\$48,524,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>13.2%</i>	<i>-10.7%</i>
<i>Expenditures per capita</i>	<i>\$429</i>	<i>\$479</i>	<i>\$432</i>

<sup>11</sup> The City reports that it is preparing the next biennial budget for the 2019-21 fiscal years. Based on preliminary revised 2018-19 projections, including the implementation of Measure W, FY 2018-19 will no longer be using reserves to balance the budget.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
LIQUIDITY RATIO <sup>2</sup>			
Governmental Activities	3.7	5.4	7.4
Business-type Activities	17.5	18.7	22.9

Source: Attachment C

<sup>1</sup> FY 2017 CAFR shows cost allocations as reductions in charges to servicing department a change from prior year CAFRs.

<sup>2</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 2.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

Liquidity ratios for City of Antioch government and enterprise activities exceed 1.0 by a significant margin, indicating adequate liquidity.<sup>12</sup> The City's total debt has been declining over time. Total debt was approximately \$105 per capita in FY 2017,<sup>13</sup> indicating significant reductions compared to the \$493 per capita reported for FY 2015 (see Attachment C).

### 2.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

Enterprise revenues have generally grown and positive net positions have increased overall, with the exception of the marina (see Attachment C). The total positive net position of governmental funds increased slightly between FY 2015 and FY 2017, and the negative unrestricted portion improved. The negative unrestricted amount is largely due to net pension liabilities.

### 2.3.4 LOCAL REVENUE MEASURES

Measure C, the voter-approved one-half-cent local sales tax, generated approximately \$6.9 million (13% of the City's total revenues) and is projected to grow about 3% to FY 2019. The measure expires in April, 2021. The funds help pay for increases in police and code enforcement services.

Measure W, a one-cent sales tax measure approved by voters in November 2018 will replace the current one-half-cent Measure C sales tax for general purposes. The Antioch City Council will decide how to begin allocating Measure W funding during the budget cycle in early 2019.

<sup>12</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>13</sup> Attachment C.



### **2.3.5 ENTERPRISE ACTIVITIES**

The City of Antioch's enterprise operations include water, sewer, marina, and waterpark. The City also owns a golf course which is operated by a separate corporation which has been unable to make lease payments sufficient to pay outstanding debt service on golf course improvements.

The City indicates that its General Fund subsidizes the Prewett Water Park Enterprise consistent with adopted policy to invest in community programming.

### **2.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The City's unfunded pension and other post-employment benefit (OPEB) liabilities continue to grow significantly, doubling since 2013 to a combined \$159.9 million as of June 30, 2017.<sup>14</sup> The City of Antioch is current on amortization payments of unfunded liabilities and the City has a policy that a minimum of 50% of one-time revenues will be applied to unfunded liabilities.

The City previously considered establishing a Section 115 Trust restricted to pension and OPEB funding; however, the City Council rejected the plan. The City Council has approved a budget stabilization fund which will be used for various purposes as needed.<sup>15</sup>

### **2.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of the City capital assets has generally been declining over time (see Attachment C). This decline suggests that increased funding may be needed to keep pace with the depreciation of the assets. The City notes that it is "unable to facilitate ongoing funding and significant investment in roadway maintenance and preservation."<sup>16</sup> In response, the City's developed several strategies including updating its Pavement Management System every two years, and exploring new technologies and revenue streams to address funding shortfalls. The City of Antioch plans to consider a new fee study prior to expiration of current rates in 2019 to assure adequate connection fees. The City also requires developers to construct expansion of utility distribution and collection systems that serve the new development.

### **2.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal

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<sup>14</sup> Staff Report to the City Council, Mid-Year Budget Review, March 13, 2018, pg. 5.

<sup>15</sup> Staff Report to the City Council, Mid-Year Budget Review, March 13, 2018, pg. 6.

<sup>16</sup> City of Antioch response to MSR fiscal questions.



bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City of Antioch prepares long-term budget forecasts which identified the need for additional revenues and/or cost reductions to address growing pension costs and the possible loss of Measure C revenues.

The City is seeking measures to address its structural deficit, including minimizing General Fund subsidies of its golf course and water park. City policies strive to set-aside a portion of one-time revenues and surpluses into reserves. The City continues its downtown revitalization efforts including a new restaurant and residential development.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

## **2.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Antioch.

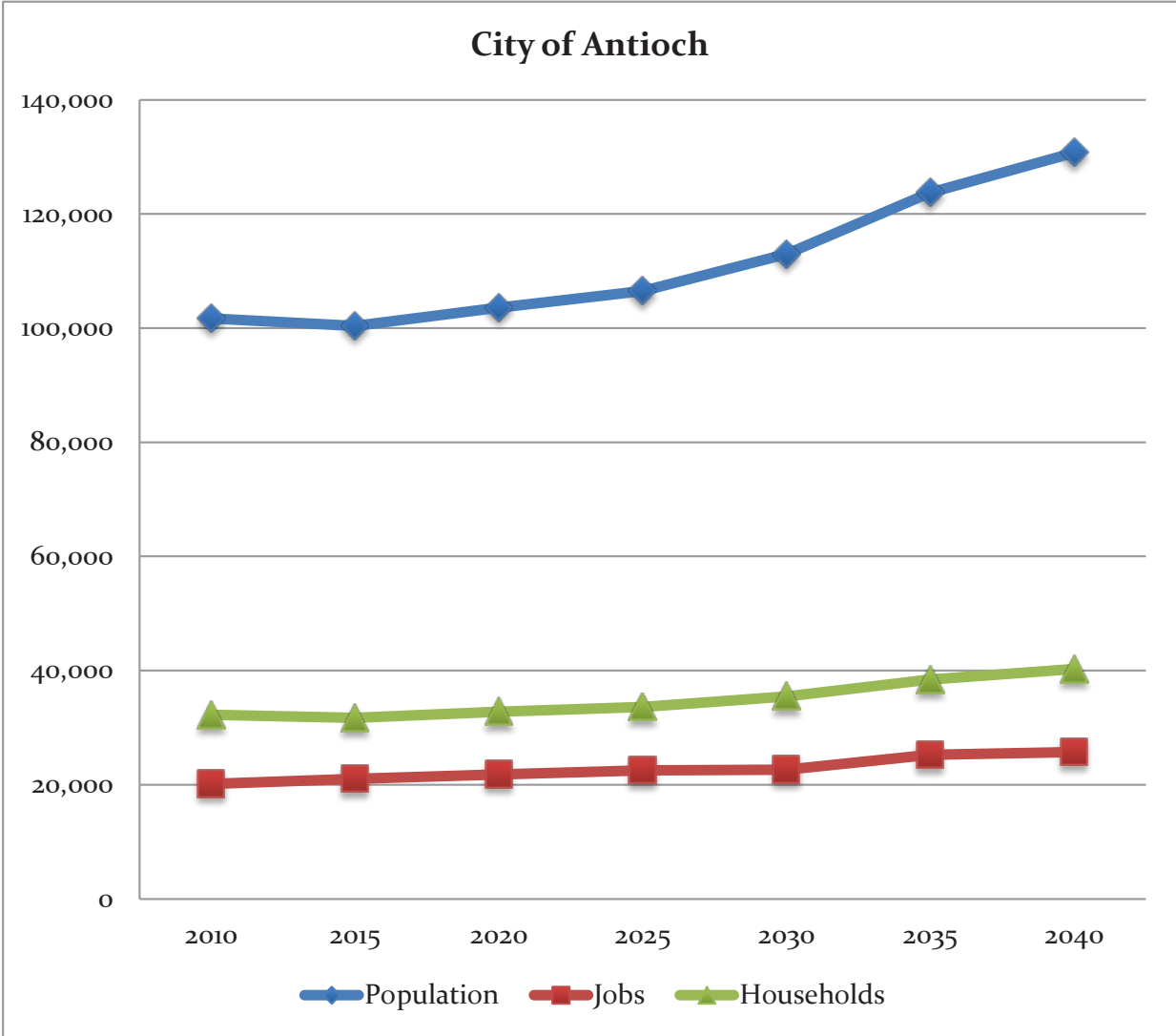
### **2.4.1 GROWTH AND POPULATION PROJECTIONS**

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Antioch serves 113,061 residents.

### ***PROJECTED GROWTH AND DEMOGRAPHIC CHANGES***

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Antioch are depicted in **Figure 2.2**.



**Figure 2.2. Population, Job, and Household Growth Projections (2010-2040)**

**City of Antioch**

*May 2019*

ABAG projects that the City of Antioch will grow at an annual rate of approximately 0.8% to a population of 130,725 between 2010 and 2040.<sup>17</sup> The City is also projected to experience an approximate 0.81% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

## JOBS AND HOUSING

According to the Bay Area Census data<sup>18</sup> for 2010, the City of Antioch has 43,865 employed residents. The ABAG Projections data<sup>19</sup> for 2010 estimated 20,115 jobs in the City, with approximately 0.42 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Antioch has 34,849 housing units, which results in a job and housing balance of 0.62.

The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 2.5**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 2.5**  
**CITY OF ANTIOCH**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	20,751
Renter-occupied housing units	11,501
Vacant housing units	2,597
Total existing housing units	34,849
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very Low	349
Low	205
Moderate	214
Above Moderate	680
Total Regional Housing Need Allocation	1,448

*Sources: ABAG, Bay Area Census; Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>20</sup> The City of Antioch was assigned a RHNA of 1,448 units, as shown in Table 2.6.

<sup>17</sup> ABAG. Projections 2017.

<sup>18</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>19</sup> ABAG. Projections 2017.

<sup>20</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

The City adopted its General Plan in 2003 and its Housing Element in 2015. The City’s 2015–2023 Housing Element identifies adequate sites, anticipated to yield over 2,448 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Antioch 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

**PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>21</sup>

The City of Antioch provides a variety of programs and services in the areas of health, education, and recreation to meet the needs of adults age 50 and older, as shown in **Table 2.6**.

**TABLE 2.6**  
**CITY OF ANTIOCH**  
**PROGRAMS AND SERVICES FOR AN AGING POPULATION**

PROGRAM	SERVICE
City of Antioch	Operates Antioch Senior Center, provides activities, program, and outreach services, including lunch (funded by the County), bus rides, health insurance counseling and advisory program, Alzheimer’s support group, care manager/notary service, free legal assistance, free will service, and peer counseling.
Meals on Wheels	Provides nutritious meals to homebound elderly individuals
The Bedford Center	Provides adult day health care
Senior Outreach Services	Antioch Senior Center

*Source: City of Antioch*

**ANTICIPATED GROWTH PATTERNS**

The City of Antioch reported approximately 625 undeveloped entitled residential acres in FY 2017. The City reports approximately 2,300 dwelling units and 658,500 square feet of commercial and light industrial as either approved or in the approval process.

PDA’s help form the implementing framework for Plan Bay Area. Two PDA’s have been identified by the City of Antioch and included in Plan Bay Area 2040.<sup>22</sup> The Hillcrest eBART Station and

<sup>21</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

Rivertown Waterfront PDAs are anticipated to accommodate approximately 49% of the projected growth in households and 13% of the projected growth in employment.<sup>23</sup> The Hillcrest eBART Station PDA is characterized as a Suburban Center and the Rivertown Waterfront PDA is characterized as a Transit Town Center.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Antioch has not identified any Priority Conservation Areas, nor are any included in Plan Bay Area 2040.<sup>24</sup>

The City of Antioch does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

#### **2.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Antioch's SOI is mostly coterminous with the municipal boundary, with the exception of an extension to the north (San Joaquin River and County boundary) and to the south (see Figure 2.1).

There are three unincorporated islands in the City of Antioch—one near James Donlon Boulevard former landfill), one near L Street (fairgrounds), and one near the Antioch bridge (marina area)—as shown in Figure 2.1. The City does not provide services to the Contra Costa County Fairgrounds or the closed County dump site that comprise these islands. In 2016, Contra Costa LAFCO approved annexation of the third island (marina) to the City; however, the voters rejected it.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

#### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified disadvantaged communities within the City's SOI.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the 2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the

<sup>22</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>23</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>24</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round), adopted in 2016 and 2014 respectively, and remain unchanged.

### **2.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Antioch reports that it adequately serves all areas within its municipal boundary and anticipates it will continue to do so in the foreseeable future.

The disadvantaged communities within the City's SOI receive sewer, water, and fire protection services.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

As noted earlier, the PCI for City streets is 67, which is below the target of 75 MTC has established. While the City actively seeks roadway funding through grants, they have been unable to facilitate ongoing funding and significant investment in roadway maintenance and preservation.

The City developed a Pavement Report (2017) to assess the condition of its arterial, collector, and residential roadways and has identified strategies to address the 35.5% of roadways that are not within the good to very good/excellent range. These strategies include ensuring that the City's pavement management system is updated and inspected every two years; ensuring that all maintenance, rehabilitation, and replacement treatments are updated in the pavement management system, exploring the use of emergent pavement technologies, and continuing to explore new revenue streams for pavement projects.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities. The City does not have a formal plan.

The City of Antioch reports that its capital assets funding is not sufficient to maintain roadway infrastructure consistent with projected needs. The City continues to seek additional funding to facilitate their investment in roadway maintenance and preservation.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

#### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to animal control, building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

#### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

#### **2.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

##### ***FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES***

The City of Antioch expects General Fund deficits in the foreseeable future, which may affect its ability to provide services. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

With the passage of Measure W and continued use of its unassigned reserves to cover shortfalls—as well as reserves for replacement, mandated liabilities, and litigation/insurance—the City of Antioch appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

##### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Antioch anticipates moving from a surplus to a deficit in their general fund beginning in FY 18-19. For FY 2018-19, the City will use \$2.2 million of reserves to balance the budget.

The City Council has established a budget stabilization fund to aid in future planning and help address projected CalPERS increases.

The City has consistently exceeded their 35% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

##### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 7.4, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt has been declining and was approximately \$105 per capita for FY 2017.

The City's unfunded pension and OPEB liabilities continue to grow significantly; however, the City is current on amortization payments of unfunded liabilities. The City is considering funding options for the increasing pension liabilities.

##### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

Overall, the CAFRs are clearly presented; however, the City could incorporate changes to improve the transparency of its financials. For example, the FY 2017 CAFR shows cost allocations as reductions in charges to the servicing department, which can appear as very low costs in the



servicing department. Showing the total cost of service and cost allocation separately would improve the presentation and comparability of results. Certain tables in the CAFR extend over multiple pages; however, the left-most column does not carry over to multiple pages, affecting the readability of the tables.

#### **2.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Antioch website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Antioch website provides access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

#### **PUBLIC INVOLVEMENT**

The City of Antioch website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City therefore adequately provides accountability with regard to citizen participation.

## **2.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **2.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Antioch is mostly coterminous with the municipal boundary, with the exception of an extension to the north (San Joaquin River and County boundary) and to the south, as shown in Figure 2.1. The City of Antioch is bounded by the cities of Brentwood and Oakley on the east and Pittsburg on the west, with County lands to the south.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Antioch.

### **2.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF ANTIOCH**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Antioch MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Antioch plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including industrial, residential, office, commercial, transit oriented development, retail, mixed use, agricultural, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan (2003).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Antioch. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Antioch appears adequate. The City of Antioch anticipates it will continue to have adequate capacity during the next five years.

#### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Antioch.

#### ***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified disadvantaged communities within the City's SOI. These areas receive sewer, water, and fire protection services.

# CHAPTER 3

## CITY OF BRENTWOOD

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### 3.1 AGENCY OVERVIEW

The City of Brentwood, incorporated in 1948, covers an area of approximately 14.8 square miles. With an estimated population of 63,042, the City has a population density of approximately 4,202 persons per square mile.<sup>1</sup>

The City of Brentwood lies in eastern Contra Costa County adjacent to the cities of Antioch to the northwest and Oakley to the north. County lands bound the City to the south, east, and west. The Sphere of Influence (SOI) for the City of Brentwood includes the municipal boundary and extends to the north near Oakley, as well as east and west along the southern municipal boundary, as shown in **Figure 3.1**. The Contra Costa County Urban Limit Line is coterminous with the City's municipal boundary.

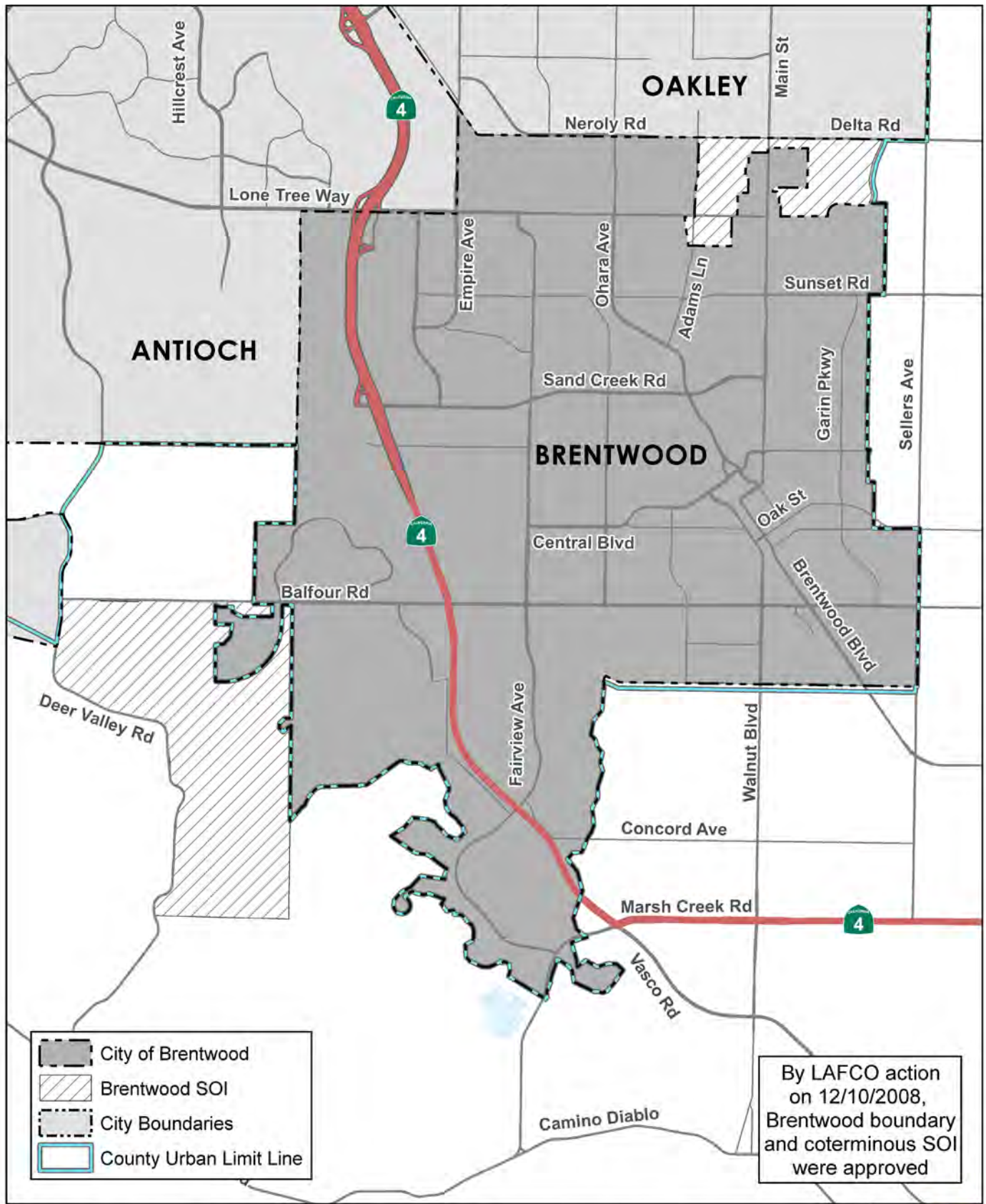
Land uses in the City include a mix of industrial, residential, commercial, office, public facility, agricultural, and park/open space.

#### 3.1.1 FORM OF GOVERNMENT

The City of Brentwood is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the directly elected Mayor; members serve four-year terms.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 10/05/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37:59:41.791N 122:07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.

Miles  
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**Figure 3.1. City of Brentwood Municipal Boundary and Sphere of Influence**  
 May 2019

### 3.1.2 STAFFING

Total City staffing for fiscal year (FY) 2017 included 280 full-time equivalent (FTE) employees. **Table 3.1** shows the four service areas with the highest staffing levels.

**TABLE 3.1**  
**CITY OF BRENTWOOD**  
**HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Law Enforcement	95.0
Water Operations	24.2
Solid Waste	24.52
Parks/Recreation/Landscaping	21.5

Source: City of Brentwood

Similar to many other cities in Contra Costa County, the law enforcement function had the highest staffing level in the City of Brentwood, with 95.0 FTE employees.

### 3.1.3 JOINT POWERS AUTHORITIES

The City of Brentwood is a member of several joint powers authorities (JPAs), which are listed in **Table 3.2**.

**TABLE 3.2**  
**CITY OF BRENTWOOD**  
**JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG’s mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
East Contra Costa Regional Fee and Finance Authority	—
State Route 4 Bypass Authority	—

Source: City of Brentwood

### 3.1.4 AWARDS AND RECOGNITION

**Table 3.3** lists the awards the City of Brentwood has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 3.3**  
**CITY OF BRENTWOOD**  
**AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Excellence in Capital Budgeting	California Society of Municipal Finance Officers	2017, annually
Excellence in Financial Reporting	Government Finance Officers Association	2017, annually
Distinguished Budget	Government Finance Officers Association	2016, biannually
Excellence in Operating Budgeting	California Society of Municipal Finance Officers	2016, biannually

*Source: City of Brentwood*

## 3.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 3.4**, municipal services for the City of Brentwood are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 3.4**  
**CITY OF BRENTWOOD**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast, Sonic.net
Building / Planning	City of Brentwood
Law Enforcement	City of Brentwood
Library	Contra Costa County
Lighting	City of Brentwood
Parks and Recreation	City of Brentwood
Solid Waste	City of Brentwood
Stormwater	City of Brentwood
Streets	City of Brentwood



SERVICE	SERVICE PROVIDER
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	n/a

Source: City of Brentwood

The City of Brentwood reports the following challenges related to its provision of municipal services:

- Addressing unincorporated islands
- Possible expansion of Urban Limit Line (or SOI) for future growth area identified as SPA 1 and SPA 2
- Regulatory compliance (e.g., wastewater, SB 1383 and 606, AB 1668)

A summary of the City’s municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 3.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the City of Brentwood and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$324,269 for FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### 3.2.2 BROADBAND

The City of Brentwood does not provide public broadband service. XFINITY from Comcast, AT&T Internet, and Sonic.net are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Brentwood did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Brentwood received a grade of C, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Brentwood did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **3.2.3 BUILDING/PLANNING**

The City of Brentwood Community Development Department provides building and planning services. Department expenditures for FY 2017 were approximately \$3.5 million. Major FY 2017 residential projects include Barcelona, Silvergate, and Cowell Ranch; major commercial projects include Tractor Supply and Sprouts.

The City of Brentwood issued 2,669 residential and 71 commercial building permits in 2017. Total building permit valuation in FY 2017 was approximately \$96.9 million.

Planning city-wide has been captured in the General Plan and the Strategic Plan.

### **3.2.4 LAW ENFORCEMENT**

The City of Brentwood Police Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$21.4 million.

The City of Brentwood has 1.0 FTE sworn personnel per 1,000 population, which is up slightly from 0.9 in 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 32.6 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 16% in 2017, and the violent crime clearance rate was 69%.<sup>6</sup>

### **3.2.5 LIBRARY**

Contra Costa County provides library services for the City of Brentwood at its Brentwood Community Center Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

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<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.



The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

### **3.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the City of Brentwood Department of Public Works. City expenditures for light and signal maintenance were \$512,189 in FY 2017, reflecting a downward trend from 554,681 in FY 2015. The City maintains 76 signalized intersections, 71 traffic lights, and 6,693 street lights.

### **3.2.7 PARKS AND RECREATION**

The City of Brentwood Parks and Recreation Department is the service provider for parks and recreation facilities and services, as well as landscape services. FY 2017 expenditures for parks and recreation were approximately \$16.1 million in FY 2017, reflecting an upward trend from approximately \$14.1 million in FY 2015.

The City provides a range of recreational programs and activities, including senior services, health and wellness, arts, aquatics, and more.

The City provides and maintains 4.23 park acres per 1,000 residents, 0.65 recreation center per 20,000 residents, and 19.52 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

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<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

### 3.2.8 SOLID WASTE

The City of Brentwood Department of Public Works provides solid waste services. The City of Brentwood FY 2017 expenditures for solid waste services were approximately \$11.6 million, reflecting an upward trend from \$10.3 million in FY 2015.

The City reported approximately 1.57 tons of waste disposed per capita for FY 2017 and a total diversion rate of 70%. The FY 2017 per resident disposal rate was 3.5 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### 3.2.9 STORMWATER/DRAINAGE

The City of Brentwood Department of Public Works provides and maintains the City's stormwater drainage system, including catch basin and storm drain repairs, as well as street sweeping, to implement National Pollution Discharge Elimination System requirements.

The City reports that they have 257.56 miles of closed storm drain lines and that 1.03% of their 2,000 storm drain inlets are equipped with trash capture. The City of Brentwood also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for stormwater were reported for storm drain inlets at \$3,224, reflecting a downward trend from \$7,212 in 2015.

### 3.2.10 STREETS/ROADS

The City of Brentwood Department of Public Works provides and maintains 192 street miles, as well as landscaped public areas. The Class 1 and 2 bike lane miles provided and maintained by the City of Brentwood Department of Public Works were not reported or were unavailable at the time of this MSR update. FY 2017 expenditures for streets were approximately \$7.4 million.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Brentwood was 83 (very good to excellent) in 2017, down from 85 in 2015, which remains above the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement in this range (80-100) is newly reconstructed or resurfaced with few signs of distress.

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<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

### 3.2.11 UTILITIES

Pacific Gas & Electric provides gas and electric service to the City of Brentwood. The City is not a member of a Community Choice Aggregation program.

The City of Brentwood did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## 3.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Brentwood's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 3.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City of Brentwood.

The City of Brentwood prepares a biennial budget. According to the City's FY 2018-19 budget, the General Fund revenues of \$59.3 million are slightly exceeded by General Fund expenditures of \$59.8 million.<sup>9</sup> **Table 3.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year (see Attachment C). The General Fund's ending fund balance in FY 2017 of \$23.4 million represented a healthy 50% of General Fund expenditures; unassigned General Fund balances of \$15.7 million in FY 2017 exceed 30% levels established by the City, and the reserve is expected to be \$16 million at the start of FY 2019.

In addition to its growing pension and other post-employment benefit (OPEB) liabilities, the City's budget and long-term financial planning address a number of significant capital and operating issues including funding of increased fire protection provided by East Contra Costa Fire Protection District and related facilities. The City's financial forecast anticipates budget stabilizing transfers from its Pension/OPEB Obligations Fund as needed in the future to address the impacts of pension/OPEB cost growth.

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<sup>9</sup> 2018/19-2019/20 Operating Budget, City of Brentwood, June 2018, pg. 7.

**TABLE 3.5**  
**CITY OF BRENTWOOD**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$9,949,000	\$11,106,000	\$12,239,000
Sales Tax	\$6,837,000	\$7,319,000	\$8,188,000
Other Revenues (including Transfers)	\$22,295,000	\$23,832,000	\$24,753,000
<i>Total General Fund Revenues</i>	\$39,081,000	\$42,257,000	\$45,180,000
<i>Change from Prior Year</i>	n/a	8.1%	6.9%
GENERAL FUND EXPENDITURES			
General Government and Administration	\$5,616,000	\$5,968,000	\$6,633,000
Public Safety	\$18,089,000	\$19,246,000	\$21,417,000
Other (includes Transfers Out)	15,215,000	16,006,000	18,138,000
<i>Total Expenditures</i>	\$38,920,000	\$41,220,000	\$46,188,000
<i>Change from Prior Year</i>	n/a	5.9%	12.1%
<i>Expenditures per capita</i>	\$682	\$698	\$752
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	6.5	8.5	9.8
Business-type Activities	10.6	9.8	8.5

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 3.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

Liquidity ratios over the past several years indicate that cash and short-term investments have exceeded current liabilities by a factor of 6 to 10.<sup>10</sup> Debt secured by revenues exceeds minimum standards. Total enterprise and government activity debt was \$157.8 million at the end of FY 2017 or \$2,570 per capita (see Attachment C).

<sup>10</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

### **3.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

Past years show an overall positive change for combined enterprise net position (see Attachment C). The total positive net position of governmental funds increased slightly between FY 2015 and FY 2017, and the positive unassigned portion improved.

### **3.3.4 LOCAL REVENUE MEASURES**

The City has no voter-approved sales, but the General Fund does receive about 9% of its revenues from Community Facilities District special taxes paid by new development.<sup>11</sup> The City's enterprise funds regularly conduct rate studies to assure that fees and charges adequately cover costs.

### **3.3.5 ENTERPRISE ACTIVITIES**

The City's enterprise funds have experienced operating deficits in the past two years (water enterprise) to three fiscal years (wastewater and solid waste; see Attachment C).

The City indicates that these shortfalls are being addressed by rate studies adopted by the City Council in June 2018 that are "sufficient to cure the deficits and cover the necessary operating expenses, debt service, capital improvement costs and the reserve requirements of the Enterprises."<sup>12</sup> State-mandated drought conservation measures contributed to reduced water and wastewater operating revenues.

The City is budgeting for a \$62 million wastewater treatment plant expansion to serve its buildout population and to comply with water discharge requirements. The capital project will be funded by a combination of low-interest State Water Resources Control Board loans repaid by development impact fees, replacement fund reserves, and wastewater operating revenues.<sup>13</sup>

### **3.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the City may pass that expense on to taxpayers.

The City faces continuing challenges addressing its pension and OPEB liabilities, but has taken a number of steps to reduce future rate increases, including a \$12.6 million prepayment towards its unfunded pension obligation, and switching from an OPEB pay-as-you-go plan to a pre-funding plan, and setting aside funds into a Pension/OPEB Obligation Fund which currently has an \$11

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<sup>11</sup> 2018/19-2019/20 Operating Budget, City of Brentwood, June 2018, pg. 74.

<sup>12</sup> City of Brentwood Response to MSR Fiscal Questions.

<sup>13</sup> 2018/19-2019/20 Operating Budget, City of Brentwood, June 2018, pg. 9.

million balance.<sup>14</sup> The City revised its OPEB benefit levels through labor negotiations to reduce future obligations to recent hires. Beginning in FY 2018, City policy requires annual contributions at least equal to 85% of OPEB unfunded liability.

### **3.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of the City governmental capital assets has been relatively flat, indicating the City's capital spending has generally kept pace with asset depreciation; enterprise capital assets show modest growth (see Attachment C). The City maintains a number of reserves for asset replacement and is completing detailed asset studies for the water and wastewater enterprises along with a Parks/Landscape Lighting Assessment District and Building asset study to assure adequate funds are set aside. These funds have projected fund balances of over \$50 million at June 30, 2018.

Construction of a new library is nearly complete, funded by Community Facilities District bond proceeds and a private placement debt issuance. The City's Capital Improvement Program (CIP) includes plans for a new fire station in Brentwood that will be constructed using development impact fees.<sup>15</sup>

### **3.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City of Brentwood considers all budgetary decisions in the context of long-term fiscal models.<sup>16</sup> The City uses a 10-year fiscal model<sup>17</sup> to forecast General Fund costs and revenues, and an enterprise fiscal model for the Water, Wastewater, and Solid Waste Enterprise Funds to help the City plan for future financial needs and seek funding sources.

The City adopted an Economic Development Master Plan to address the issue of job growth not keeping pace with increases in housing, and to encourage growth in its property tax and sales tax.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the City's website.

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<sup>14</sup> City of Brentwood Response to MSR Fiscal Questions.

<sup>15</sup> *ibid*, FY 2018/19 Brentwood Budget, pg. 8.

<sup>16</sup> *ibid*, FY 2018/19 Brentwood Budget, pg. 27.

<sup>17</sup> See <https://www.brentwoodca.gov/gov/finance/docs/models.asp>

## 3.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Brentwood.

### 3.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Brentwood serves 63,042 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Brentwood are depicted in **Figure 3.2**.

ABAG projects that the City of Brentwood will grow at an annual rate of approximately 1.6% to a population of 84,460 between 2010 and 2040.<sup>18</sup> The City is also projected to experience an approximate 0.1% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

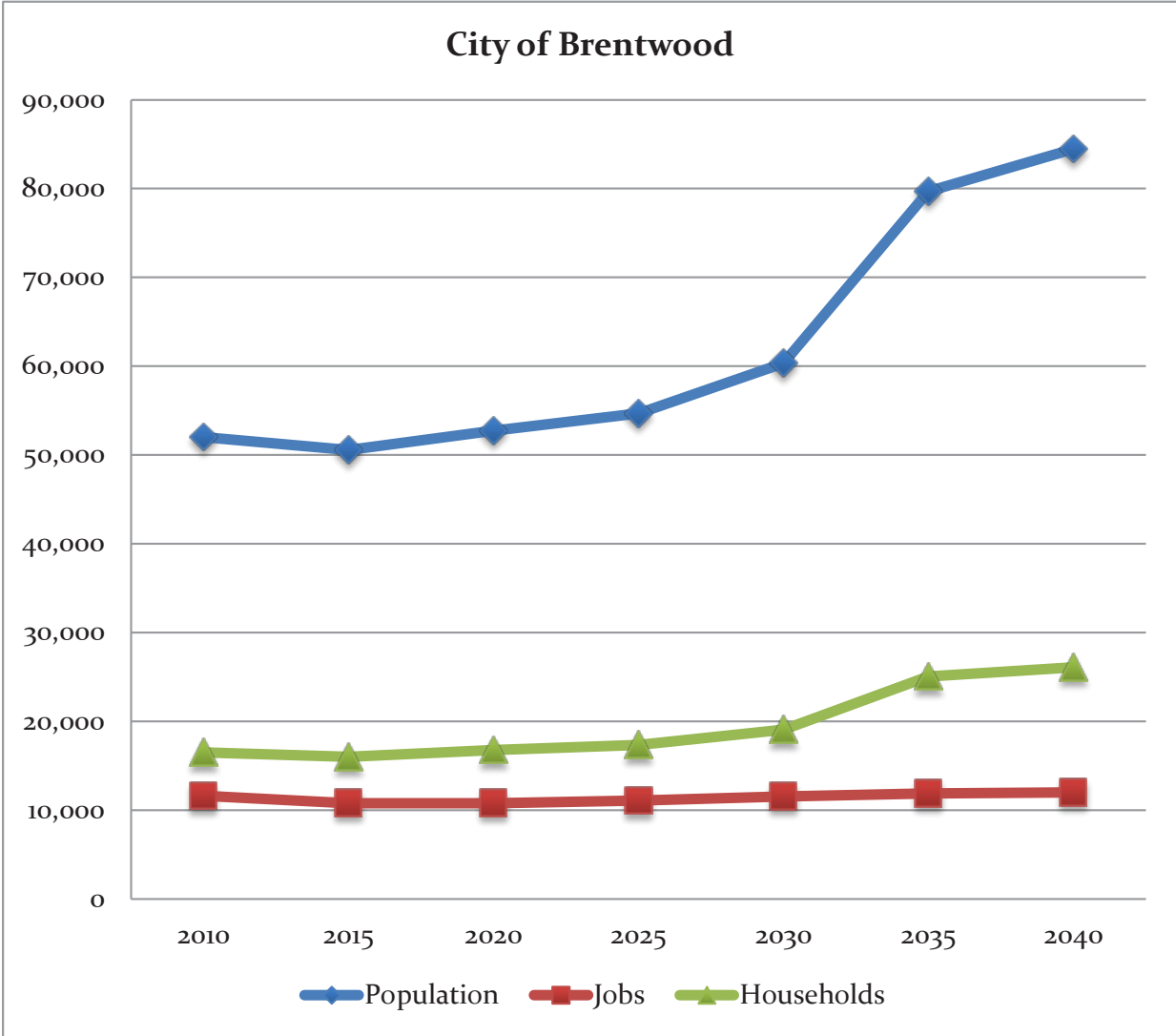
### **JOBS AND HOUSING**

According to the Bay Area Census data<sup>19</sup> for 2010, the City of Brentwood has 19,385 employed residents. The ABAG Projections data<sup>20</sup> for 2010 estimated 11,625 jobs in the City, with approximately 0.6 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Brentwood has 17,523 housing units, which results in a job and housing balance of 0.49.

<sup>18</sup> ABAG. Projections 2017.

<sup>19</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>20</sup> ABAG. Projections 2017.



**Figure 3.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Brentwood**  
*May 2019*



The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 3.6**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 3.6**  
**CITY OF BRENTWOOD**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	12,580
Renter-occupied housing units	3,914
Vacant housing units	1,029
Total existing housing units	17,523
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	234
Low	124
Moderate	123
Above Moderate	279
Total Regional Housing Need Allocation	760

Sources: ABAG, Bay Area Census; Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>21</sup> The City of Brentwood was assigned a RHNA of 760 units, as shown in Table 3.6.

The City adopted its General Plan in 2014 and its Housing Element in 2015. The City’s 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 8,097 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Brentwood 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

**PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>22</sup>

<sup>21</sup> ABAG. Regional Housing Need Plan, San Francisco Bay Area, 2014-2022.

<sup>22</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

The programs and services provided by the City for adults age 50 and older include a variety of classes, activities, and events hosted at the Brentwood Senior Activity Center.

### ***ANTICIPATED GROWTH PATTERNS***

The City reported 310.5 undeveloped entitled residential acres in FY 2017. Projects identified as part of the projected growth for the City (dwelling units and commercial space) that have been approved or are in the approval process were not reported or were unavailable at the time of this MSR update.

PDA's help form the implementing framework for Plan Bay Area. No PDA's have been identified by the City of Brentwood or included in Plan Bay Area 2040.<sup>23</sup>

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Brentwood has not identified any Priority Conservation Areas in Plan Bay Area or the City's General Plan.<sup>24</sup>

The City of Brentwood reports that current or projected growth patterns within areas identified in the General Plan (SPA 1 – southwest Brentwood and SPA 2 – northeast Brentwood) will expand beyond its existing municipal boundary and SOI.

#### **3.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Brentwood's SOI includes the municipal boundary and extends to the north near Oakley, as well as east and west along the southern municipal boundary (see Figure 3.1).

There are two unincorporated islands totaling 281 acres within the City SOI and urban limit line. These areas are located in north Brentwood, bifurcated by Brentwood Boulevard, adjoining the south boundary of the City of Oakley:

- An approximately 140-acre area of unincorporated land substantially surrounded (98%) by the cities of Oakley and Brentwood and within Brentwood's SOI. This island is located where Lone Tree Way intersects with Virginia Drive west of Brentwood Boulevard. Land uses include residential, commercial, and agricultural.
- An approximately 151-acre area of unincorporated land substantially surrounded (85%) by the City of Brentwood and within Brentwood's SOI. This island is bounded by Delta Road to the north and Brentwood Boulevard to the west. The area is largely undeveloped. Land uses include limited residential and active agricultural (prime farmland).

With the exception of commercial properties abutting Brentwood Boulevard, these islands are developed with mainly large lot residences. Public utility services are not provided within these islands.

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<sup>23</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>24</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

The City of Brentwood is preparing the “Community Build-out Plan” (CBOP), which will ultimately be considered by the City Council as an amendment to the General Plan. The CBOP is intended to comprehensively establish a policy framework for the future growth areas that are identified by the General Plan, such as the two unincorporated islands. This plan is scheduled to be completed in the fall of 2019.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.<sup>25</sup>

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Updated identified a disadvantaged community within the City’s boundary.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

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<sup>25</sup> The City does provide water and wastewater service to 8011 Lone Tree Way, but these services are not under review in this MSR.

### **3.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Brentwood appears to adequately serve all areas within its municipal boundary and is likely to continue to do so in the foreseeable future based on available information.

The disadvantaged community within the City's SOI receives sewer, water, and fire protection services.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The City is in the process of completing their Parks, Recreation, and Trails Master Plan which will help identify facility needs and funding strategies.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City addresses the need to replace facilities and infrastructure through the use and funding of replacement funds. They report that the CIP is sufficient to maintain and expand facilities and infrastructure consistent with projected needs.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

## **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

## **3.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities and may affect the City's ability to provide services.

The City of Brentwood appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Brentwood has been operating at a surplus in their General Fund over the past few years. The City anticipates budget stabilizing transfers to help address projected CalPERS increases.

The City currently exceeds their 30% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 9.8, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt for FY 17 was \$2,750 per capita.

The City's unfunded pension and OPEB liabilities continue to grow; however, the City has taken several measures to reduce future rate increases. Beginning with FY 2018, City policy requires annual contributions at least equal to 85% of OPEB unfunded liability.

### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **3.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

### **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Brentwood website provides public access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.

### **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Brentwood website provides public access to the City's General Plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

### **PUBLIC INVOLVEMENT**

The City of Brentwood website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in

the City decision-making process. The City therefore adequately provides accountability with regard to citizen participation.

### **3.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

#### **3.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Brentwood includes the municipal boundary and extends to the north near Oakley, as well as east and west along the southern municipal boundary, as shown in Figure 3.1. The City of Brentwood is bound by the cities of Antioch to the northwest and Oakley to the north, and County lands to the south, east, and west.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Brentwood.

#### **3.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF BRENTWOOD**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Brentwood MSR profile.

##### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Brentwood plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including industrial, residential, commercial, mixed use, public, agricultural, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan (2014).

##### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Brentwood. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

##### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Brentwood appears adequate. The City of Brentwood anticipates it will continue to have adequate capacity during the next five years.

##### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Brentwood.



***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Updated identified a disadvantaged community within the City's boundary. This area receives sewer, water, and fire protection services.

# CHAPTER 4

## CITY OF CLAYTON

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### 4.1 AGENCY OVERVIEW

The City of Clayton, incorporated in 1964, covers an area of approximately 4.2 square miles. With an estimated population of 11,431, the City has a population density of approximately 2,857 persons per square mile.<sup>1</sup>

The City of Clayton lies in central Contra Costa County and is surrounded primarily by County lands/open space (including Mt. Diablo State Park), with the City of Concord along its northwestern boundary. The Sphere of Influence (SOI) for the City of Clayton is mostly coterminous with the municipal boundary, with the exception of where it extends along Marsh Creek Road and at Mitchell Canyon Road, as shown in **Figure 4.1**. The voter-approved Urban Limit Line generally follows the City boundaries, except where it extends southeast into the SOI.

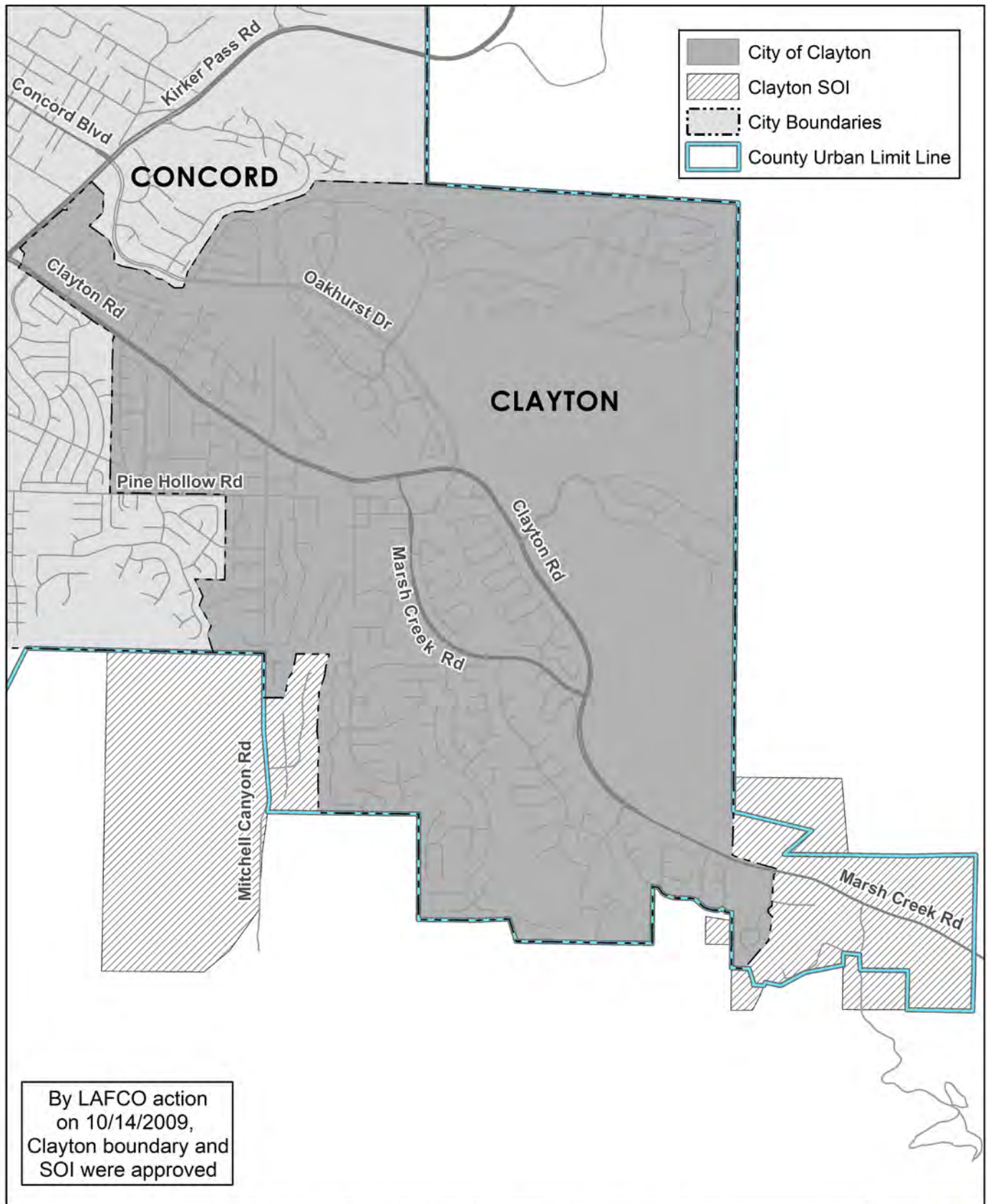
Land uses in the City are primarily residential, but include some commercial uses, agriculture, and open space.

#### 4.1.1 FORM OF GOVERNMENT

The City of Clayton is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the directly elected Mayor. Council members serve four-year terms and the Mayor serves a one-year term.

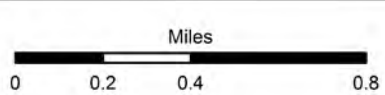
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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 10/04/2018  
by Contra Costa County Department of  
Conservation and Development, GIS Group  
30 Muir Road, Martinez, CA 94553  
37:59:41.791N 122:07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 4.1. City of Clayton Municipal Boundary and Sphere of Influence**  
May 2019

**4.1.2 STAFFING**

Total City staffing for fiscal year (FY) 2017 included 26.2 full-time equivalent (FTE) employees. **Table 4.1** shows the four service areas with the highest staffing levels.

**TABLE 4.1  
CITY OF CLAYTON  
HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Police	11.0
Maintenance	7.0
Finance and Administrative Services	2.3
Community Development	1.9

Source: City of Clayton

Similar to other cities in Contra Costa County, the police function had the highest staffing level in the City of Clayton, with 11.0 FTE employees.

**4.1.3 JOINT POWERS AUTHORITIES**

The City of Clayton is a member of several joint powers authorities (JPAs), which are listed in **Table 4.2**.

**TABLE 4.2  
CITY OF CLAYTON  
JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG’s mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
County Connection (CCTA)	Public bus service
East Contra Costa County Habitat Conservancy JPA	Land use conservation mitigation
Municipal Pooling Authority Risk Management	Self-insurance pool
PACE Programs	HERO, Fig Tree, CalFirst energy and water conservation financing
Transpac/CCTA	Regional sales tax funding for road improvements

Source: City of Clayton

#### 4.1.4 AWARDS AND RECOGNITION

**Table 4.3** lists the awards the City of Clayton has reported receiving since and prior to the first round Municipal Service Review (MSR).

**TABLE 4.3  
CITY OF CLAYTON  
AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Sixth Safest City to Live in Contra Costa County	Niche	2018
Top 100 Places to Live in the Nation for small cities	CNN Money Magazine	2015 – 2017
Most Walkable Small Cities in America	Walking Magazine	1998
Governors Historic Preservation Award (DeMartini Winery preservation and renovation to City Hall)	State of California	1998
Design Award (DeMartini Winery preservation and renovation to City Hall)	California Preservation Association	1998

Source: City of Clayton

#### 4.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 4.4**, municipal services for the City of Clayton are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 4.4  
CITY OF CLAYTON  
MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of Clayton
Law Enforcement	City of Clayton
Library	Contra Costa County
Lighting	City of Clayton, Contra Costa County

SERVICE	SERVICE PROVIDER
Parks and Recreation	City of Clayton
Solid Waste	Republic Services
Stormwater	City of Clayton
Streets	City of Clayton
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	n/a

Source: City of Clayton

The City of Clayton reports the following challenges related to its provision of municipal services:

- State mandate to increase residential density when City is mostly built out
- Meeting community desires for infill development
- Unfunded state mandates for stormwater compliance
- Unfunded infrastructure projects

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

#### 4.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the City of Clayton through the Martinez Animal Shelter and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were not reported or were unavailable at the time of this MSR update.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

#### 4.2.2 BROADBAND

The City of Clayton does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

technologies including cable and DSL. The City of Clayton did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Clayton received a grade of D, which indicates that internet service providers did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Clayton did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **4.2.3 BUILDING/PLANNING**

The City of Clayton Community Development Department provides building and planning services. Department expenditures for FY 2017 were \$288,962, up from \$287,232 in FY 2015.

The City of Clayton issued 115 residential and 129 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$5.8 million.

Planning city-wide has been captured in the General Plan and the five-year Capital Improvement Plan.

### **4.2.4 LAW ENFORCEMENT**

The City of Clayton Police Department provides law enforcement services and contracts with the City of Concord for dispatch services. FY 2017 expenditures were approximately \$2.1 million, up from approximately \$1.9 million in FY 2015.

The City of Clayton has 1 FTE sworn personnel per 1,000 population, which has remained consistent since 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 12.6 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 8% in 2017, and the violent crime clearance rate was 42%.<sup>6</sup>

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<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.



#### 4.2.5 LIBRARY

Contra Costa County provides library services for the City of Clayton at its Clayton Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013. The Clayton Library Foundation raises funds to support the Clayton Branch Library programs and materials.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

#### 4.2.6 LIGHTING

Lighting (street and traffic) is maintained by the City of Clayton Maintenance Department and via contract with Contra Costa County. City expenditures for light and signal maintenance were \$268,231 in FY 2017, up from \$236,882 in FY 2015.

The City maintains 12 signalized intersections and contracts with Contra Costa County for maintenance of traffic lights. Street lights are maintained by the City (647 lights) and Pacific Gas and Electric (655 lights), while other street lights (41) are privately or HOA maintained.

#### 4.2.7 PARKS AND RECREATION

The City of Clayton is the service provider for parks and park facilities, including maintenance, operation, and capital improvements for the Clayton community park, The Grove Park, and the Clayton Community Library. Recreation facilities are provided through cooperative agreements with the Mt. Diablo Unified School District. FY 2017 expenditures for parks were approximately \$476,928 in FY 2017, down from approximately \$581,787 in FY 2015.

The City provides and maintains 1.2 park acres per 1,000 residents, 1.7 recreation centers per 20,000 residents, and 27 miles of recreation trails.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 10 acres per 1,000 residents.<sup>8</sup>

#### **4.2.8 SOLID WASTE**

Solid waste services are provided to the City of Clayton via franchise agreement with Republic Services. The City of Clayton reports that FY 2017 expenditures data are not available because a franchisee provides the City's solid waste services.

The City reported approximately 0.55 tons of waste disposed per capita for FY 2017, up slightly from FY 2015. The FY 2017 per resident disposal rate was 3 pounds/resident/day, also up slightly from FY 2015.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

#### **4.2.9 STORMWATER/DRAINAGE**

The City of Clayton Maintenance Department maintains the City's stormwater drainage system. The City reports that they have 50 miles of closed storm drain lines and that 4% of their 650 storm drain inlets are equipped with trash capture. The City of Clayton also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for stormwater were \$155,189, down slightly from \$157,436.

#### **4.2.10 STREETS/ROADS**

The City of Clayton Maintenance Department maintains 45 street miles and approximately 10 Class 1 and 2 bike lane miles, as well as landscaped medians and public planter beds. FY 2017 expenditures for streets were \$423,341, down from \$50,501 in FY 2015. Annual expenditure trends for street and road maintenance are non-linear and fluctuate as it generally takes more than one year to accumulate sufficient HUTA, RMRA, Measure J and other restricted funding necessary to undertake significant street projects.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Clayton was 84 (very good to excellent) in 2017, up from 81 in 2015, which remains above the target PCI of 75 (good) MTC has established.<sup>9</sup> Pavement in this

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<sup>8</sup> Includes 3 acres developed parks and 7 acres active open space.

<sup>9</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

range (80-100) is newly reconstructed or resurfaced with few signs of distress. The most recent assessment by Contra Costa County Transportation Authority determined a PCI of 85 for the City.

#### **4.2.11 UTILITIES**

Pacific Gas & Electric provides gas and electric service to the City of Clayton. The City is not a member of a Community Choice Aggregation program.

The City of Clayton did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

### **4.3 FINANCIAL OVERVIEW**

This section provides an overview of the City of Clayton's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

#### **4.3.1 GENERAL FUND BALANCES AND RESERVES**

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

The City of Clayton prepares an annual budget. According to the City's FY 2018-19 budget,<sup>10</sup> the City's General Fund revenues of \$4.7 million slightly exceed General Fund expenditures of \$4.6 million. The City has reported a surplus over the past several years. The General Fund's unassigned reserve at the end of FY 2017 totaled \$5.4 million, or about 128% of expenditures that year; this significantly exceeds the City's policy of an amount not less than 50% in its General Fund Reserve Contingency (see Attachment C).<sup>11</sup> **Table 4.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

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<sup>10</sup> City of Clayton Adopted Budget, Fiscal Year Ending June 30, 2019, pg. 2, pg. 10.

<sup>11</sup> City of Clayton Investment Policy, Resolution No. 10-2015, Sec. XV.

**TABLE 4.5**  
**CITY OF CLAYTON**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$2,302,000	\$2,257,000	\$2,339,000
Sales Tax	\$398,000	\$373,000	\$455,000
Other Revenues (including Transfers)	\$1,541,000	\$1,757,000	\$1,553,000
<i>Total General Fund Revenues</i>	\$4,241,000	\$4,387,000	\$4,347,000
<i>Change from Prior Year</i>	n/a	3.4%	-0.9%
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$1,019,000	\$1,069,000	\$1,178,000
Public Safety	\$1,926,000	\$2,138,000	\$2,104,000
Other (includes Transfers Out)	\$897,000	\$802,000	\$874,000
<i>Total Expenditures</i>	\$3,842,000	\$4,009,000	\$4,156,000
<i>Change from Prior Year</i>	n/a	4.3%	3.7%
<i>Expenditures per capita</i>	\$344	\$356	\$366
<b>LIQUIDITY RATIO <sup>1</sup></b>			
Governmental Activities	17.7	27.9	18.4
Business-type Activities	n/a	n/a	n/a

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 4.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

Liquidity ratios over the past several years indicate that cash and short-term investments have exceeded current liabilities by a factor of 15 or more.<sup>12</sup> The City has no outstanding debt.

<sup>12</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

### **4.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

Past years show a slightly negative change for the Endeavor Hall enterprise's positive net position (see Attachment C). The total positive net position of governmental funds increased slightly between FY 2015 and FY 2017, and the positive unassigned portion improved.

### **4.3.4 LOCAL REVENUE MEASURES**

The City relies on \$1.1 million of annual revenues generated by its Landscape Maintenance District parcel tax, which was renewed for 10 years by voters in June 2016 (Measure H). In November 2014 Clayton voters extended the Grove Park Mello-Roos restricted special tax (Community Facilities District 2006-1), which generates about \$134,200 annually, for another 20 years.

### **4.3.5 ENTERPRISE ACTIVITIES**

Endeavor Hall, a rental facility, is the City's only business type activity and operates at a minimal deficit of about \$5,000 to \$10,000 annually. The City anticipates improved rentals to result from its improved website and online reservation system.

### **4.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the City may pass that expense on to taxpayers.

The City's net pension liability totaled \$4.4 million in FY 2017, and its unfunded other post-employment benefit (OPEB) liability equaled \$143,000 (see Attachment C).

The City is addressing its pension liabilities in several ways: with approval of the FY 2018 budget, the City established a Pension Rate Stabilization Internal Service Fund funded initially with \$170,200. The City also took steps to require that new sworn police hires share in the "normal" pension cost previously funded by the City. The City does not provide a formal OPEB plan to provide retiree health benefits, but does offer the Public Employee Medical Health Care Act minimum as mandated by the state for California Public Employees' Retirement System health plan enrolled business partners; the plan is administered on a "pay as you go" basis.

### **4.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of the City capital assets has been declining slightly over time, indicating the City's capital spending has generally not kept pace with asset depreciation (see Attachment C). The City acknowledges that its capital priority has been for street repaving and overlay projects; the City's Capital Improvement Program (CIP) tracks other, unfunded needs including: park improvements, bridge improvements, library upgrades, vacant historical facility rehabilitation (Keller House), and hillside slide prevention improvements.

### 4.3.8 FINANCIAL PLANNING AND REPORTING

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

## 4.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Clayton.

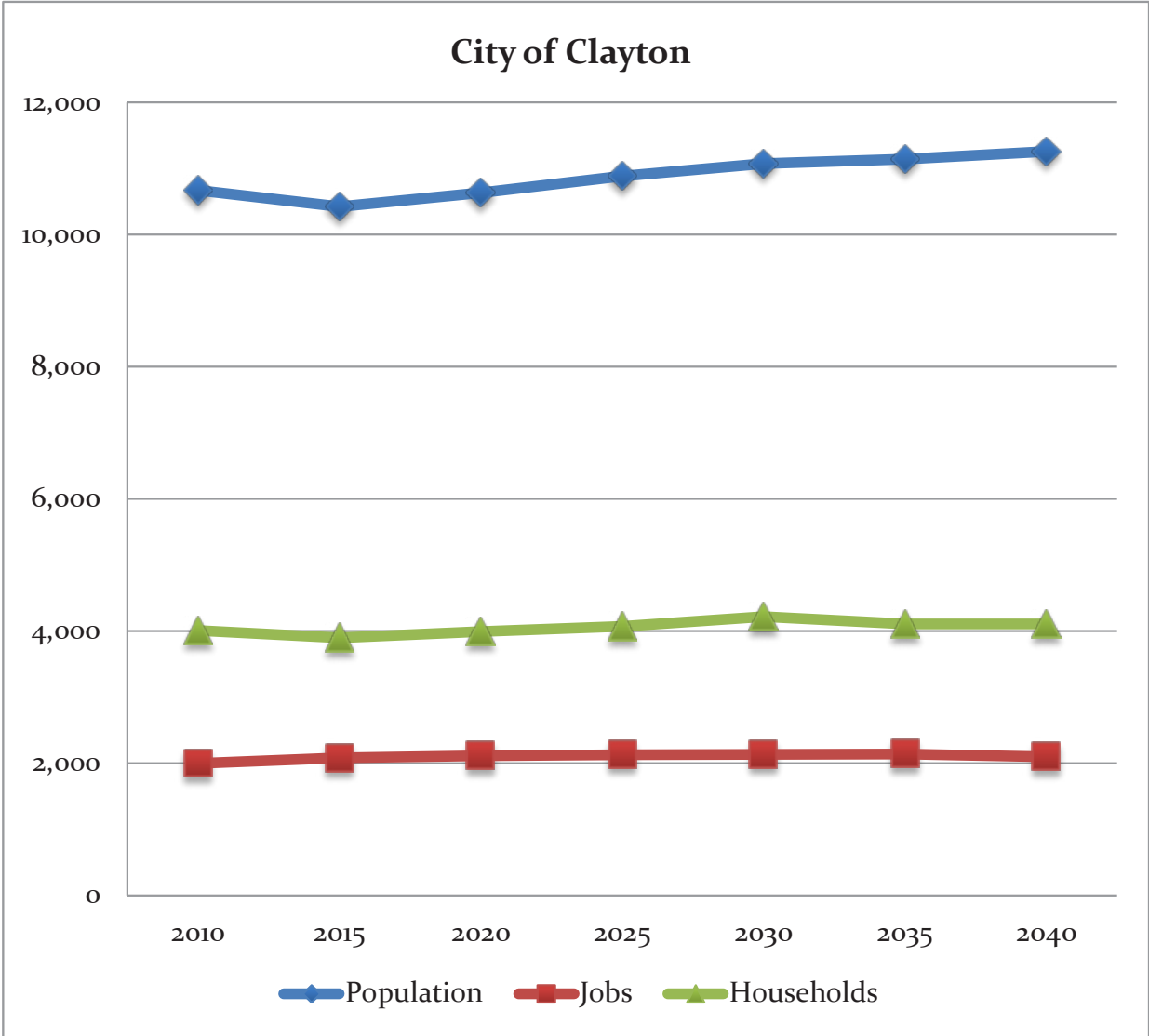
### 4.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Clayton serves 11,431 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Clayton are depicted in **Figure 4.2**.



**Figure 4.2. Population, Job, and Household Growth Projections (2010-2040)**

**City of Clayton**

*May 2019*



ABAG projects that the City of Clayton will grow at an annual rate of approximately 0.2% to a population of 11,245 between 2010 and 2040.<sup>13</sup> The City is also projected to experience an approximate 0.2% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

### JOBS AND HOUSING

According to the Bay Area Census data<sup>14</sup> for 2010, the City of Clayton has 5,314 employed residents. The ABAG Projections data<sup>15</sup> for 2010 estimated 1,995 jobs in the City, with approximately 0.38 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Clayton has 4,086 housing units, which results in a job and housing balance of 0.5. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 4.6**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 4.6**  
**CITY OF CLAYTON**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	3,621
Renter-occupied housing units	385
Vacant housing units	80
Total existing housing units	4,086
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014-2022</b>	
Very low	51
Low	25
Moderate	31
Above Moderate	34
Total Regional Housing Need Allocation	141

*Sources: ABAG, Bay Area Census; Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

<sup>13</sup> ABAG. Projections 2017. ABAG data estimates the 2010 population at 10,655, growing to 11,245 in 2040, representing the 0.2% annual growth rate. The 2018 California Department of Finance estimated population for Clayton (11,431) exceeds ABAG's estimate for 2040; as a result, the annual growth rate is likely inaccurate.

<sup>14</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>15</sup> ABAG. Projections 2017.

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>16</sup> The City of Clayton was assigned a RHNA of 141 units, as shown in Table 4.6.

The City amended its General Plan in 2007 and adopted its Housing Element in 2014. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield over 288 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Clayton 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>17</sup>

The City of Clayton did not report programs and services to meet the needs of adults age 50 and older.

#### **ANTICIPATED GROWTH PATTERNS**

The City of Clayton reported approximately nine undeveloped entitled residential acres in FY 2017. Verna Way and Southbrook (total of eight dwelling units) are currently under construction.

PDA's help form the implementing framework for Plan Bay Area. No PDA's have been identified by the City of Clayton or included in Plan Bay Area 2040.<sup>18</sup>

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Clayton has not identified any Priority Conservation Areas in Plan Bay Area or the City's General Plan.<sup>19</sup>

The City of Clayton, which is mostly built out, does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

#### **4.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Clayton's SOI is mostly coterminous with the municipal boundary, with the exception of where it extends along Marsh Creek Road and near Mitchell Canyon Road (see Figure 4.1).

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<sup>16</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>17</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>18</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>19</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

There is one unincorporated island within the Clayton area located east of Mitchell Canyon Road and is primarily built out with equestrian use (see Figure 4.1).

The City has identified properties adjacent to Marsh Creek Road—east of the City limits but within the SOI—for potential annexation to accommodate development and services needed related to potential future development and to connect this area to City services and infrastructure.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

There are no disadvantaged communities within or contiguous to the SOI for the City of Clayton and therefore, no disadvantaged communities are relevant to this analysis.

### **4.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Clayton reports that it adequately serves all areas within its municipal boundary and anticipates it will continue to do so in the foreseeable future.

There are no disadvantaged communities within or contiguous to the City's SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 84, which indicates the City's streets are in very good condition and primarily require funding at a level to maintain the current condition. The City has indicated concerns about currently unfunded infrastructure projects.

The City of Clayton is mostly built out. When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

Although the City is mostly built out, they are planning for continued growth. The additional growth is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

#### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The library facility is owned by the City of Clayton and Contra Costa County Library staffs and operates the facility. The adjoining City meeting room is used for library programs.

The City does not share other facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

#### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

#### **4.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

Overall, the City of Clayton appears to have sufficient financial resources to continue providing services, as well as to accommodate infrastructure expansion, improvements, or replacement, as indicated below. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Clayton has been operating with a surplus in their General Fund over the past several years.

The City currently exceeds their 50% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 18.4, which indicates the City has the means available to cover its existing obligations in the short run.

The City has no outstanding debt.

The City's unfunded pension and OPEB liabilities continue to grow; however, the City has implemented several measures to address the increasing pension liabilities, including establishing a Pension Rate Stabilization Internal Service Fund.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

Overall, the CAFRs are clearly presented; however, the City could incorporate changes to improve the transparency of its financials. For example, certain tables in the CAFR extend over multiple pages, but the left-most column does not. To ensure readability of multi-page tables, all columns of all tables should be carried over for each page.

#### 4.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Clayton website provides public access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. City Council meetings are streamed live and archived on the City website. The CityTV shared government channel also shows Clayton City Council meetings. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Clayton website provides public access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

#### **PUBLIC INVOLVEMENT**

The City of Clayton website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. In addition to the City website, there are three public posting board locations within the City—City hall, the library, and downtown. The City also issues press releases, including distribution to Claycord<sup>20</sup> social media and the local press. The City therefore adequately provides accountability with regard to citizen participation.

### 4.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS

#### 4.5.1 SPHERE OF INFLUENCE RECOMMENDATION

The SOI for the City of Clayton is mostly coterminous with the municipal boundary, with the exception of where it extends along Marsh Creek Road and near Mitchell Canyon Road, as shown in Figure 4.1. The City of Clayton is surrounded primarily by County lands/open space (including Mt. Diablo State Park), with the City of Concord along its northwestern boundary.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Clayton.

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<sup>20</sup> Serving the cities of Clayton, Concord, Walnut Creek, Martinez, and Pleasant Hill.

#### **4.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF CLAYTON**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Clayton MSR profile.

##### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN-SPACE LANDS)***

The City of Clayton plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan (2007).

##### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Clayton. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

##### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Clayton appears adequate. The City of Clayton anticipates it will continue to have adequate capacity during the next five years.

##### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Clayton.

##### ***PRESENT AND PROBABLE NEED SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There are no disadvantaged communities within or contiguous to the SOI for the City of Clayton and therefore no present or probable need for the City to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities.



# CHAPTER 5

## CITY OF CONCORD

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### 5.1 AGENCY OVERVIEW

The City of Concord, incorporated in 1905, covers an area of approximately 31 square miles. With an estimated population of 129,159, the City has a population density of approximately 4,166 persons per square mile.<sup>1</sup>

The City of Concord lies in central Contra Costa County between the cities of Pleasant Hill and Martinez on the west, the City of Clayton on the southeast, the City of Pittsburg on the northeast, the City of Walnut Creek on the south, and the Carquinez Strait on the north. County lands lie to the north and south of the City. The Sphere of Influence (SOI) for the City of Concord includes the municipal boundary and extends to the north (Suisun Bay and County boundary), to the west toward I-680, and to the northeast past Highway 4, as shown in **Figure 5.1**. The SOI also includes an unincorporated island within the City's municipal boundary. The voter-approved Urban Limit Line surrounds the entire City and the majority of the SOI, with the exception of the far northern SOI areas adjacent to the Suisun Bay.

Land uses in the City are primarily residential, but include some commercial and mixed uses as well as open space. There are no agricultural land uses in the City of Concord.

#### 5.1.1 FORM OF GOVERNMENT

The City of Concord is a general law city operating under a council-manager form of government. The City Council is publicly elected by district and consists of five members, including the Mayor who is selected from the Council members. Council members serve four-year terms and the Mayor rotates every year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>

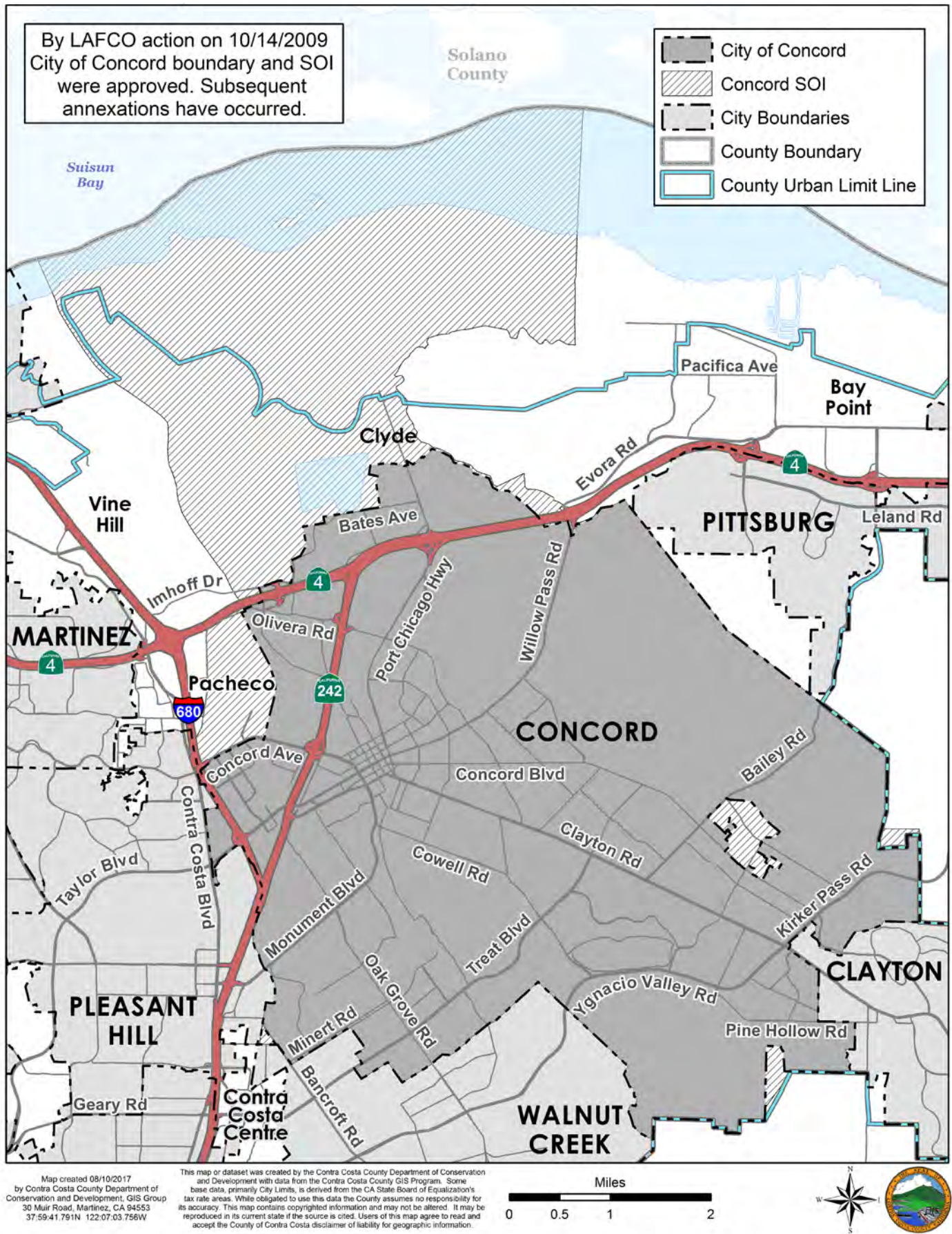


Figure 5.1. City of Concord Municipal Boundary and Sphere of Influence

May 2019

### 5.1.2 STAFFING

Total City staffing for fiscal year (FY) 2017 included 419 full-time equivalent (FTE) employees. **Table 5.1** shows the four service areas with the highest staffing levels.

**TABLE 5.1  
CITY OF CONCORD  
HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Police	216.0
Public Works	77.0
Community and Economic Development	52.0
Finance	19.0

Source: City of Concord

Similar to other cities in Contra Costa County, the police function had the highest staffing level in the City of Concord, with 216.0 FTE employees.

### 5.1.3 JOINT POWERS AUTHORITIES

The City of Concord is a member of several joint powers authorities (JPAs), which are listed in **Table 5.2**.

**TABLE 5.2  
CITY OF CONCORD  
JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG’s mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
ABAG Finance Authority for Nonprofit Corporations	To have a forum for discussion and study metropolitan area problems of mutual interest and facilitate development of policy and action recommendations
Bay Area Employee Relations Service	Provide cost effective services and data in support of collective bargaining and other related activities of its members
CSAC Excess Insurance Authority	Purpose of jointly funding and/or establishing excess and other insurance programs as determined
California Enterprise Development Authority	Address gaps in economic development financing

JOINT POWERS AUTHORITY	SERVICE
California Statewide Communities Development Authority	To have access to low-cost, tax-exempt financing for projects that provide a tangible public benefit, contribute to social and economic growth, and improve the overall quality of life in local communities throughout California.
Central Contra Costa Transit Authority	Provide input for a countywide fixed-route and paratransit transportation system
Central Contra Costa Transportation/Land Use Partnership	—
City of Concord and Successor Agency Joint Powers Financing Authority	Provides financial assistance to the City by financing real and personal properties and improvements for the benefit of the residents of the City and surrounding areas
Contra Costa Congestion Management Agency	Purpose is to consolidate the designation of the CCTA as Congestion Management Program Agency
East Bay Regional Communications System Authority	Evaluate the feasibility of developing a regional communications system to serve all jurisdictions in Alameda and Contra Costa Counties
Golden State Finance Authority	To join PACE Program
Marin Energy Authority (Marin Clean Energy)	Provide residents with an alternative to PG&E in an effort to reduce the City’s greenhouse gas emissions
TRANSPAC	To cooperate in the establishment of policies and action to more effectively respond to the requirements of Measure C

*Source: City of Concord*

#### 5.1.4 AWARDS AND RECOGNITION

**Table 5.3** lists the awards the City of Concord has reported receiving since the first round Municipal Service Review (MSR).



**TABLE 5.3  
CITY OF CONCORD  
AWARDS**

<b>AWARD</b>	<b>ISSUER</b>	<b>YEAR(S) RECEIVED</b>
Award of Excellence for Economica Development Promotion for “A better Business” campaign in 2017	California Association for Local Economic Development	2018
Great Places in California Award for Todos Santos Plaza	California Chapter of the American Planning Association	2018
Helen Putnam Award for Excellence – Family Justice Center	League of California Cities	2016
Achievement for Excellence in Procurement	National Procurement Institute	2012 – 2018
Certificate of Achievement for Excellence in Financial Reporting	Government Finance Officers Association	1992 – 2017
Distinguished Budget Presentation Award	Government Finance Officers Association	2003 – 2013
Excellence in Operating Budget	California Society of Municipal Finance Officers	2008

Source: City of Concord

## 5.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 5.4**, municipal services for the City of Concord are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 5.4  
CITY OF CONCORD  
MUNICIPAL SERVICES AND SERVICE PROVIDERS**

<b>SERVICE</b>	<b>SERVICE PROVIDER</b>
Animal Control	Contra Costa County
Broadband	AT&T, Comcast, Wave Broadband
Building / Planning	City of Concord
Law Enforcement	City of Concord
Library	Contra Costa County
Lighting	City of Concord

SERVICE	SERVICE PROVIDER
Parks and Recreation	City of Concord
Solid Waste	Mt. Diablo Resource Recovery
Stormwater	City of Concord
Streets	City of Concord
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

Source: City of Concord

The City of Concord reports the following opportunities and challenges related to its provision of municipal services:

#### *Opportunities*

- Concord Reuse Project Specific Plan development and buildout (2022 – 2049)

#### *Challenges*

- Regulatory challenges related to the Municipal Regional Permit under the Water Quality Control Board
- Funding deferred maintenance

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 5.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) is the animal control service provider for the City of Concord and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were not reported or were unavailable at the time of this MSR update.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

### 5.2.2 BROADBAND

The City of Concord does not provide public broadband service. XFINITY from Comcast, AT&T Internet, and Wave Broadband are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Concord did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Concord received a grade of A-, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Concord, which has a Broadband Master Plan, did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### 5.2.3 BUILDING/PLANNING

The City of Concord Community and Economic Development Department provides building and planning services. Department expenditures for FY 2017 were \$4.2 million, representing an upward trend from \$1.9 million in FY 2015.

The City of Concord issued 4,178 residential and 458 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$140.8 million.

Planning city-wide has been captured in the General Plan and a five-year pavement management plan. In addition, the City is developing a Specific Plan for the Concord Reuse Project Specific Plan Area, which includes the Concord Naval Weapons Station Inland Area. The City published a Notice of Preparation<sup>5</sup> for the Draft Environmental Impact Report (EIR) on November 20, 2018. The Specific Plan and EIR are being prepared with anticipated public review during the fall of 2019. The City anticipates bringing the Specific Plan and EIR forward for City Council review, adoption, and certification by March 2020. Planning for the overall infrastructure for the Concord Reuse Project is being done in coordination with local and regional agencies. Planning and phasing information will be included in the Specific Plan.

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>5</sup> Available at: <https://www.concordreuseproject.org/DocumentCenter/View/1675/2018-11-20-Notice-of-Preparation>



#### 5.2.4 LAW ENFORCEMENT

The City of Concord provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$53.4 million, reflecting an upward trend from approximately \$45.1 million in FY 2015.

The City of Concord has 1.12 FTE sworn personnel per 1,000 population, which represents a slight increase from 1.18 FTE in 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>6</sup> There were 31.7 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 12% in 2017, and the violent crime clearance rate was 47%.<sup>7</sup>

#### 5.2.5 LIBRARY

Contra Costa County provides library services for the City of Concord at its Concord Community Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>8</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

#### 5.2.6 LIGHTING

Lighting (street and traffic) is provided and maintained by the City of Concord Department of Public Works. City expenditures for light and signal maintenance were \$1.2 million in FY 2017, with little change from \$1.2 million in FY 2015. The City owns and maintains 150 signalized intersections and 8,233 street lights. The number of traffic lights maintained by the City was not reported or was unavailable at the time of this MSR update.

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<sup>6</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>7</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>8</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

### **5.2.7 PARKS AND RECREATION**

The City of Concord Parks and Recreation Department is the service provider for parks and recreation programs, services, and facilities (e.g., community centers and aquatic facilities), and the Public Works Department maintains developed parks and open space. FY 2017 expenditures for parks were approximately \$5.2 million in FY 2017, up from approximately \$4.5 million in FY 2015.

The City of Concord offers a variety of programs and activities for all ages and abilities. Programs and activities include classes, days camps, trips, tours, and special events.

The park acres per 1,000 residents, recreation centers per 20,000 residents, and miles of recreation trails provided and maintained by the City were not reported or were unavailable at the time of this MSR update.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

### **5.2.8 SOLID WASTE**

Solid waste services are provided to the City of Concord via contract with Mount Diablo Resource Recovery. The City of Concord FY 2017 expenditures for solid waste services were not reported or were unavailable at the time of this MSR update.

The FY 2017 per resident disposal rate was 4.2 pounds/resident/day. The City reports that it is in compliance with disposal, diversion, and recycling requirements.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **5.2.9 STORMWATER/DRAINAGE**

The City of Concord Department of Public Works provides and maintains the City's stormwater drainage system. The City reports that they have 240 miles of closed storm drain lines and that 7.4% of their approximately 6,000 storm drain inlets are equipped with trash capture. The City of Concord also reports compliance with National Pollution Discharge Elimination System standards. Total FY 2017 expenditures for stormwater were \$1.5 million, representing a slight upward trend from \$1.4 million in FY 2015.

### **5.2.10 STREETS/ROADS**

The City of Concord Department of Public Works provides and maintains 310 street miles and approximately 28 Class 1 and 2 bike lane miles, as well as landscaped medians and public planter

beds. FY 2017 expenditures for streets were \$29.5 million, which is a significant increase from \$14.5 million in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Concord was 60 (fair) in 2017, down from 61 in 2015, which remains below the target PCI of 75 (good) MTC has established.<sup>9</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance.

### 5.2.11 UTILITIES

The City of Concord is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Concord.

The City of Concord did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## 5.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Concord's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 5.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

The City of Concord prepares a biennial budget. As summarized in the City's budget<sup>10</sup>, the City's total revenues cover its expenditures in FY 2017-18, and the City will use \$2.2 million of one-time revenues to balance the budget in FY 2018-19; the budget continues all programs at current or

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<sup>9</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>10</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, and Staff Report June 27, 2017.

enhanced levels. The City maintains a 30% reserve level<sup>11</sup> and limits the use of Measure Q (voter approved sales tax) dollars for operating costs to \$7.5 million in both years. General Fund balances (including assigned) have consistently exceeded 40% of annual General Fund expenditures. **Table 5.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year (see Attachment C).

The City's General Fund reserve policy of 30% of operating expenditures was equaled or slightly exceeded in FY 2018 and projected FY 2019.<sup>12</sup> The Council formally restored the General Fund reserve policy to the 30% level on June 23, 2015.<sup>13</sup> Including assigned balances, General Fund ending balances exceeded 40% in recent years.<sup>14</sup>

The City hopes to complete negotiations with the Navy for conveyance and land transfer of the former Concord Naval Weapons Station, leading to significant new development and corresponding increases in revenues and service responsibilities over the next 30 years.<sup>15</sup>

The City's budget forecast anticipates a deficit in future years as it reduces its reliance on Measure Q prior to its sunset in FY 2024-25. A structural budget deficit is projected and ongoing budget stabilization measures are needed beginning in FY 2019-20 of \$6.2 million growing to \$13.4 million by FY 2026-27. No deficit mitigation measures have been identified to fill the projected shortfall; however, the City reports that it is actively working to close the gap by capitalizing on efficiencies, new revenue sources, and cost cutting.<sup>16</sup>

**TABLE 5.5**  
**CITY OF CONCORD**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$13,600,000	\$14,300,000	\$15,400,000
Sales Tax	\$41,200,000	\$45,900,000	\$46,000,000
Other Revenues (including Transfers)	\$38,100,000	\$37,700,000	\$39,900,000
<i>Total General Fund Revenues</i>	<i>\$92,900,000</i>	<i>\$97,900,000</i>	<i>\$101,300,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>5.4%</i>	<i>3.5%</i>

<sup>11</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. XXXVII.

<sup>12</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. XVI.

<sup>13</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. XVI.

<sup>14</sup> City of Concord CAFR FY 2017, pg. 67.

<sup>15</sup> The developer's proposal envisions approximately 13,000 units. A specific plan and environmental documentation are anticipated in 2019 (*East Bay Times*, August 23, 2018).

<sup>16</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. XV-XVI.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND EXPENDITURES			
General Government and Administration	\$19,000,000	\$15,500,000	\$15,300,000
Public Safety	\$45,200,000	\$49,900,000	\$53,700,000
Other (includes Transfers Out)	\$19,500,000	\$30,600,000	\$28,600,000
<i>Total Expenditures</i>	<i>\$83,700,000</i>	<i>\$96,000,000</i>	<i>\$97,600,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>14.7%</i>	<i>1.7%</i>
<i>Expenditures per capita</i>	<i>\$670</i>	<i>\$740</i>	<i>\$760</i>
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	3.5	2.8	2.7
Business-type Activities	1.4	1.6	1.8

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 5.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

General Fund and enterprise liquidity ratios have exceeded 1.0 from FY 2015 through the present.<sup>17</sup>

The City's total debt has been declining over time. Golf course debt will be retired in FY 2018-19, which will make funds available for capital improvements. Total debt was approximately \$350 per capita in FY 2017. The ratio of pledged net revenue to debt has been improving, and exceeded 7.5 in FY 2017 (see Attachment C). The City is scheduling accelerated internal loan repayments (e.g., from its Pavilion Fund to the Sewer Fund), which will improve the City's Sewer Fund balances.

### 5.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

Past years show an overall positive change for combined enterprise net position (see Attachment C). The total positive net position of governmental funds increased slightly between FY 2015 and FY 2017, however the negative unassigned portion worsened as unfunded pension liabilities

<sup>17</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

increased. The City's Enterprise Funds' net position relative to expenditures exceeded a ratio of 2.0 indicating strong balance sheets.

#### **5.3.4 LOCAL REVENUE MEASURES**

The City relies on approximately \$7.5 million of annual revenues (about 7.5% of General Fund revenues) generated a voter approved one-half-cent use and transaction tax (Measure Q) approved in 2010. The tax's 2016 expiration was extended by voter approval through March 31, 2025. The City's Fiscal Sustainability Ordinance<sup>18</sup> designated Measure Q as a "limited duration revenue source,"<sup>19</sup> and the City limits its annual use and plans to decrease its use over time as it finds replacement funding sources.

#### **5.3.5 ENTERPRISE ACTIVITIES**

The City monitors and increases its utility charges as necessary to fund capital needs and its operating costs. Total enterprise revenues in recent years have generally grown 8% to 10%, outpacing expenditure growth of 3% to 4%. Total enterprise net position has ranged from about 2.3 to 2.4 times annual expenditures from FY 2015 through FY 2017, and their liquidity ratios exceed 1.0.<sup>20</sup>

The City's wastewater system is its primary enterprise, totaling about \$29.3 million in FY 2018, funded by revenues of \$33.8 million. Costs to the City for wastewater treatment plant operations and capital have been rising significantly in past years, contributing to increases in user charges and rates.<sup>21</sup> The General Fund recoups indirect costs from the Sewer Fund per the City's Cost Allocation Plan that was prepared by an independent consultant.

Between 2007 and 2013, the General Fund advanced the Golf Course Enterprise Fund \$774,000. From 2013 to current, the Golf Course Enterprise has been self-sufficient, and repayment of the advances has been built in to the 10-year budget projections for the Enterprise Fund. The municipal golf course budget is about \$1.4 million annually; revenues exceed expenditures by about \$100,000.<sup>22</sup>

#### **5.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the City may pass that expense on to taxpayers.

<sup>18</sup> City's Municipal Code: Chapter 3.20.020.

<sup>19</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. XV.

<sup>20</sup> City of Concord CAFRs - Citywide Changes in Net position (Table 2).

<sup>21</sup> *ibid*, Concord Budget FY 2019, pg. XXXVIII.

<sup>22</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. 75. See the long-term forecast on pg. 37 for total General Expenditures.

Pension costs totaled \$14.8 million in FY 2018, or about 15% of total General Fund expenditures, and increase to \$25.2 million after 10 years, accounting for 20% of General Fund expenditures.<sup>23</sup> The portion of total pension liabilities funded has been declining over recent years to 63.4%.<sup>24</sup> The City's most recently reported unfunded liability totaled \$177.2 million (see Attachment C). The City's Fiscal Sustainability Ordinance prioritizes annual recommended contributions towards its unfunded pension liabilities.

The City reformed retiree medical costs to significantly reduce its unfunded liability by \$16 million and lowered annual costs (saving \$2.2 million annually).<sup>25</sup>

Unfunded unemployment benefits are listed as a prioritized use of the City's "one-time and budget residual funds" per the City's Municipal Code: Chapter 3.20.020 "Fiscal Sustainability."

### **5.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of the City capital assets has been declining over time, particularly capital assets of its enterprises which declined about 4% to 6% annually from FY 2015 to FY 2017.<sup>26</sup> This decline suggests that increased funding may be needed to keep pace with the depreciation of capital assets.

The City continues to seek grants, including a grant to support its Corridors Plan Project, and One Bay Area Grant program grant projects. The City plans to pay off its golf course long-term debt in FY 2018-19 and use projected increased fund balances to invest in capital improvements.<sup>27</sup>

### **5.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

## **5.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of

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<sup>23</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. XXXII.

<sup>24</sup> City of Concord CAFRs - Notes to Basic Financial Statements (Notes 10-12).

<sup>25</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. XVI. See Staff Report, Aug. 2, 2016 re: vesting of fixed contribution amounts for retiree health care benefits.

<sup>26</sup> City of Concord CAFRs - Notes to Basic Financial Statements (Note 6 - CAPITAL ASSETS).

<sup>27</sup> City of Concord Adopted Biennial Operating Budget FY 2017-18, FY 2018-19, pg. XVIII.



determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Concord.

#### 5.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Concord serves 129,159 residents.

#### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Concord are depicted in **Figure 5.2**.

ABAG projects that the City of Concord will grow at an annual rate of approximately 1.4% to a population of 185,850 between 2010 and 2040.<sup>28</sup> The City is also projected to experience an approximate 1.9% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

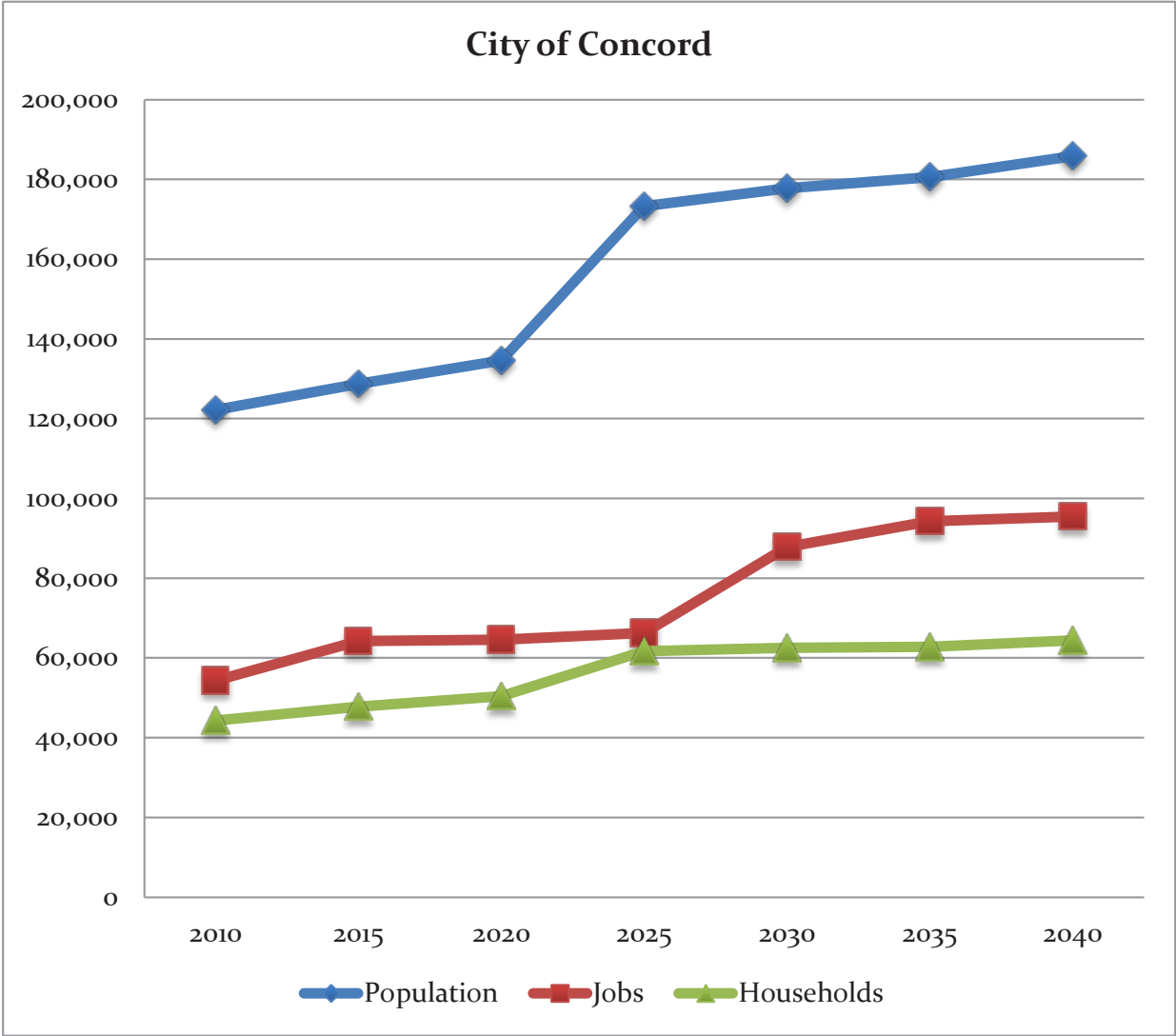
#### **JOBS AND HOUSING**

According to the Bay Area Census data<sup>29</sup> for 2010, the City of Concord has 62,173 employed residents. The ABAG Projections data<sup>30</sup> for 2010 estimated 54,275 jobs in the City, with approximately 0.87 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Concord has 47,125 housing units, which results in a job and housing balance of 1.23. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 5.6**), indicating that the rate of homeownership exceeds the rental household rate.

<sup>28</sup> ABAG. Projections 2017.

<sup>29</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>30</sup> ABAG. Projections 2017.



**Figure 5.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Concord**  
*May 2019*

**TABLE 5.6**  
**CITY OF CONCORD**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	27,069
Renter-occupied housing units	17,209
Vacant housing units	2,847
<b>Total existing housing units</b>	<b>47,125</b>
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	798
Low	444
Moderate	559
Above Moderate	1,677
<b>Total Regional Housing Need Allocation</b>	<b>3,478</b>

*Sources: ABAG, Bay Area Census; Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>31</sup> The City of Concord was assigned a RHNA of 3,478 units, as shown in Table 5.6.

The City adopted its General Plan in 2007 and its Housing Element in 2014. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 4,523 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Concord 2014–2022 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>32</sup>

The City of Concord did not report programs and services to meet the needs of adults age 50 and older.

<sup>31</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022.*

<sup>32</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

## **ANTICIPATED GROWTH PATTERNS**

The undeveloped entitled residential acres in FY 2017 were not reported or were unavailable at the time of this MSR update. Projects identified as part of the projected growth for the City (dwelling units and commercial space) that have been approved or are in the approval process were not reported or were unavailable at the time of this MSR update.

PDAs help form the implementing framework for Plan Bay Area. Three PDAs have been identified by the City of Concord and included in Plan Bay Area 2040.<sup>33</sup> The Community Reuse Area/Los Medanos and Downtown PDAs are anticipated to accommodate approximately 87% of the projected growth in households and 73% of the projected growth in employment.<sup>34</sup>

The Community Reuse Area/Los Medanos PDA is characterized as a Suburban Center and a Transit Neighborhood, and the Downtown PDA is characterized as a City Center.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Concord has not identified any Priority Conservation Areas in Plan Bay Area or the City's General Plan.<sup>35</sup>

The City of Concord does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

### **5.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Concord's SOI includes the municipal boundary and extends to the north, west, and northeast (see Figure 5.1).

There are two unincorporated islands within the City's municipal boundary—a 189-acre residential development known as Ayers Ranch, located near Bailey Road and Concord Boulevard, and an approximately 58-acre undeveloped area at the end of Kaiser Quarry Road (see Figure 5.1). The City provides sewer services within the Ayers Ranch island area.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

## **DISADVANTAGED COMMUNITIES**

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer,

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<sup>33</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>34</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>35</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified a portion of the Pacheco area located west of the City boundary (north of Concord) and within the SOI as a disadvantaged community. There is also a disadvantaged community within the City's boundary in the Concord Avenue and Olivera Road area. The unincorporated community of Bay Point, a portion of which is within the SOI for the City of Concord, also meets the criteria for a disadvantaged community.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

### 5.4.3 CITY SERVICES MSR DETERMINATIONS

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Concord reports that it adequately serves all areas within its municipal boundary and SOI. Future phased development of the Concord Reuse Project is anticipated to have an effect on City services, the extent to which is unknown at present and is expected to be analyzed as part of the planning and environmental review process. Based on available information, sufficient data has not been provided by the City of Concord for this MSR Update to make an accurate determination about the City's ability to adequately serve all areas within its municipal boundary at present and in the foreseeable future.

Three disadvantaged communities have been identified within the City of Concord's SOI. Sewer, water, and fire/emergency medical services are provided for these areas

### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 60, which is below the target of 75 MTC has established and which indicates a potential need for pavement rehabilitation funding. The City also has identified the need for deferred maintenance funding.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City has deferred some infrastructure maintenance, but it continues to seek grants and other funding opportunities to invest in capital improvements.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

#### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

#### **5.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

The City of Concord expects General Fund deficits in the future, which may affect its ability to provide services; however the City has strong financial reserves to be relied upon on as they face expenditure pressure.

As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, and despite these fiscal challenges, the City of Concord appears to have sufficient financial resources (e.g., healthy reserves) to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years. Ongoing budget stabilization measures are needed to address projected structural deficits and the sunset of Measure Q.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Concord has been operating with a surplus in their General Fund, but will anticipate a seven-year deficit period beginning in FY 2020 if measures are not taken to secure additional funds and reduce expenditures. The City is proactively working to close the gap using efficiencies, new revenues, and cost cutting.

The City currently meets their 30% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 2.7, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$350 per capita for FY 2017 and has been declining.

The City's unfunded pension and OPEB liabilities continue to grow and currently account for 20% of General Fund expenditures. The City's Fiscal Sustainability Ordinance prioritizes annual contributions to help address the unfunded liabilities.



## **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **5.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

## **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Concord website provides public access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.

## **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Concord website provides public access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

## **PUBLIC INVOLVEMENT**

The City of Concord website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. Newsletters are also distributed to City residents. The City therefore adequately provides accountability with regard to citizen participation.

## **5.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **5.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Concord includes the municipal boundary and extends to the north, west, and northeast, as shown in Figure 5.1. The City of Concord is bound by the cities of Pleasant Hill and Martinez on the west, Clayton on the southeast, of Pittsburg on the northeast, Walnut Creek on the south, and the Carquinez Strait on the north. County lands also bound the City on the north and south.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Concord.

This report also recommends that Contra Costa LAFCO consider the option of retaining the existing SOI with the condition that future potential annexation applications from the City require that the City provide more information<sup>36</sup> to demonstrate its capacity, adequacy, and ability to provide services to the area under consideration.

### **5.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF CONCORD**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Concord MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Concord plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, commercial, retail, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (2007).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Concord. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years and in conjunction with future phased development of the Concord Reuse Project.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Concord appears adequate; however, this may change with future phased development of the Concord Reuse Project. The City of Concord anticipates it will continue to have adequate capacity during the next five years.

#### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Concord.

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<sup>36</sup> To include undeveloped entitled residential acres, expenditures for animal control and solid waste services, and additional detail for parks and recreation services.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified a portion of the Pacheco area located west of the City boundary (north of Concord) and within the SOI as a disadvantaged community. There is also a disadvantaged community within the City's boundary in the Concord Avenue and Olivera Road area. The unincorporated community of Bay Point, a portion of which is within the SOI for the City of Concord, also meets the criteria for a disadvantaged community.

These areas receive services related to sewer, water, and structural fire protection from service providers outside the City. There are no other disadvantaged communities within or contiguous to the SOI for the City.

# CHAPTER 6

## TOWN OF DANVILLE

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### 6.1 AGENCY OVERVIEW

The Town of Danville, incorporated in 1982, covers an area of approximately 18.8 square miles. With an estimated population of 44,396, the Town has a population density of approximately 2,336 persons per square mile.<sup>1</sup>

The Town of Danville lies in south-central Contra Costa County with the City of San Ramon to the south, County lands to the west and east, and the unincorporated communities of Alamo, Blackhawk, and Diablo to the north and northeast. The Sphere of Influence (SOI) for the Town of Danville is mostly coterminous with the municipal boundary, with the exception of an extension to the east, as shown in **Figure 6.1**. The Town adopted the countywide Urban Limit Line in 2007.

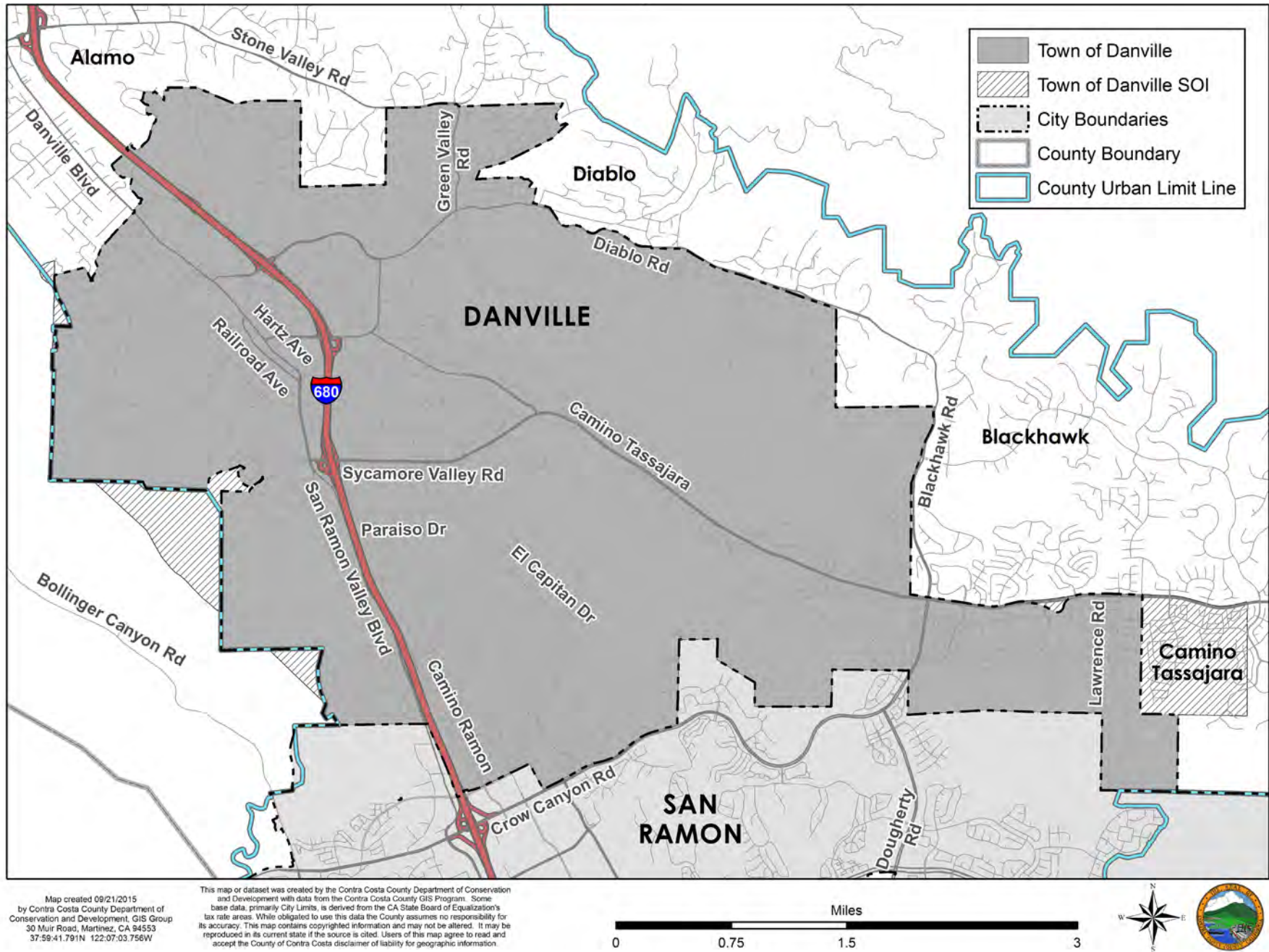
Land uses in the Town include a mix of residential, commercial, public, open space, and agricultural.

#### 6.1.1 FORM OF GOVERNMENT

The Town of Danville is a general law city operating under a council-manager form of government. The publicly elected Town Council consists of five members, including the Mayor. Council members serve four-year terms; the position of Mayor rotates annually.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



**Figure 6.1. Town of Danville Municipal Boundary and Sphere of Influence**  
 May 2019

### 6.1.2 STAFFING

Total Town staffing for fiscal year (FY) 2017 included 124.75 full-time equivalent (FTE) employees. **Table 6.1** shows the four service areas with the highest staffing levels.

**TABLE 6.1**  
**TOWN OF DANVILLE**  
**HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Police Services	37.75
Development Services	31.0
Administrative Services	16.25
Recreation Services	15.75

*Source: Town of Danville*

Similar to other cities in Contra Costa County, the police service function had the highest staffing level in the Town of Danville, with 37.75 FTE employees.

### 6.1.3 JOINT POWERS AUTHORITIES

The Town of Danville is a member of several joint powers authorities (JPAs), which are listed in **Table 6.2**.

**TABLE 6.2**  
**TOWN OF DANVILLE**  
**JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Central Contra Costa Transit Authority	Transit bus and paratransit
Contra Costa Transportation Authority	One-half cent transportation sales tax program
East Bay Regional Communications System Authority	Interoperable radio communications
Marin Clean Energy	Community choice aggregation provider
Municipal Pooling Authority	Liability insurance and risk management
RecycleSmart	Solid waste and recycling



JOINT POWERS AUTHORITY	SERVICE
Traffic Measure J Traffic Congestion Agency	Local congestion relief and student transportation program
Tri-Valley - San Joaquin Valley Regional Rail Authority (Valley Link)	Megaregion rail connection from BART in the Tri-Valley to the San Joaquin Valley
Tri-Valley Transportation Council	Regional transportation impact fee program

Source: Town of Danville

### 6.1.4 AWARDS AND RECOGNITION

**Table 6.3** lists the awards the Town of Danville has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 6.3  
TOWN OF DANVILLE  
AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Certificate of Achievement for Excellence in Financial Reporting	Government Finance Officers Association	16 years
Certified Bay Area Green Business	Association of Bay Area Governments	14 years
Quality in Information Technology Practices Award	Municipal Information System Association of California	2016, 2018

Source: Town of Danville

## 6.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 6.4**, municipal services for the Town of Danville are provided by Town staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.



**TABLE 6.4**  
**TOWN OF DANVILLE**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	Town of Danville
Law Enforcement	Contra Costa County
Library	Contra Costa County
Lighting	Town of Danville
Parks and Recreation	Town of Danville
Solid Waste	Republic Services
Stormwater	Town of Danville
Streets	Town of Danville
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: Town of Danville*

The Town of Danville reports the following opportunities and challenges related to its provision of municipal services:

#### *Opportunities*

- Collaboration with other agencies delivering subregional services
- Use of contract services

#### *Challenges*

- Approved and proposed development in surrounding communities outside the Urban Limit Line directly impact the Town's ability to adequately provide municipal services

A summary of the Town's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### **6.2.1 ANIMAL CONTROL**

Contra Costa County Animal Services (CCAS) provides animal control services for the Town of Danville and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$250,786 in FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### 6.2.2 BROADBAND

The Town of Danville does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the Town.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The Town of Danville did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The Town of Danville received a grade of C-, which indicates that internet service providers did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The Town of Danville did not indicate concerns about the ability of broadband providers to serve the Town's existing or growing population.

### 6.2.3 BUILDING/PLANNING

The Town of Danville Development Services Department provides building and planning services. Department expenditures vary year to year, at \$1.9 million in FY 2017, up from \$1.8 million in FY 2016 and down from \$2 million in FY 2015.

The Town of Danville issued 626 residential and 68 commercial building permits in 2017. Total building permit valuation in FY 2017 was not reported or was unavailable at the time of this MSR update.

Planning efforts for the Town of Danville include the 2030 General Plan (which includes the Housing Element), 2017-2027 Danville Parks Recreation & Arts Strategic Plan, and Annual Operating Budget & Capital Improvement Program (which projects future service demands).

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

## 6.2.4 LAW ENFORCEMENT

The Town of Danville contracts with the Contra Costa County Office of the Sheriff for the provision of law enforcement and dispatch services. FY 2017 expenditures for the Sheriff's Office were approximately \$229.3 million, up from approximately \$217.8 million in FY 2015.

Approximately 0.7 FTE sworn personnel per 1,000 population serve the Town of Danville, which remains the same as in 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 8.6 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 41% in 2017, and the violent crime clearance rate was not reported or was unavailable at the time of this MSR update.<sup>6</sup>

The Sheriff's Office reported 677 FTE for FY 2017, up from 664 FTE in FY 2016, with an average of 1.02 sworn staff per 1,000 population. Total property crime clearances were reported at 125 (14 in Danville) and total violent crime clearances were reported at 340 (22 in Danville) for FY 2017.

The Town currently has an approved agreement in place with the County to provide police services to non-Danville residents of the Alamo Springs neighborhood at the terminus of La Gonda Way. As part of the agreement, the County transfers funds for these services to the Town.

## 6.2.5 LIBRARY

Contra Costa County provides library services for the Town of Danville at its Danville Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state averages for expenditures and staffing are nearly double the County's.

### **6.2.6 LIGHTING**

Lighting (street and traffic) is maintained by the Town of Danville Maintenance Services Department with assistance from Contra Costa County (signal) and PG&E (street lights). Town expenditures for street light and signal maintenance were \$223,000 in FY 2017, down from \$231,000 in FY 2015. The Town maintains 54 signalized intersections and 3,483 street lights.

### **6.2.7 PARKS AND RECREATION**

The Town of Danville Recreation, Arts, and Community Services Department is the service provider for parks and recreation facilities and programs; the Maintenance Services Department maintains these facilities. FY 2017 expenditures for parks were approximately \$2.3 million in FY 2017, up slightly from approximately \$2 million in FY 2015.

The Town provides a multitude of classes, programs, sports leagues and special events for all ages.

The Town provides and maintains 6.6 park acres per 1,000 residents, 2.25 recreation centers per 20,000 residents, and 6.88 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The Town's level of service standard is 5 acres per 1,000 residents.

### **6.2.8 SOLID WASTE**

Solid waste services are provided to the Town of Danville by RecycleSmart via contract with Republic Services.<sup>8</sup> The Town of Danville FY 2017 expenditures for solid waste services vary slightly year to year at \$7.48 million in FY 2017, down from \$7.5 million in FY 2016 and up from \$7.41 million in FY 2015.

The Town reported regional service levels, with approximately 0.52 tons of waste disposed per capita for FY 2017, and a total diversion rate of 60%. The FY 2017 per resident disposal rate was 3.7 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

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<sup>8</sup> RecycleSmart is a dba of Central Contra Costa Solid Waste Authority.

### 6.2.9 STORMWATER/DRAINAGE

The Town of Danville Maintenance Services Department provides and maintains the Town's stormwater drainage system. The Town reports that they have 125 miles of closed storm drain lines and that 1.5% of their 4,700 storm drain inlets are equipped with trash capture. The Town of Danville also reports compliance with National Pollution Discharge Elimination System standards. Stormwater expenditures were \$340,014 in FY 2017, up from \$316,002 in FY 2015.

### 6.2.10 STREETS/ROADS

The Town of Danville Maintenance Services Department maintains 157.9 street miles and approximately 21.55 Class 1 and 2 bike lane miles, as well as roadside landscaping. FY 2017 expenditures for streets were \$800,000.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the Town of Danville was 77 (good) in 2016, up from 74 in 2015, and now exceeds the target PCI of 75 (good) MTC has established.<sup>9</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress. The Town reports that its own records show a PCI of 81 for 2017.

### 6.2.11 UTILITIES

The Town of Danville is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the Town, and customers may choose either service provider. PG&E also provides gas service to the Town of Danville.

The Town of Danville did not indicate concerns about the ability of utility service providers to serve the Town's existing or growing population.

## 6.3 FINANCIAL OVERVIEW

This section provides an overview of the Town of Danville's financial health and assesses the Town's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and Town staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

<sup>9</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

### 6.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the Town.

According to the Town's FY 2018-19 (FY 2019) budget<sup>10</sup>, the Town's total revenues of \$37.8 million cover its projected expenditures of \$32.9 million. The budget continues to achieve its goals of positive year-end fund balances, no unfunded future liabilities, and transfers from the General Fund to fund high priority capital projects.<sup>11</sup> **Table 6.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

The General Fund's ending fund balance in FY 2017 of \$27 million represents a healthy 140% of General Fund expenditures. Unassigned reserves exceed 20% levels established by the Town.

The Town anticipates continued fiscal sustainability through the next ten years assuming current service levels and use of accumulated reserves. Within the next 3-5 years, the Town will need to evaluate its Town-wide Landscape and Lighting Assessment District (LLAD) operations and consider assessment increases, which have not changed since 2003.<sup>12</sup> The FY 2019 budget proposes a transfer of \$900,000 from the General Fund to subsidize LLAD operating costs.

**TABLE 6.5**  
**TOWN OF DANVILLE**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$13,593,000	\$14,154,000	\$13,979,000
Sales Tax	\$4,080,000	\$4,559,000	\$5,535,000
Other Revenues (including Transfers)	\$6,269,000	\$6,931,000	\$6,090,000
<i>Total General Fund Revenues</i>	\$23,942,000	\$25,644,000	\$25,604,000
<i>Change from Prior Year</i>	n/a	7.1%	-.16%

<sup>10</sup> Town of Danville Administrative Staff report re: approving the 2018/19 Operating Budget and Appropriation Limit, June 6, 2018.

<sup>11</sup> *ibid*, FY 2018/19 Danville Budget, pg. II.

<sup>12</sup> *ibid*, FY 2018/19 Danville Budget, pg. XI.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND EXPENDITURES			
General Government and Administration	\$1,526,000	\$1,591,000	\$1,623,000
Public Safety	\$8,061,000	\$8,456,000	\$8,753,000
Other (includes Transfers Out)	\$8,865,000	\$9,068,000	\$9,443,000
<i>Total Expenditures</i>	\$18,452,000	\$19,115,000	\$19,819,000
<i>Change from Prior Year</i>	<i>n/a</i>	3.6%	3.7%
<i>Expenditures per capita</i>	\$434	\$434	\$450
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	9.4	8.4	9.9
Business-type Activities	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 6.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

Liquidity has exceeded a ratio of eight.<sup>13</sup> Debt has generally been declining, and totaled \$7.6 million at the end of FY 2017, or \$173 per capita (see Attachment C).

### 6.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

Danville's net position has been stable and growing from FY 2015 through FY 2017.

### 6.3.4 LOCAL REVENUE MEASURES

The Town has no voter-approved sales or parcel taxes. LLAD assessments help fund maintenance activities in areas of the Town.

<sup>13</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.



### **6.3.5 ENTERPRISE ACTIVITIES**

The Town has no enterprise activities.

### **6.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a municipality's General Fund revenue is insufficient to cover pension expenses, the municipality may pass that expense on to taxpayers.

The Town of Danville is not a member of the California Public Employees Retirement System or a defined benefit plan. The Town provides a 401(a) defined contribution benefit plan and provides no retiree health care, which means it has no unfunded liabilities for those items.

### **6.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of the Town capital assets has been increasing slightly over time, indicating that the Town's capital spending has generally kept pace with assets.

### **6.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The Town's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

The Town prepares a 10-year budget forecast to anticipate and plan for future budget shortfalls affecting the ability to maintain reserve levels, meet service demands, and undertake measures to increase revenues, for example, changes to its LLAD charges. The forecast is integrated into the Town's budget document.

The Town adopted a Comprehensive Economic Development Plan in 2016 and is implementing a Community Branding and Marketing Plan adopted in 2017. Successful economic development programs could improve Town sales taxes.

## **6.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the Town of Danville.

### 6.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the Town of Danville serves 44,396 residents.

#### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the Town of Danville are depicted in **Figure 6.2**.

ABAG projects that the Town of Danville will grow at an annual rate of approximately 0.4% to a population of 47,350 between 2010 and 2040.<sup>14</sup> The Town is also projected to experience an approximate 0.3% annual growth rate in jobs between 2010 and 2040. Overall, the Town's planning is expected to accommodate the growth projected by ABAG.

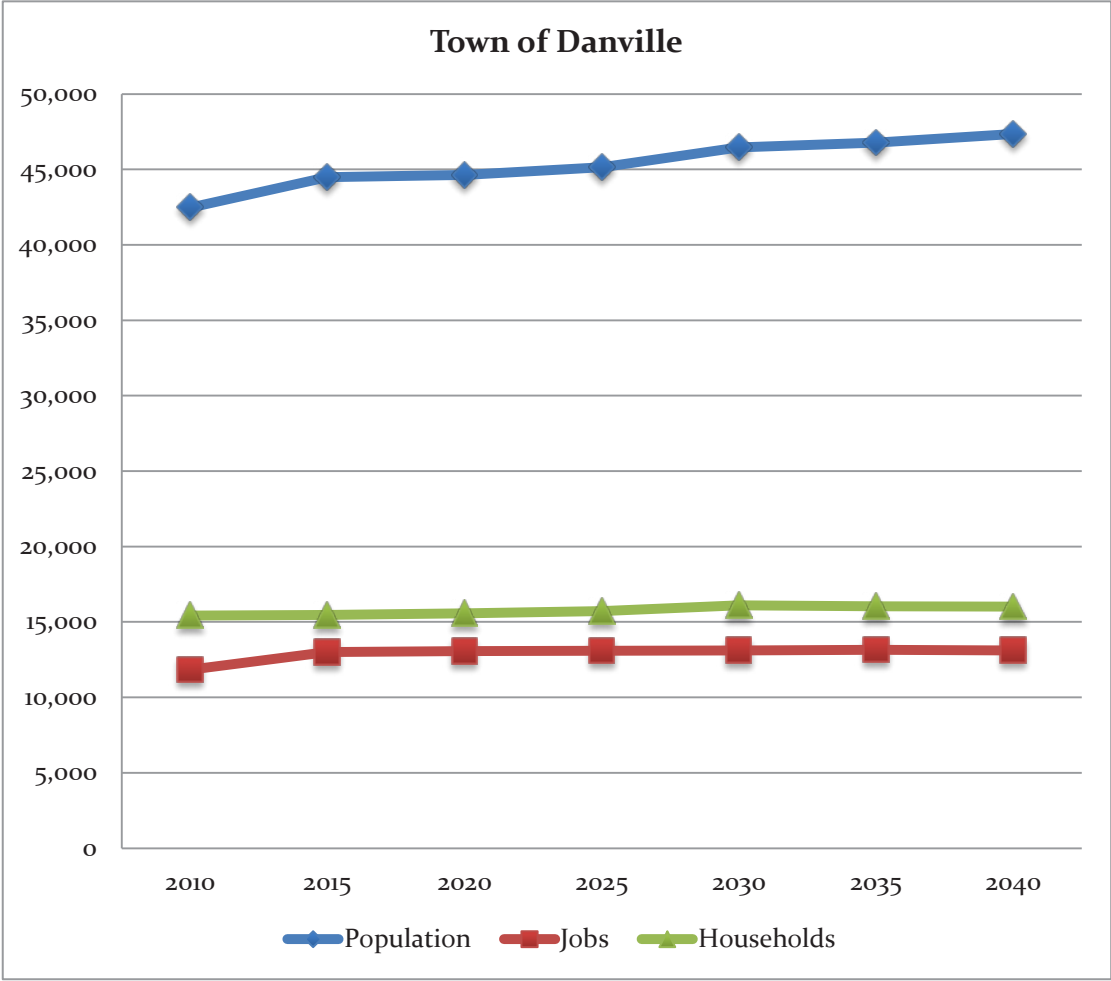
#### **JOBS AND HOUSING**

According to the Bay Area Census data<sup>15</sup> for 2010, the Town of Danville has 19,005 employed residents. The ABAG Projections data<sup>16</sup> for 2010 estimated 11,840 jobs in the Town, with approximately 0.62 job for every employed resident. Bay Area Census data for 2010 indicate that the Town of Danville has 15,934 housing units, which results in a job and housing balance of 0.77. The number of owner-occupied units in the Town is greater than the number of renter-occupied housing units (**Table 6.6**), indicating that the rate of homeownership exceeds the rental household rate.

<sup>14</sup> ABAG. Projections 2017.

<sup>15</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>16</sup> ABAG. Projections 2017.



**Figure 6.2. Population, Job, and Household Growth Projections (2010-2040)**  
**Town of Danville**  
*May 2019*

**TABLE 6.6**  
**TOWN OF DANVILLE**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	13,020
Renter-occupied housing units	2,400
Vacant housing units	514
<b>Total existing housing units</b>	<b>15,934</b>
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	196
Low	111
Moderate	124
Above Moderate	126
<b>Total Regional Housing Need Allocation</b>	<b>557</b>

*Sources: ABAG, Bay Area Census; Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>17</sup> The Town of Danville was assigned a RHNA of 557 units, as shown in Table 6.6.

The Town adopted its General Plan in 2013 and its Housing Element in 2015. The Town’s 2014–2022 Housing Element identifies adequate sites, anticipated to yield approximately 800 to 1,000 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The Town of Danville 2014–2022 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>18</sup>

The Town of Danville’s programs and services to meet the needs of adults age 50 and older were not reported or were unavailable at the time of this MSR update.

<sup>17</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>18</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

## ***ANTICIPATED GROWTH PATTERNS***

The undeveloped entitled residential acres in FY 2017 were not reported or were unavailable at the time of this MSR update. The Town reports approximately 323 dwelling units as either approved or in the approval process.

PDA's help form the implementing framework for Plan Bay Area. One PDA has been identified by the Town of Danville and included in Plan Bay Area 2040.<sup>19</sup> The Downtown PDA is characterized as a Transit Town Center.<sup>20</sup>

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The Town of Danville has not identified any Priority Conservation Areas in Plan Bay Area or the Town's General Plan.<sup>21</sup>

The Town of Danville does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

### **6.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The Town of Danville's SOI is mostly coterminous with the municipal boundary, with the exception of an extension to the east (see Figure 6.1). No unincorporated islands have been identified in the Town of Danville.

The Town does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

## ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

There are no disadvantaged communities within or contiguous to the SOI for the Town of Danville and therefore, no disadvantaged communities are relevant to this analysis.

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<sup>19</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>20</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>21</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

### 6.4.3 TOWN SERVICES MSR DETERMINATIONS

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The Town of Danville reports that it adequately serves all areas within its municipal boundary and anticipates it will continue to do so in the near future.

There are no disadvantaged communities within or contiguous to the Town's SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for Town streets is 77, which indicates the Town's streets are in good condition and primarily require funding at a level to maintain the current condition.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the Town does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The Town did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The Town is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the Town's General Plan. The Town's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

## **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The Town provides an array of municipal services, including those related to building/planning, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, law enforcement, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The Town does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

## **6.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

Overall, the Town of Danville appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The Town of Danville has been operating with a surplus in their General Fund.

The Town currently exceeds their 20% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.



### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The Town reported a liquidity ratio of 9.9, which indicates the Town has the means available to cover its existing obligations in the short run.

Total debt was approximately \$173 per capita for FY 2017 and has been declining.

The Town provides a defined contribution retirement plan and has no unfunded pension liabilities.

### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The Town issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **6.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

### **ONLINE AVAILABILITY OF TOWN GOVERNANCE INFORMATION**

The Town of Danville website provides public access to the agendas and minutes for the Town Council and its various boards and commissions; the Town's budgets; and the Town's CAFRs. Town meetings are livestreamed via Granicus, and these meetings and minutes are made available on the Town's website. The Town therefore adequately provides accountability with regard to governance and municipal operations.

### **ONLINE AVAILABILITY OF TOWN PLANNING INFORMATION**

The Town of Danville website provides public access to the Town's general plan as well as various development plans and projects. The Town therefore adequately provides accountability with regard to municipal and land use planning.

### **PUBLIC INVOLVEMENT**

The Town of Danville website provides access to public notices, including the time and place at which Town residents may provide input, as well as other opportunities for public involvement in the Town decision-making process. The Town regularly posts informational updates on programs, projects, and events via social media. Newsletters are also distributed to Town residents. The Town therefore adequately provides accountability with regard to citizen participation.

## **6.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **6.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the Town of Danville is mostly coterminous with the municipal boundary, with the exception of an extension to the east, as shown in Figure 6.1. The Town of Danville is bounded by the City of San Ramon to the south, County lands to the west and east, and the unincorporated communities of Alamo, Blackhawk, and Diablo to the north.

In conjunction with the first round MSR in 2009, LAFCO deferred action on the Town's SOI due to concerns between the Town of Danville and the City of San Ramon related to future development and competing interests in the Tassajara Valley. Representatives and officials from Danville, San Ramon, and Contra Costa County met to discuss these concerns. The agencies agreed that any future Danville and San Ramon SOI requests would not conflict or overlap with one another.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the Town of Danville.

### **6.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE TOWN OF DANVILLE**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this Town of Danville MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The Town of Danville plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, commercial, public, open space, and agricultural. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan (2013).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the Town of Danville. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the Town of Danville appears adequate. The Town of Danville anticipates it will continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the Town's municipal boundary are included within the SOI. There are several communities located in the East Danville and Camino Tassajara areas that are within Danville's SOI and are communities of interest. There has been some growth and development in and around these areas. Also, there has been interest by some of the residents in these areas for enhanced police services and annexation to the Town of Danville. This report recommends that the Town consider annexing these areas.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There are no disadvantaged communities within or contiguous to the SOI for the Town of Danville and therefore no present or probable need for the Town to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities.

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# CHAPTER 7

## CITY OF EL CERRITO

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### 7.1 AGENCY OVERVIEW

The City of El Cerrito, incorporated in 1917, covers an area of approximately 4 square miles. With an estimated population of 24,939, the City has a population density of approximately 6,234 persons per square mile.<sup>1</sup>

The City of El Cerrito lies in western Contra Costa County with the City of Richmond on the west and east, the unincorporated community of East Richmond Heights on the north, the unincorporated community of Kensington on the southeast, and the City of Albany and Contra Costa–Alameda County boundary on the south. The Sphere of Influence (SOI) for the City of El Cerrito extends beyond the municipal boundary to the northeast, where it includes the southern portion of East Richmond Heights, and to southeast, where it includes Kensington, as shown in **Figure 7.1**. The City adopted the countywide Urban Limit Line in 2006.

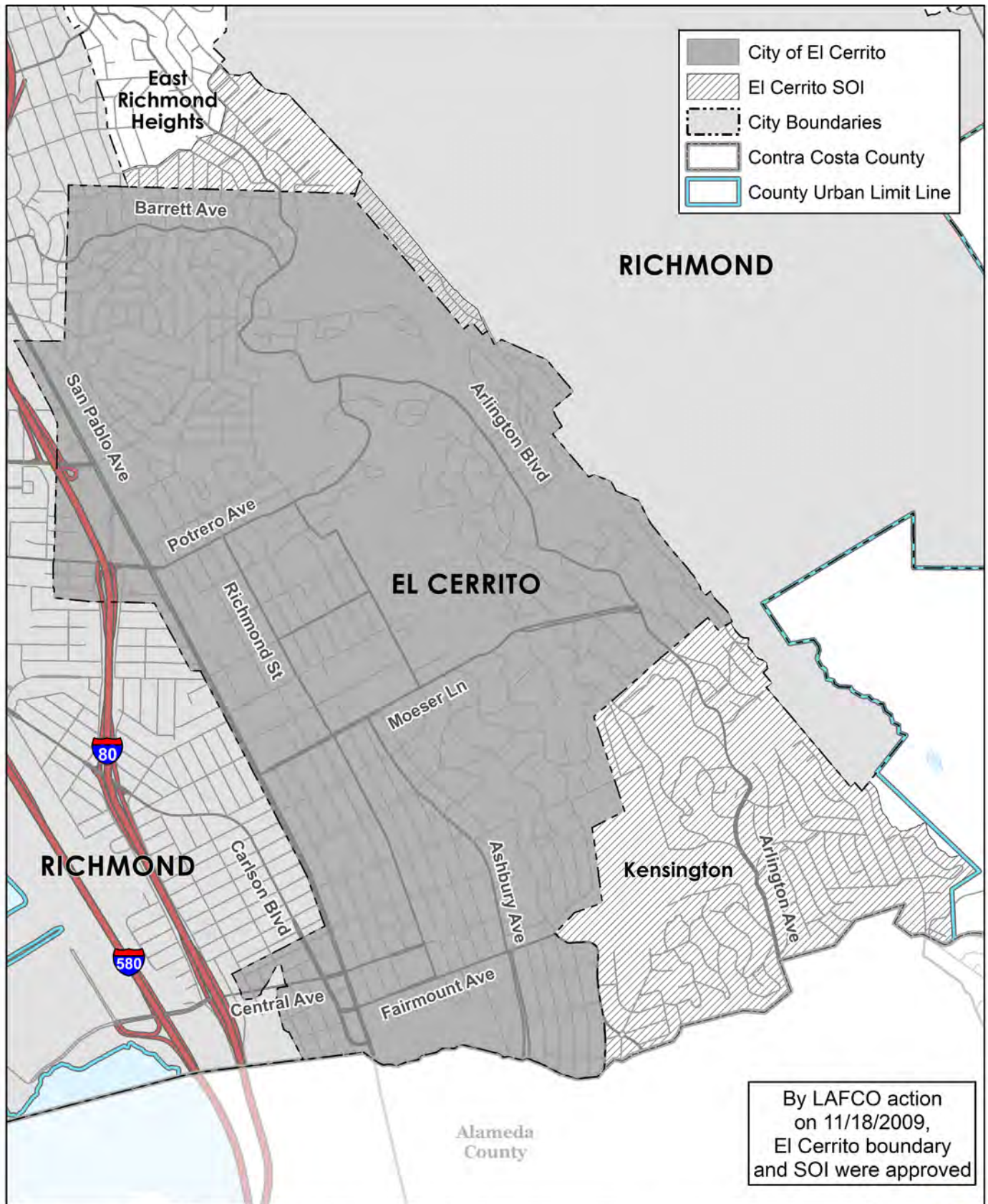
Land uses in the City include a mix of residential, commercial, and open space. There are no agricultural land uses in the City of El Cerrito.

#### 7.1.1 FORM OF GOVERNMENT

The City of El Cerrito is a charter city. The publicly elected City Council consists of five members, including the Mayor. All Council members serve four-year terms and the Mayor rotates every year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 10/04/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37:59:41.791N 122:07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.

Miles

0 0.25 0.5 1

**Figure 7.1. City of El Cerrito Municipal Boundary and Sphere of Influence**  
 May 2019



### 7.1.2 STAFFING

Total City staffing for fiscal year (FY) 2017 included 170.7 full-time equivalent (FTE) employees. **Table 7.1** shows the four service areas with the highest staffing levels.

**TABLE 7.1**  
**CITY OF EL CERRITO**  
**HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Police	56.4
Fire ( <i>not reviewed</i> )	37
Public Works	24.8
Recreation	23

*Source: City of El Cerrito*

Similar to other cities in Contra Costa County, the police function had the highest staffing level in the City of El Cerrito, with 56.4 FTE employees.

### 7.1.3 JOINT POWERS AUTHORITIES

The City of El Cerrito is a member of several joint powers authorities (JPAs), which are listed in **Table 7.2**.

**TABLE 7.2**  
**CITY OF EL CERRITO**  
**JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost-effective solutions to common problems that they face.
ABAG Power	Wind up electric program
Automated Records Management System Agreement	Automated records management system with the City of Richmond and other contract agencies
California Statewide Communities Development Authority	Participate in California First Program
Contra Costa Abandoned Vehicle Abatement Service Authority	Proper removal and disposal of abandoned vehicles
Contra Costa County Municipal Risk Management Insurance Authority Joint Exercise of Powers Agreement	Providing property, workers' compensation, public liability and other insurance coverages



JOINT POWERS AUTHORITY	SERVICE
Contra Costa Transit Authority Congestion Management Agency	Plan, fund, and implement innovative transit programs that strengthen our diverse communities and improve the lives of County residents
East Bay Regional Communications System Authority	Develop, build, and maintain a state-of-the-art P25 compliant communication system for Alameda and Contra Costa Counties; jointly purchasing federal mandated P25 compliant interoperable radios
Gilman Sports Fields Complex (aka Tom Bates Regional Sports Field)	Maintenance of the sports fields – replacement of turf, additional construction of bathroom
Golden State Finance Authority Program	Finance renewable energy generation, energy and water efficiency improvements, electric vehicle charging infrastructure, and other energy improvements
Marin Clean Energy	Community Choice Aggregation
Municipal Pooling Authority	Providing liability insurance to municipal agencies in Contra Costa County
Property Assessed Clean Energy	Financing for efficiency and seismic improvements
West Contra Costa County Solid Waste Management (RecycleMore)	Assembly Bill 939 Reporting; household hazardous waste collection service
West Contra Costa Transportation Advisory Committee	Supports joint administration of Transportation Demand Management ordinances and programs

Source: City of El Cerrito

#### 7.1.4 AWARDS AND RECOGNITION

**Table 7.3** lists the awards the City of El Cerrito has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 7.3**  
**CITY OF EL CERRITO**  
**AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Leadership in Energy and Environmental Design Certification	U.S Green Building Council	2018
Environmental Beacon Spotlight Awards: <ul style="list-style-type: none"> <li>• Gold Level – community greenhouse gas reductions</li> <li>• Platinum Level – energy savings; natural gas savings</li> </ul>	California Institute for Local Government	2018
Honorable Mention Recycling Facility of the Year	National Waste and Recycling Association	2018

AWARD	ISSUER	YEAR(S) RECEIVED
Environmental Leadership and Commitment to Deep Green 100% Renewable Energy	Marin Clean Energy	2017
Distinguished Budget Presentation Award	Government Finance Officers Association of the United States and Canada	2010 – 2017
Certificate of Achievement for Excellence in Financial Reporting	Government Finance Officers Association of the United States and Canada	2016
Best All-Around Pavement Management Program	Metropolitan Transportation Commission	2015
Voice of the People Award for Transformation in Street Repair Services	International City/County Management Association	2013
Voice of the People Award for Excellence in Recycling Services	International City/County Management Association	2013
Sustainability Award 2012 for the El Cerrito Recycling and Environmental Resource Center	Sustainable Contra Costa Leadership	2012
Program Excellence Award for Community Sustainability	International City/County Management Association	2012
Recycling and Environmental Resource Center LEED for New Construction Platinum	U.S. Green Building Council	2012
Most Improved Roads	Metropolitan Transportation Commission Pavement Management Program	2011
Best of Contra Costa County to El Cerrito Recreation Department (various categories)	Parent's Press Magazine	2011 – 2018

Source: City of El Cerrito

## 7.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 7.4**, municipal services for the City of El Cerrito are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 7.4**  
**CITY OF EL CERRITO**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of El Cerrito
Law Enforcement	City of El Cerrito
Library	Contra Costa County
Lighting	City of El Cerrito
Parks and Recreation	City of El Cerrito
Solid Waste	City of El Cerrito, East Bay Sanitary Company
Stormwater	City of El Cerrito, Contra Costa Clean Water Program
Streets	City of El Cerrito
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: City of El Cerrito*

The City of El Cerrito reports the following challenges related to its provision of municipal services:

- Unfunded mandates and regulatory requirements
- Tax limitation measures
- Unfunded pension liability

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 7.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the City of El Cerrito and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. City expenditures for animal services were \$137,559 for FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **7.2.2 BROADBAND**

The City of El Cerrito does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of El Cerrito did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of El Cerrito received a grade of C, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of El Cerrito did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **7.2.3 BUILDING/PLANNING**

The City of El Cerrito Community Development Department provides building and planning services. Department expenditures for FY 2017 were approximately \$2.1 million.

The City of El Cerrito issued 1,188 residential and 116 commercial building permits in 2017, reflecting an upward trend from 1,110 residential and 93 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$29.1 million, down from \$45 million in FY 2015.

Planning city-wide has been captured in the General Plan, Strategic Plan, and the five-year Master Plans.

### **7.2.4 LAW ENFORCEMENT**

The City of El Cerrito Police Department provides law enforcement services and contracts with the City of Richmond for dispatch services. FY 2017 expenditures for dispatch services were \$501,256; expenditures for law enforcement services were not reported.

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<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

The City of El Cerrito has 1.6 FTE sworn personnel per 1,000 population, which represents no change from 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 30.78 crimes per sworn FTE in 2017. The City does not track property or violent crime clearance rates (a measure of crimes solved).<sup>6</sup>

### 7.2.5 LIBRARY

Contra Costa County provides library services for the City of El Cerrito at its El Cerrito Branch Library and Kensington Branch Library<sup>7</sup> locations. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>8</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state's average expenditures and staffing levels are nearly double the County's.

### 7.2.6 LIGHTING

Lighting (street and traffic) is provided and maintained by the City of El Cerrito Department of Public Works. City expenditures for light and signal maintenance vary year to year, at \$273,015 in FY 2017, up slightly from \$270,830 in FY 2015, but down from \$301,951 in FY 2016. The City maintains 11 signalized intersections, 11 traffic lights, and 1,606 street lights.

### 7.2.7 PARKS AND RECREATION

The City of El Cerrito Department of Public Works is the service provider for parks and recreation facilities, as well as landscaped medians and public planter beds, and the Recreation Department is

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<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> This branch is outside the municipal boundary but within the City's SOI.

<sup>8</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

the service provider for recreation programs. FY 2017 expenditures for parks were approximately \$1.6 million in FY 2017, up from approximately \$1.4 million in FY 2015.

The City provides a variety of classes, programs, activities and events, including a robust services program for older adults and youth.

The City provides and maintains 6 park acres per 1,000 residents, 10.83 recreation centers per 20,000 residents, and 3.6 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

### **7.2.8 SOLID WASTE**

Solid waste services are provided to the City of El Cerrito via franchise agreement with East Bay Sanitary Company. The City of El Cerrito FY 2017 expenditures for solid waste services were \$2.1 million, down from \$2.2 million in FY 2015. The El Cerrito Recycling and Environmental Resource Center is open to residents for recycling and household hazardous waste.

The City reported approximately 0.69 tons of waste disposed per capita for FY 2017, and a total diversion rate of 55%. The FY 2017 per resident disposal rate was 3.8 pounds/resident/day

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **7.2.9 STORMWATER/DRAINAGE**

The City of El Cerrito provides and maintains the City's stormwater drainage system. The City reports that they have 38.75 miles of closed storm drain lines and that less than 7.6% of their 1,205 storm drain inlets are equipped with trash capture. The City of El Cerrito also reports compliance with National Pollution Discharge Elimination System standards. Total FY 2017 expenditures for stormwater were \$945,334, representing an upward trend from \$831,878 in FY 2015.

### **7.2.10 STREETS/ROADS**

The City of El Cerrito Department of Public Works provides and maintains 68 street miles and approximately 4 Class 1 and 2 bike lane miles, as well as landscaped medians and other public landscaping. FY 2017 expenditures for streets vary year to year, at \$3 million in FY 2017, down from \$4.1 million in FY 2016 and \$3.6 million in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of El Cerrito was 84 (very good to excellent) in 2017, the same as in 2015, which remains above the target PCI of 75 (good) MTC has established.<sup>9</sup> Pavement in this range (80-100) is newly reconstructed or resurfaced with few signs of distress.

### 7.2.11 UTILITIES

The City of El Cerrito is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of El Cerrito.

The City of El Cerrito did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## 7.3 FINANCIAL OVERVIEW

This section provides an overview of the City of El Cerrito's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 7.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 budget, the City's General Fund revenues of \$37.8 million slightly exceed General Fund expenditures of \$37.7 million.<sup>10</sup> **Table 7.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year (see Attachment C). The General Fund's unassigned General Fund balance at the end of FY 2017 totaled \$2.1 million, or about 6.3% of expenditures that year; this level is significantly below the City's policy goal to achieve "a general fund annual operating reserve of 15%, with a minimum of 10%, of projected General Fund operating expenditures in each fiscal year."<sup>11</sup> The City anticipated that reserve levels could drop to 3.4% by the start of FY 2018-19.<sup>12</sup> These low

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<sup>9</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>10</sup> City of El Cerrito Proposed Biennial Budget, Fiscal Years 2018-19 and 2019-20, pg. 5.

<sup>11</sup> City of El Cerrito Comprehensive Financial Policy, Approved Dec. 6, 2016, General Fund Reserve Policy 3.2.

<sup>12</sup> *ibid*, City of El Cerrito Budget 2018-19 and 2019-20, pg. 6.



reserves resulted from City Council decisions to draw upon reserves following the recession rather than reduce service levels.<sup>13</sup>

**TABLE 7.5**  
**CITY OF EL CERRITO**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$8,800,000	\$9,843,000	\$9,082,000
Sales Tax	\$6,455,000	\$7,551,000	\$7,477,000
Other Revenues (including Transfers)	\$14,752,000	\$14,975,000	\$16,900,000
<i>Total General Fund Revenues</i>	\$30,007,000	\$32,369,000	\$34,531,000
<i>Change from Prior Year</i>	n/a	7.9%	6.7%
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$3,728,000	\$4,359,000	\$4,927,000
Public Safety	\$18,461,000	\$19,326,000	\$20,277,000
Other (includes Transfers Out)	\$7,627,000	\$8,252,000	\$9,123,000
<i>Total Expenditures</i>	\$29,816,000	\$31,937,000	\$34,327,000
<i>Change from Prior Year</i>	n/a	7.1%	7.5%
<i>Expenditures per capita</i>	\$1,236	\$1,304	\$1,391
<b>LIQUIDITY RATIO <sup>1</sup></b>			
Governmental Activities	0.4	1.2	0.8
Business-type Activities	0.5	0.5	0.5

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 7.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In addition to low reserves, the City's liquidity ratios are less than 1.0 indicating that current liabilities exceed short-term resources; this situation can incur increased borrowing costs and risk of

<sup>13</sup> *ibid*, City of El Cerrito Budget 2018-19 and 2019-20, pg. 32.

payment defaults.<sup>14</sup> According to the City, currently it has "sufficient cash to cover all current liabilities and short-term debt."<sup>15</sup> The City's outstanding debt totaled approximately \$20.7 million at the end of FY 2017, or \$841 per capita.

### **7.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

Past years show a moderate positive change to its enterprise net position (see Attachment C). The total positive net position of governmental funds declined about 1% between FY 2015 and FY 2017, and the negative unrestricted portion improved slightly to a negative (\$45.7 million) in FY 2017.

### **7.3.4 LOCAL REVENUE MEASURES**

The City supports its budget with the benefit of several voter approved measures, including a local 1-cent sales tax (Measure R) approved in 2010, and extended in 2014 for 12 years, and an 8% utility users tax approved in 1991 and again in 2004. A Landscape and Lighting Assessment District (LLAD) provides nearly \$800,000 annually to fund certain maintenance services, although the assessments have not increased since the LLAD was formed in 1988.

Measure V, city charter and property transfer tax measure, was approved by El Cerrito voters in November 2018. The measure made El Cerrito a charter city and allows it to increase its property transfer tax rate by 9.17%.

### **7.3.5 ENTERPRISE ACTIVITIES**

The City's Integrated Waste Management is its only enterprise. As an enterprise, the City can collect fees and charges to cover its costs. Revenues from Integrated Waste Management fees are projected to increase by 7.5% in calendar years 2019 and 2020 in order to compensate for loss in materials revenue.<sup>16</sup>

### **7.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The City's net pension liability grew from approximately \$46 million in FY 2016 to \$54.8 million in FY 2017 (see Attachment C). Changes to the California Public Employees' Retirement System

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<sup>14</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>15</sup> City of El Cerrito Response to MSR Fiscal Questions.

<sup>16</sup> *ibid*, City of El Cerrito Budget 2018-19 and 2019-20, pg. 47.

requirements will likely increase this net liability. The City's budget does not identify any specific actions being taken to address the impact of unfunded pension liabilities on the ability to fund City services and facilities.

The City does not provide retiree health care benefits, but does allow retirees to continue their health insurance at their own cost. The "implied subsidy" resulting from retirees' more costly insurance paid by retirees at the City's lower overall average cost is reported in the City's CAFR.

### **7.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of City capital assets has been declining over time, indicating the City's capital spending has generally not kept pace with asset depreciation (see Attachment C). FY 2018-19 capital expenditures total approximately \$3.0 million and FY 2019-20 capital expenditures total approximately \$2.4 million.<sup>17</sup>

### **7.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets are prepared in a timely manner and posted on the agency's website.

The City recently changed auditing firms and consequently its audited CAFR was delayed beyond six months following the end of the FY 2017 fiscal year. The FY 2017 CAFR was posted on the City's website in September of 2018, more than one year after the end of FY 2017.

## **7.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of El Cerrito.

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<sup>17</sup> *ibid*, City of El Cerrito Budget 2018-19 and 2019-20, Capital Improvement Summary, pg. 163.

### 7.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of El Cerrito serves 24,939 residents. The City is considered built-out, and future growth will occur through infill development and reuse of existing sites.

#### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of El Cerrito are depicted in **Figure 7.2**.

ABAG projects that the City of El Cerrito will grow at an annual rate of approximately 0.7% to a population of 29,075 between 2010 and 2040.<sup>18</sup> The City is also projected to experience an approximate 0.4% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

#### **JOBS AND HOUSING**

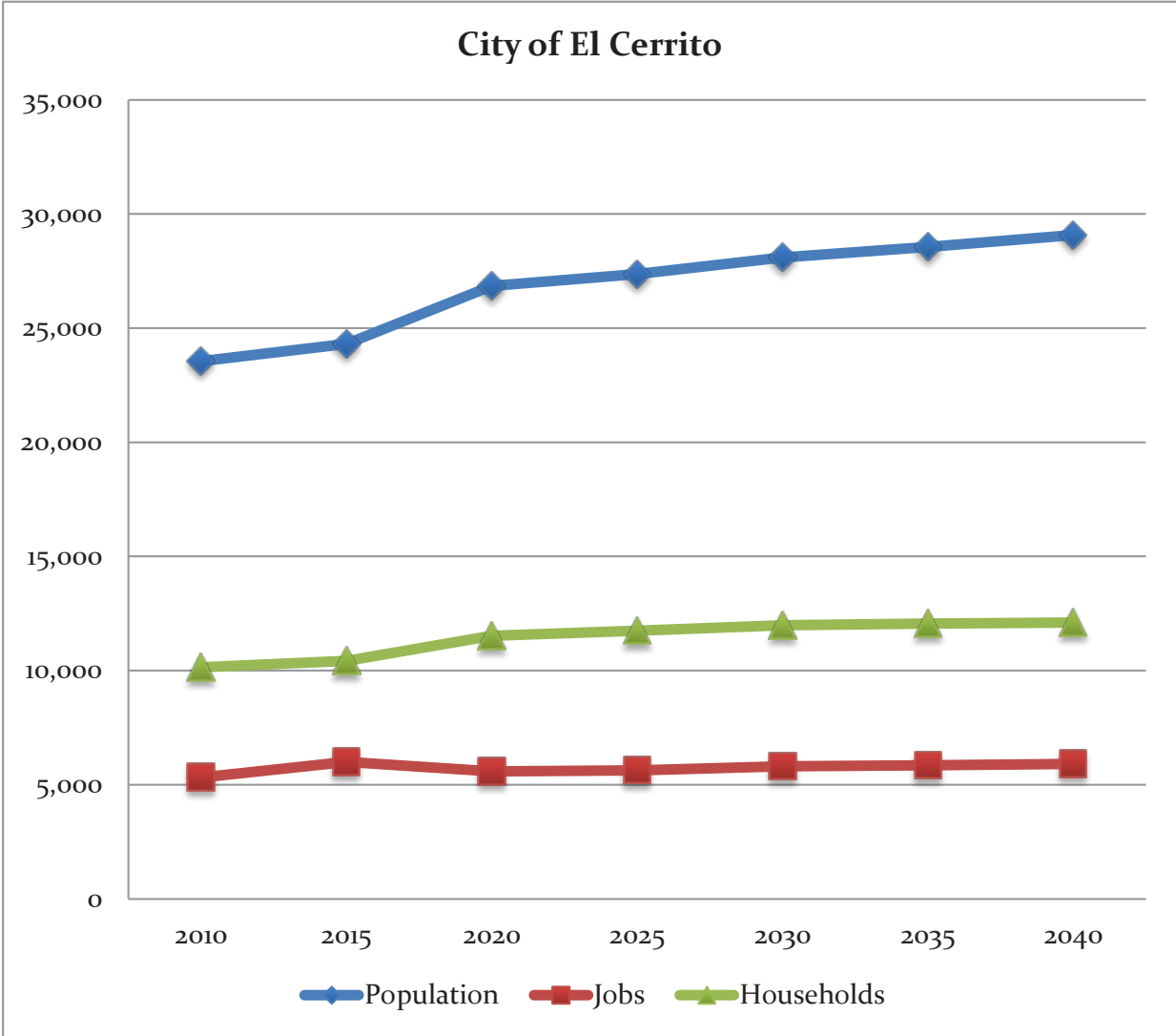
According to the Bay Area Census data<sup>19</sup> for 2010, the City of El Cerrito has 12,023 employed residents. The ABAG Projections data<sup>20</sup> for 2010 estimated 5,315 jobs in the City, with approximately 0.44 job for every employed resident. Bay Area Census data for 2010 indicate that the City of El Cerrito has 10,716 housing units, which results in a job and housing balance of 0.52. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 7.6**), indicating that the rate of homeownership exceeds the rental household rate.

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<sup>18</sup> ABAG. Projections 2017.

<sup>19</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>20</sup> ABAG. Projections 2017.



**Figure 7.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of El Cerrito**  
*May 2019*

**TABLE 7.6**  
**CITY OF EL CERRITO**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	6,145
Renter-occupied housing units	3,997
Vacant housing units	574
Total existing housing units	10,716
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	100
Low	63
Moderate	69
Above Moderate	166
Total Regional Housing Need Allocation	398

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>21</sup> The City of El Cerrito was assigned a RHNA of 398 units, as shown in Table 7.6.

The City adopted its General Plan in 1999 and its Housing Element in 2015. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 796 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of El Cerrito 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>22</sup>

The City of El Cerrito provides a variety of programs and services in the areas of health, education, and recreation to meet the needs of adults age 50 and older, as shown in **Table 7.7**.

<sup>21</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>22</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

**TABLE 7.7**  
**CITY OF EL CERRITO**  
**PROGRAMS AND SERVICES FOR AN AGING POPULATION**

PROGRAM	SERVICE
Exercise Classes	Balance, chair work, exercise, floor work, folk dance, pickleball, tai chi, yoga
Enrichment	Bridge, canasta, chess, computer classes, current events seminar, drawing, eldertech, ikebana, internet class, ipad/iphone class, mahjong, sing-a-long, Spanish
Excursions	Birding, hikes, day trips, extended trips, walks
Service	AARP taxes, easy ride paratransit, hairdresser, Health Insurance Counseling and Advocacy Program, lunch, massage, peer counseling, podiatrist, respite, women's support group
Special Events	Pickleball tournament, presentations, senior resource fair, talks

*Source: City of El Cerrito*

### ***ANTICIPATED GROWTH PATTERNS***

The City of El Cerrito undeveloped entitled residential acres for FY 2017 were not reported or were unavailable at the time of this MSR update. The City's 2015 Housing Element identifies 251 units under construction or approved within El Cerrito, including 86 very low-income units, 38 low-income units, 13 moderate-income units, and 114 above moderate-income units.

PDA's help form the implementing framework for Plan Bay Area. One PDA has been identified by the City of El Cerrito and included in Plan Bay Area 2040.<sup>23</sup> The San Pablo Avenue Corridor PDA's are anticipated to accommodate approximately 73% of the projected growth in households and 50% of the projected growth in employment.<sup>24</sup>

The San Pablo Avenue Corridor PDA is characterized as Mixed Use Corridor/Transit Oriented Development and consists of a 2.5-mile section of San Pablo Avenue that traverses El Cerrito from its southern border at El Cerrito Plana to its northern gateway at the Baxter Creek Gateway Park at the Richmond border. The PDA is also included in the San Pablo Avenue Specific Plan.

Priority Conservation Areas (PCAs), which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of El Cerrito has identified three PCAs. The Hillside Natural Area PCA consists of 79 acres of open space in central El Cerrito. The Ohlone Greenway PCA is a linear park that runs 2.5 miles (the

<sup>23</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>24</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017



length of the City). The Cerrito Creek PCA is a creek that runs along the southern border of the City. These PCAs are included in Plan Bay Area 2040.<sup>25</sup>

The City of El Cerrito does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

#### **7.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of El Cerrito's SOI extends beyond the municipal boundary to the northeast, where it includes the southern portion of East Richmond Heights, and to southeast, where it includes Kensington (see Figure 7.1). No unincorporated islands have been identified in the City of El Cerrito.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

#### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified an area along State Highway 123 and Potrero Avenue and within the City's boundary that is considered a disadvantaged community.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates* and the *Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

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<sup>25</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

### 7.4.3 CITY SERVICES MSR DETERMINATIONS

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of El Cerrito reports that it adequately serves all areas within its municipal boundary and anticipates it will continue to do so in the foreseeable future.

The disadvantaged community within the City's SOI receives sewer, water, and fire protection services.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 84, which indicates the City's streets are in very good condition and primarily require funding at a level to maintain the current condition. The City reports that it is not otherwise keeping pace with the aging of capital infrastructure.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City may experience funding obstacles to maintaining existing service levels or meeting overall infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City reports that its CIP is not sufficient to maintain and expand facilities and infrastructure consistent with projected needs.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

## **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, solid waste, stormwater, and streets. Services related to animal control, broadband, library, solid waste, stormwater, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

## **7.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

The City of El Cerrito is experiencing some fiscal challenges that may affect its ability to provide services, particularly in the event of unexpected funding needs. The City's capital spending has not kept pace with asset depreciation. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, and despite these fiscal challenges, the City of El Cerrito appears to have sufficient financial resources to continue providing services. The City's ability to accommodate infrastructure expansion, improvements, or replacement over the next five years may be compromised absent the identification of additional funding opportunities. The additional revenue from the 2018 passage of Measure W will help the City of El Cerrito address some of its fiscal challenges.

## **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of El Cerrito has been operating with a surplus in their General Fund.

The City Council decided to draw upon the City's reserves after the recession rather than reduce service levels. As a result, the City's reserves have been declining, with the unassigned General Fund balance at 6.3% of expenditures for FY 2017 and projected at 3.4% for FY 2018-2019. This level is well below the City's 15% reserve goal and may affect the City's ability to maintain an acceptable level of service provision and to enact changes to maintain services..

## **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City's liquidity ratio is 0.8; ratios less than 1.0 indicate that liabilities exceed short-term resources. Although the liquidity ratio is low, the City reports that it has sufficient cash to cover current liabilities and short-term debt.

Total debt was approximately \$841 per capita for FY 2017.

The City's unfunded pension and OPEB liabilities continue to grow. The City has not identified any measures to address the increasing pension liabilities.

## **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR over one year after fiscal year end, which is not considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **7.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

## **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of El Cerrito website provides public access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. City Council meetings are livestreamed, broadcast on radio and television, and made available on the City website for future viewing. The City therefore adequately provides accountability with regard to governance and municipal operations.

## **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of El Cerrito website provides public access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

## ***PUBLIC INVOLVEMENT***

The City of El Cerrito website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City uses social media, OpenGov, radio, printed media, and in-person workshops and meetings to notify, educate, and engage residents and other customers. Newsletters are also distributed to City residents. The City therefore adequately provides accountability with regard to citizen participation.

## **7.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **7.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of El Cerrito extends beyond the municipal boundary to the northeast, where it includes the southern portion of East Richmond Heights, and to southeast, where it includes Kensington, as shown in Figure 7.1. The City of El Cerrito is bound by the City of Richmond on the west and east, the unincorporated community of East Richmond Heights on the north, the unincorporated community of Kensington on the southeast, and the City of Albany and Contra Costa–Alameda County boundary on the south.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of El Cerrito.

This report also recommends that Contra Costa LAFCO consider the option of retaining the existing SOI with the condition that future potential annexation applications from the City require that the City demonstrate its financial ability to provide services to the area under consideration.

### **7.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF EL CERRITO**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of El Cerrito MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of El Cerrito plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, commercial, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (1999).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of El Cerrito. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of El Cerrito appears adequate. The City of El Cerrito anticipates it will continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of El Cerrito.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There is an area along State Highway 123 and Potrero Avenue and within the City's boundary that is considered a disadvantaged community. This area receives sewer, water, and fire protection services.

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# CHAPTER 8

## CITY OF HERCULES

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### 8.1 AGENCY OVERVIEW

The City of Hercules, incorporated in 1900, covers an area of approximately 8 square miles. With an estimated population of 26,317, the City has a population density of approximately 3,249 persons per square mile.<sup>1</sup>

The City of Hercules lies in western Contra Costa County with the City of Pinole to the south and west, the unincorporated community of Rodeo to the north, San Pablo Bay to the west, and County lands to the east. The Sphere of Influence (SOI) for the City of Hercules is mostly coterminous with the municipal boundary, with the exception of an extension to the north near Highway 4, as shown in **Figure 8.1**. The City adopted the countywide Urban Limit Line in 2009.

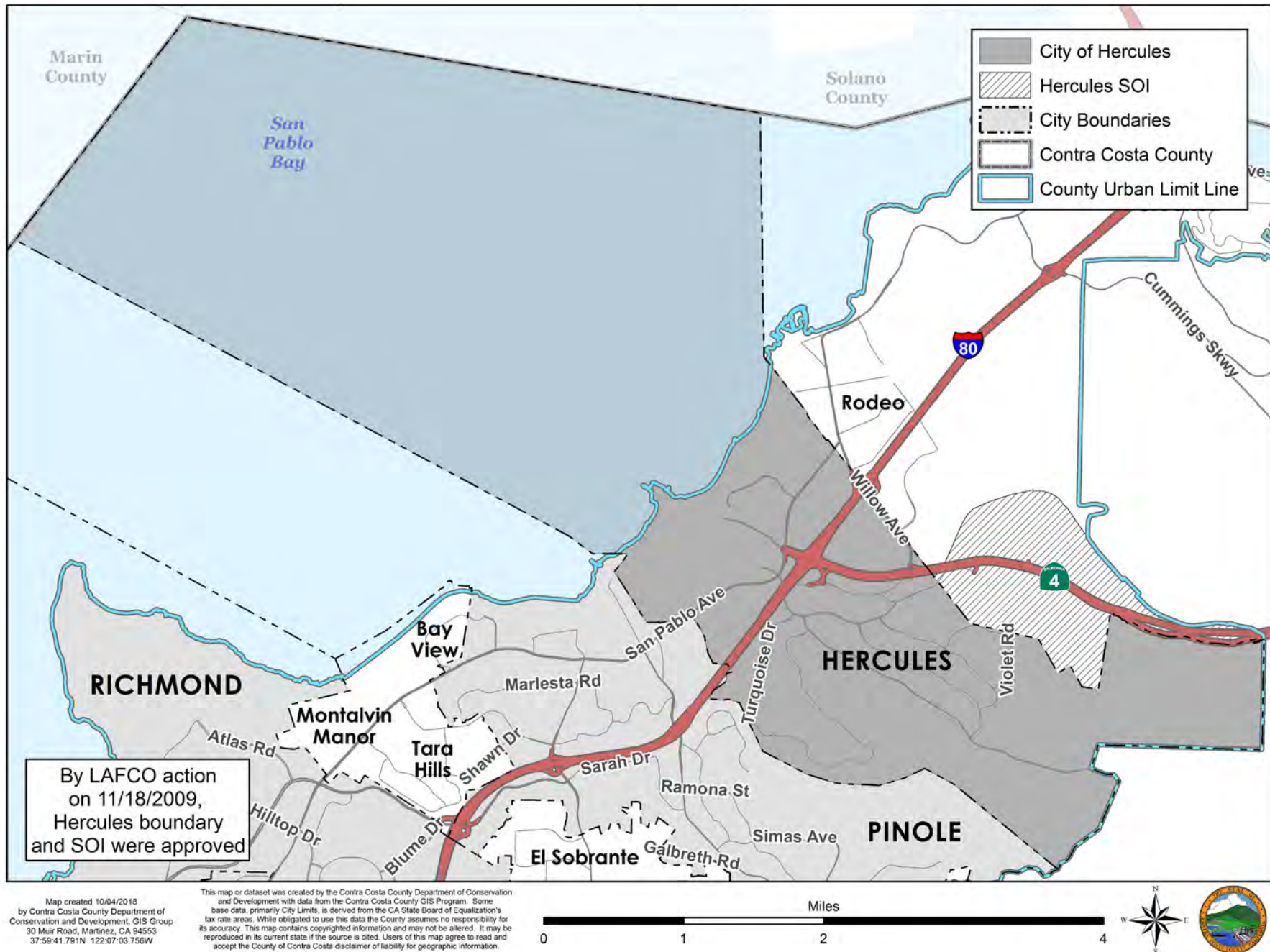
Land uses in the City include a mix of residential, research and development, commercial, and open space. There are no designated agricultural land uses in the City of Hercules; however, livestock grazing does occur on some open space parcels.

#### 8.1.1 FORM OF GOVERNMENT

The City of Hercules is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the Mayor. All Council members serve four-year terms and the Mayor rotates every year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



**Figure 8.1. City of Hercules Municipal Boundary and Sphere of Influence**  
May 2019

### 8.1.2 STAFFING

Total City staffing budgeted for fiscal year (FY) 2017 included 50.95 full-time equivalent (FTE) employees. **Table 8.1** shows the four service areas with the highest budgeted staffing levels.

**TABLE 8.1**  
CITY OF HERCULES  
HIGHEST BUDGETED STAFFING LEVELS BY SERVICE AREA

SERVICE AREA	FY 2017 FTE
Police	24.0
Landscaping and Lighting	4.92
Parks and Recreation	4.0
Wastewater	3.35

Source: City of Hercules

Similar to other cities in Contra Costa County, the police service function had the highest staffing level in the City of Hercules, with 24.0 FTE employees.

### 8.1.3 JOINT POWERS AUTHORITIES

The City of Hercules is a member of several joint powers authorities (JPAs), which are listed in **Table 8.2**.

**TABLE 8.2**  
CITY OF HERCULES  
JOINT POWERS AUTHORITY MEMBERSHIP

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Association of Bay Area Governments Publicly Owned Energy Resources	A natural gas aggregation to purchase natural gas and related services
California Statewide Communities Development Authority	—
Contra Costa Transit Authority Congestion Management Agency	—
East Bay Regional Communications System Authority	—
Hercules/Pinole/Rodeo Sanitary District	Disposal of treated wastewater

JOINT POWERS AUTHORITY	SERVICE
Hercules Public Financing Authority	Provide financing related to the lease, acquisition, construction, and improvement of public capital improvements
Municipal Pooling Authority	
West Contra Costa Integrated Waste Management Authority	
West Contra Costa Transportation Advisory Committee	
Western Contra Costa County Transit Authority	—

Source: City of Hercules

### 8.1.4 AWARDS AND RECOGNITION

The City of Hercules did not report receiving any awards since the first round Municipal Service Review (MSR).

## 8.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 8.3**, municipal services for the City of Hercules are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 8.3**  
**CITY OF HERCULES**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of Hercules, Contra Costa County
Law Enforcement	City of Hercules
Library	Contra Costa County
Lighting	City of Hercules
Parks and Recreation	City of Hercules
Solid Waste	Republic Services/Richmond Sanitary
Stormwater	City of Hercules
Streets	City of Hercules

SERVICE	SERVICE PROVIDER
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	n/a

Source: City of Hercules

Opportunities or challenges related to the provision of municipal services for the City of Hercules were not reported or were unavailable at the time of this MSR update.

A summary of the available municipal service level statistics for FY 2017 is provided for the City in **Attachment B**.

### 8.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the City of Hercules and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$142,208.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### 8.2.2 BROADBAND

The City of Hercules does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Hercules did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Hercules received a grade of C-, which indicates that internet service providers

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Hercules reports that it has an ordinance in place which requires new development to install dark fiber and conduit as part of a possible future network and the City Council has budgeted funds to install dark fiber and conduit when the City undertakes its own public works projects in the public right-of-way. A variety of initial segments have been installed on this basis. The City did not indicate specific concerns about the ability of current broadband providers to serve the City's existing or growing population.

### **8.2.3 BUILDING/PLANNING**

The City of Hercules Building Division of the Community Development Department provides support for building services. Contra Costa County provides contract building inspection and plan check services; City staff coordinates most building service activity. The Planning Department staff provides current planning services and limited long-range planning services. Department expenditures for FY 2017 were \$512,151.

The City of Hercules issued 61 residential and no commercial building permits in 2017. The total building permit valuation in FY 2017 was approximately \$20.7 million.

Planning city-wide has been captured in the General Plan, the Waterfront District Master Plan, and several specific plans.

### **8.2.4 LAW ENFORCEMENT**

The City of Hercules Police Department provides law enforcement services. FY 2017 expenditures were approximately \$5.9 million, up from approximately \$5.1 million in FY 2015.

The City of Hercules reports 0.917 FTE sworn personnel per 1,000 population for FY 2017. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 20.25 crimes per sworn FTE in 2017. The 2017 property crime clearance rate (a measure of crimes solved) was 7% in 2017 and the violent crime clearance rate was 45%.<sup>6</sup>

### **8.2.5 LIBRARY**

Contra Costa County provides library services for the City of Hercules at its Hercules Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

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<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.



The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.2 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staff levels are nearly double the County's.

### **8.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the City of Hercules Engineering and Public Works Department. City FY 2017 expenditures for light and signal maintenance were a combined total of \$275,075. The City's 10 traffic signals are maintained by the County of Contra Costa through an inter-agency agreement. Street lights are owned and maintained by the City or Pacific Gas and Electric depending upon location and the rate structure.<sup>8</sup> Street light maintenance is funded primarily through a Landscape & Lighting Assessment District.

### **8.2.7 PARKS AND RECREATION**

The City of Hercules Parks and Recreation Department is the service provider for parks and recreation facilities, as well as recreation programs. FY 2017 expenditures for parks were approximately \$1.8 million in FY 2017, which is the same as for FY 2015.

The City provides a number of activities, classes, programs and events for all ages, including online learning opportunities and extended trips.

The City provides and maintains approximately 45.9 park acres, 3 recreation centers, and 6 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

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<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

<sup>8</sup> The City did not report the number of street lights.



### **8.2.8 SOLID WASTE**

Solid waste services are provided to the City of Hercules via franchise agreement with Republic Services/Richmond Sanitary. Republic Services/Richmond Sanitary transports solid waste collected from the City of Hercules to the Potrero Landfill located in Suisun City. The City of Hercules FY 2017 expenditures for solid waste services were not reported or were unavailable at the time of this MSR update.

The FY 2017 solid waste disposal rates were unavailable at the time of this MSR update.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **8.2.9 STORMWATER/DRAINAGE**

The City of Hercules Engineering and Public Works Department provides and maintains the City's stormwater drainage system. The City reports that they have 40 miles of closed storm drain lines and that 80% of high trash generation areas are equipped with trash capture (31 of the City's storm drain inlets). The City of Hercules also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for stormwater were \$279,083.

### **8.2.10 STREETS/ROADS**

The street miles and Class 1 and 2 bike lane miles provided and maintained by the City of Hercules Engineering and Public Works Department were not reported or were unavailable at the time of this MSR update. FY 2017 expenditures for streets were \$187,094, up from \$166,838 in FY 2015. Including capital costs, total FY 2017 street expenditures were \$2.75 million.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Hercules was 69 (fair) in 2017, down from 71 in 2015, and remains below the target PCI of 75 (good) MTC has established.<sup>9</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance. The City reports that it has significantly increased in investment in street maintenance and repair the last three years not only due to SB 1 revenues but also other local resources including one-time General Fund monies in some years.

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<sup>9</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

### 8.2.11 UTILITIES

Pacific Gas & Electric provides gas and electricity service to the City of Hercules. The City is not a member of a Community Choice Aggregation program.

The City of Hercules did not report concerns about the ability of utility service providers to serve the City's existing or growing population.

## 8.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Hercules's financial health and assesses the City's financial ability to provide services. Key financial information for City municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 8.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 budget, the City's General Fund revenues of \$15.1 million<sup>10</sup> are slightly below General Fund adopted expenditures of \$15.2 million.<sup>11</sup> The General Fund's unassigned General Fund balance at the end of FY 2017 totaled \$9.4 million, or about 330% of expenditures (see Attachment C). In FY 2018 the City added to its Fiscal Neutrality Reserve in order to maintain the reserve at the City's policy goal of two months' expenditures.<sup>12</sup> **Table 8.4** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year (see Attachment C).

The General Fund's ending fund balances generally exceeded 300% of annual revenues in FY 2015 through FY 2017, however a significant portion of those balances are non-spendable advances to other funds. In the FY 2018/19 Budget, the City increased its General Fund Reserve to 3 months annual expenditures.

<sup>10</sup> City of Hercules Adopted Budget, FY 202018-19 (FY 2019) pg. 68.

<sup>11</sup> *ibid*, Hercules Budget FY 2019, pg. 122, Reso. No. 18-043.

<sup>12</sup> *ibid*, Hercules Budget FY 2019, pg. 4.

**TABLE 8.4**  
**CITY OF HERCULES**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$1,173,000	\$1,057,000	\$1,110,000
Sales Tax	\$2,518,000	\$1,803,000	\$1,943,000
Other Revenues (including Transfers)	\$9,999,000	\$11,260,000	\$11,907,000
<i>Total General Fund Revenues</i>	<i>\$13,690,000</i>	<i>\$14,120,000</i>	<i>\$14,960,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>3.1%</i>	<i>5.9%</i>
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$2,636,000	\$2,953,000	\$3,974,000
Public Safety	\$5,152,000	\$5,590,000	\$6,022,000
Other (includes Transfers Out)	\$3,308,828	\$3,607,553	\$2,658,808
<i>Total Expenditures</i>	<i>\$11,096,828</i>	<i>\$12,150,553</i>	<i>\$12,654,808</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>9.5%</i>	<i>4.2%</i>
<i>Expenditures per capita</i>	<i>\$451</i>	<i>\$488</i>	<i>\$483</i>
<b>LIQUIDITY RATIO<sup>1</sup></b>			
Governmental Activities	2.7	0.9	1.0
Business-type Activities	32.3	4.4	6.3

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 8.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio was approximately 1.0 indicating that current liabilities approximately equaled short-term resources; this situation can incur increased borrowing costs and risk of payment defaults.<sup>13</sup> The FY 2016 liquidity ratio was 0.9. The City anticipated that positive surpluses from FY 2018 would increase its reserves and liquidity going into

<sup>13</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

FY19.<sup>14</sup> The City's total debt has been declining over time. Total outstanding debt was approximately \$1,485 per capita in FY 2017, indicating increases compared to the \$1,346 per capita reported for FY 2015 (see Attachment C).

### 8.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

Past years show an overall positive change for combined enterprise net position (see Attachment C). The total positive net position of governmental funds increased between FY 2015 and FY 2017, and the positive unassigned portion improved.

### 8.3.4 LOCAL REVENUE MEASURES

The City supports its budget with the benefit of several voter approved measures, including a local one-half-cent sales tax (Measure B, originally adopted as Measure O) which generated about \$1.1 million FY 2017, and a utility users tax increase (Measure C) that produced \$1.3 million in FY 2017 in addition to the \$3.3 million from the City's existing utility users tax.

Zones in the Citywide Landscape and Lighting Assessment District (LLAD) have had financial difficulty funding costs, and efforts to increase assessments were unsuccessful. A mailed ballot tabulated in July 2018 successfully increased rates in only one of six LLAD districts, leading to "leading to the strong possibility of LLAD service cutbacks in those zones."<sup>15</sup> The City's Stormwater Fund has also been experiencing deficits due to state-mandated services and increased expenditures that are not adequately funded by existing stormwater funding sources.

### 8.3.5 ENTERPRISE ACTIVITIES

The City's wastewater operation is its only enterprise. As an enterprise, the City can collect fees and charges to cover its costs. The joint Pinole Hercules Waste Water Treatment Plant is undergoing expansion, and may result in some "future increase in operating costs."<sup>16</sup>

### 8.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The City last reported its unfunded pension liability of \$14.5 million in FY 2016 (see Attachment C), which is the residual owed after accounting for its 70% funded total liability. The City reports

<sup>14</sup> *ibid*, Hercules Budget FY 2019, pg. 5.

<sup>15</sup> City of Hercules website, 8/17/18, 2018 Landscape and Lighting Assessment, <https://www.ci.hercules.ca.us/>

<sup>16</sup> *ibid*, Hercules Budget FY 2019, pg. 7.

that it established a Section 115 Trust in FY18 with an initial deposit of \$500,000 followed by a deposit of \$1 million in FY19 and additional deposits for a current balance of \$1.54 million and is considering options for the most effective use of the trust funds. The City recently negotiated an employee cost-sharing of 3 percent of the CalPERS employer rate.<sup>17</sup> The City's other post-employment benefit accrued liability was \$638,000 at the start of FY 2015. The City created an OPEB trust which grew to \$2.105 million by the end of FY18 and which would be available to offset an OPEB liability of \$3.561 million as of June 30, 2018.<sup>18</sup>

### **8.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of City governmental capital assets has been increasing over time, indicating the City's capital spending has generally kept pace with asset depreciation (see Attachment C). Enterprise assets show a jump in value attributable to transfer of redevelopment assets to the City. The City reports that its FY 2019 budget has sufficient funds and one-time revenues in excess of operating costs to invest in "many deferred facility repairs and maintenance issues," which the budget indicates are increasingly visible.<sup>19</sup>

### **8.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets are prepared in a timely manner and posted on the agency's website.

The City's CAFR required more than 6 months following the end of the prior fiscal year; the CPA firm's letter is dated January 31, 2018. The City reports that "the 2017/18 audit was done prior to December 31, 2018."<sup>20</sup>

## **8.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Hercules.

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<sup>17</sup> City of Hercules comments 4/12/2019 on the Public Review Draft MSR.

<sup>18</sup> City of Hercules comments 4/12/2019 on the Public Review Draft MSR.

<sup>19</sup> *ibid*, Hercules Budget FY 2019, pg. 5.

<sup>20</sup> City of Hercules comments 4/12/2019 on the Public Review Draft MSR.

### 8.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Hercules serves 26,317 residents.

#### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Hercules are depicted in **Figure 8.2**.

ABAG projects that the City of Hercules will grow at an annual rate of approximately 0.6% to a population of 28,700 between 2010 and 2040.<sup>21</sup> The City is also projected to experience an approximate 0.3% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

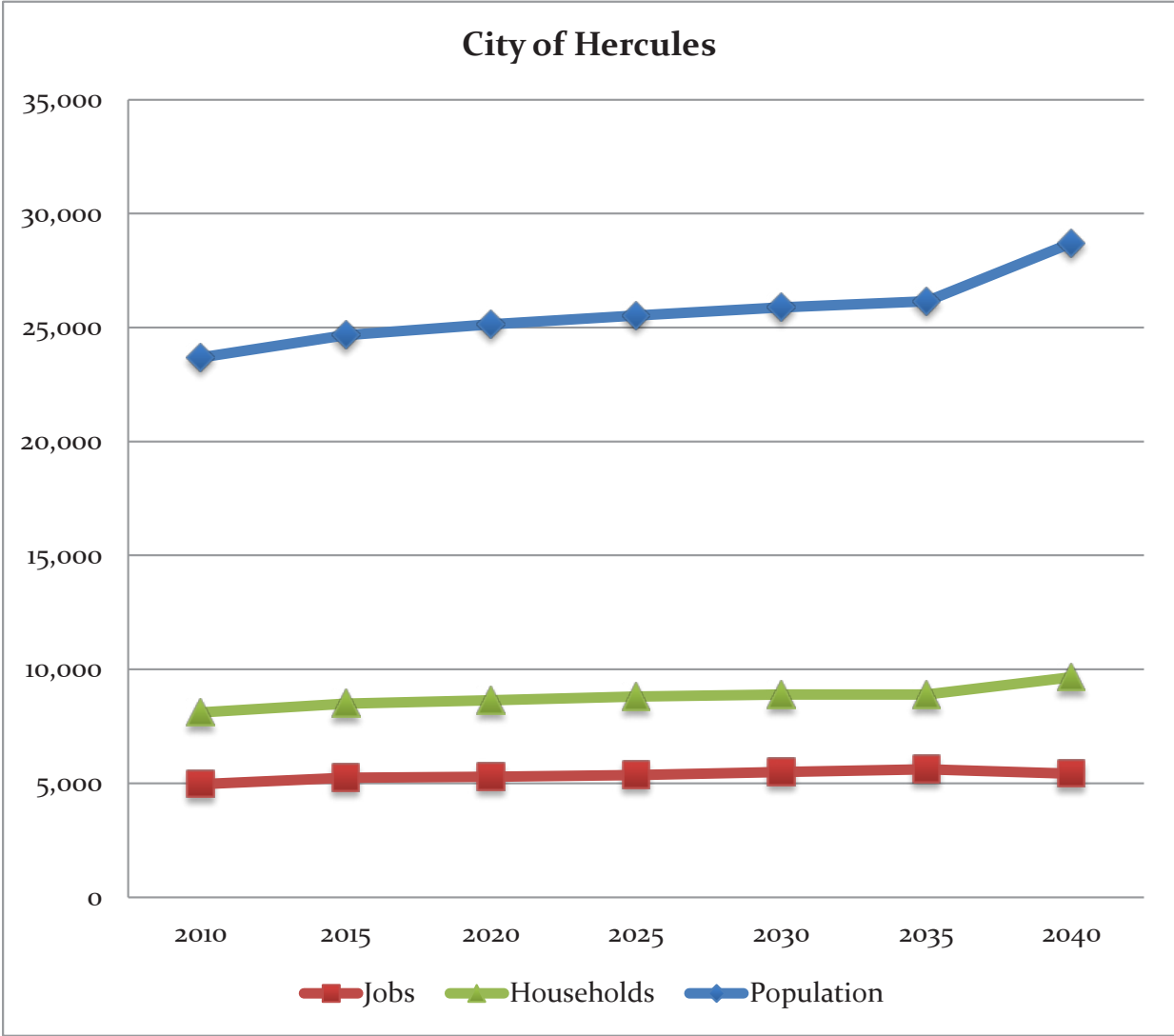
#### **JOBS AND HOUSING**

According to the Bay Area Census data<sup>22</sup> for 2010, the City of Hercules has 12,264 employed residents. The ABAG Projections data<sup>23</sup> for 2010 estimated 4,955 jobs in the City, with approximately 0.4 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Hercules has 8,553 housing units, which results in a job and housing balance of 0.61. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 8.5**), indicating that the rate of homeownership exceeds the rental household rate.

<sup>21</sup> ABAG. Projections 2017.

<sup>22</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>23</sup> ABAG. Projections 2017.



**Figure 8.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Hercules**  
*March 2019*



**TABLE 8.5**  
**CITY OF HERCULES**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	6,450
Renter-occupied housing units	1,665
Vacant housing units	438
<b>Total existing housing units</b>	<b>8,553</b>
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	220
Low	118
Moderate	100
Above Moderate	244
<b>Total Regional Housing Need Allocation</b>	<b>682</b>

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>24</sup> The City of Hercules was assigned a RHNA of 682 units, as shown in Table 8.5.

The City adopted its General Plan in 1998 and its Housing Element in 2015. The City’s 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 2,732 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Hercules 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>25</sup>

The programs and services provided by the City to meet the needs of adults age 50 and older were not reported or were unavailable at the time of this MSR update.

<sup>24</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022.*

<sup>25</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

## **ANTICIPATED GROWTH PATTERNS**

The undeveloped entitled residential acres for FY 2017 included only Parcel C – Muir Pointe, a development of 144 single-family housing units. Anticipated completion of the development is FY 2019-20. Projects identified as part of the projected growth for the City (dwelling units and commercial space) included the Sycamore Crossing Site and the Markethall Site, which lie on opposite corners of San Pablo and Sycamore avenues. The Markethall site will include development of a Safeway grocery store and a commercial pad building. The previously approved Sycamore Crossing commercial project has been revised by a new developer who has proposed 120 condo units, a 105 room hotel, a CVS pharmacy, and restaurant uses.

PDA's help form the implementing framework for Plan Bay Area. Two PDA's have been identified by the City of Hercules and included in Plan Bay Area 2040.<sup>26</sup> The Central Hercules and Waterfront District PDA's are anticipated to accommodate approximately 52% of the projected growth in households but none of the projected growth in employment.<sup>27</sup> The Central Hercules PDA is characterized as a Transit Neighborhood and the Waterfront District PDA is characterized as a Transit Town Center.

In 2018, a mixed use Block N in the Waterfront PDA was approved for 172 multi-family housing units and 12,000 square feet of retail which is now under construction. In early 2019, another 232 units of multi-family housing (including 15 affordable housing units) were approved in Blocks Q-R in the Waterfront PDA, and this development is anticipated to begin construction soon.

Priority Conservation Areas (PCAs), which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Hercules has identified the Central Hercules and Waterfront District PCA. This PCA is included in Plan Bay Area 2040.<sup>28</sup>

The City of Hercules did not report that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

### **8.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Hercules's SOI is mostly coterminous with the municipal boundary, with the exception of an extension to the north near Highway 4 (see Figure 8.1). No unincorporated islands have been identified in the City of Hercules.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

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<sup>26</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>27</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>28</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

## ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

There are no disadvantaged communities within or contiguous to the SOI for the City of Hercules and therefore, no disadvantaged communities are relevant to this analysis.

### **8.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

Based on available information, not enough data has been provided by the City of Hercules for this MSR Update to make an accurate determination about the City’s ability to adequately serve all areas within its municipal boundary at present and in the foreseeable future.

There are no disadvantaged communities within or contiguous to the City’s SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 69, which is below the target of 75 MTC has established and which indicates a potential future need for pavement rehabilitation funding. The City reports that it has many deferred facility repairs and maintenance issues.

When accounting for the projected growth and population increases over the next five years, as well as the available information related to its provision of municipal services, the City may experience funding obstacles to maintaining existing service levels or meeting overall infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

#### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. Based on available information, no areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

#### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

#### 8.4.4 FINANCIAL DETERMINATIONS

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

##### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

The City of Hercules is experiencing some fiscal challenges that may affect its ability to provide services. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, the City of Hercules appears to have adequate financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

##### **OPERATING GENERAL FUND AND RESERVES TRENDS**

After operating at a surplus for the past few years, the City of Hercules is operating at a deficit for FY 2018-2019. The City states that "this small budgeted operating deficit is expected to transition into a net operating surplus" given that its revenue forecasts were conservative; the relatively small deficit should be covered by the City's unallocated fund balances.<sup>29</sup>

The City recently added to its Fiscal Neutrality Reserve to maintain the City's reserve goal of two months' expenditures, allowing it to maintain an acceptable level of service provision and to enact changes to maintain services.

##### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 1.0, which indicates current liabilities approximately equal short-term resources. Ratios less than 1.0 indicate that liabilities exceed short-term resources.

Total debt was approximately \$1,485 per capita for FY 2017, up from \$1,346 for FY 2015.

The City's unfunded pension and OPEB liabilities continue to grow. The City has not identified any measures to address the increasing pension liabilities.

##### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most*

<sup>29</sup> City of Hercules comments 4/12/2019 on the Public Review Draft MSR.

*recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The City issued its CAFR approximately 7 months after fiscal year end, which is not considered timely. The CAFR was audited by an independent CPA and received a clean opinion. The City reports that “the 2017/18 audit was done prior to December 31, 2018.”<sup>30</sup>

Overall, the CAFRs are clearly presented; however, the City could incorporate changes to improve the transparency of its financials. For example, certain tables in the CAFR extend over multiple pages; however, the left-most column does not carry over to multiple pages, affecting the readability of the tables.

#### **8.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency’s management efficiencies in terms of operations and practices in relation to the agency’s ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Hercules website provides public access to the agendas and minutes for the City Council and its various boards and commissions; the City’s budgets; and the City’s CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Hercules website provides public access to the City’s general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

#### **PUBLIC INVOLVEMENT**

The City of Hercules website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City therefore adequately provides accountability with regard to citizen participation.

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<sup>30</sup> City of Hercules comments 4/12/2019 on the Public Review Draft MSR.

## 8.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS

### 8.5.1 SPHERE OF INFLUENCE RECOMMENDATION

The SOI for the City of Hercules is mostly coterminous with the municipal boundary, with the exception of an extension to the north near Highway 4, as shown in Figure 8.1. The City of Hercules is bound by the City of Pinole to the south, the unincorporated community of Rodeo to the north, San Pablo Bay to the west, and County lands to the east.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Hercules.

### 8.5.2 Sphere of Influence Determinations for the City of Hercules

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Hercules MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Hercules plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including industrial, residential, research and development, commercial, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (1998).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Hercules. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Hercules appears adequate. The City of Hercules anticipates it will continue to have adequate capacity during the next five years.

#### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Hercules.



***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There are no disadvantaged communities within or contiguous to the SOI for the City of Hercules and therefore no present or probable need for the City to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities.

# CHAPTER 9

## CITY OF LAFAYETTE

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### 9.1 AGENCY OVERVIEW

The City of Lafayette, incorporated in 1968, covers an area of approximately 14 square miles. With an estimated population of 25,655, the City has a population density of approximately 1,832 persons per square mile.<sup>1</sup>

The City of Lafayette lies in central Contra Costa County with the Town of Moraga to the south, the cities of Walnut Creek and Pleasant Hill to the east, and the City of Orinda on the west. County lands bound the City to the north, including Briones Regional Park. The Sphere of Influence (SOI) for the City of Lafayette is mostly coterminous with the municipal boundary, with the exception of two extensions to the east, as shown in **Figure 9.1**. The City adopted the countywide Urban Limit Line in 2008.

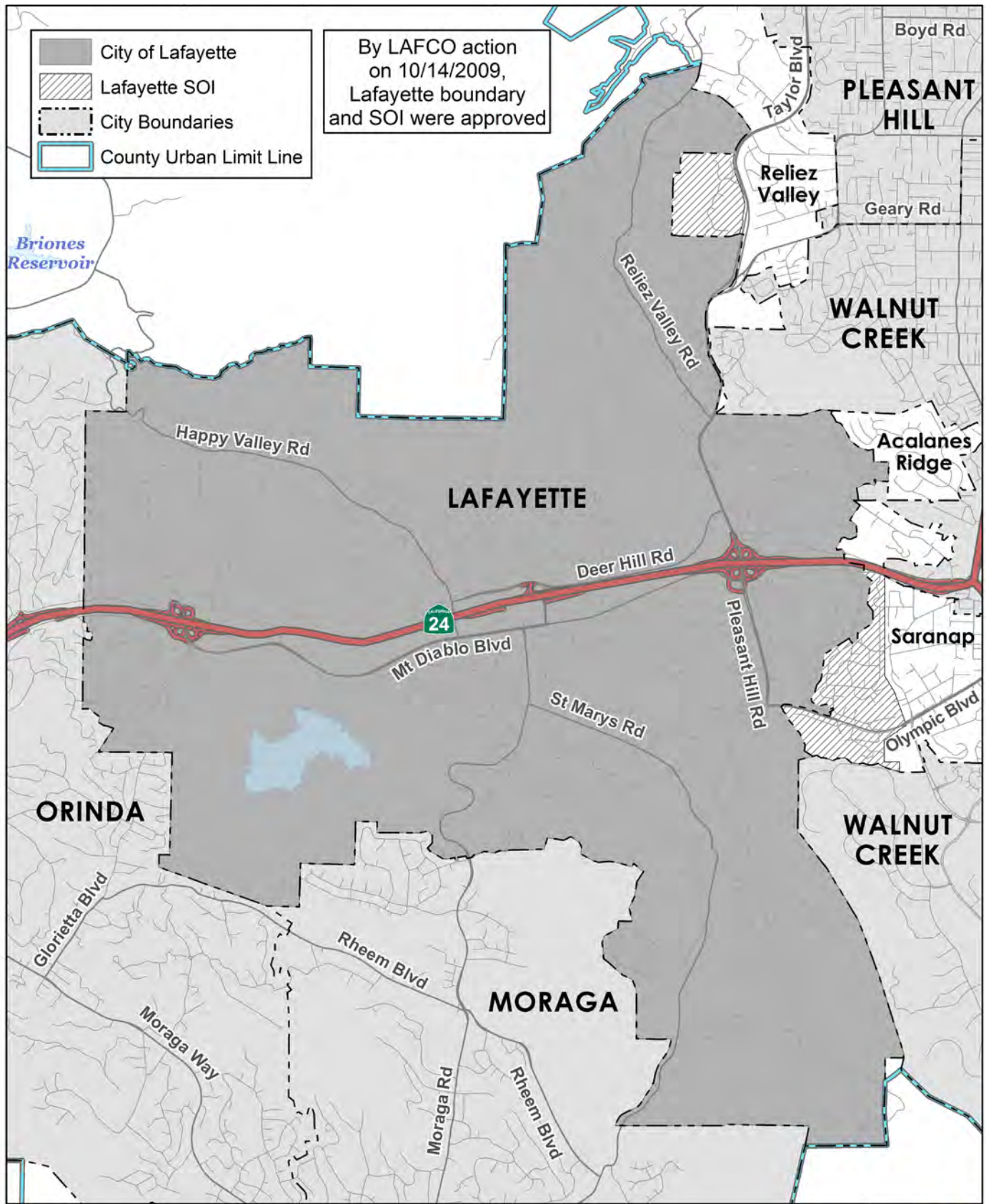
Land uses in the City include a mix of residential, commercial, and open space. There are no agricultural land uses in the City of Lafayette.

#### 9.1.1 FORM OF GOVERNMENT

The City of Lafayette is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the Mayor. Council members serve four-year terms and the Mayor rotates every year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



**Figure 9.1. City of Lafayette Municipal Boundary and Sphere of Influence**  
 May 2019

### 9.1.2 STAFFING

Total City staffing for fiscal year (FY) 2017 included 39.57 full-time equivalent (FTE) employees. **Table 9.1** shows the four service areas with the highest staffing levels.

**TABLE 9.1**  
CITY OF LAFAYETTE  
HIGHEST STAFFING LEVELS BY SERVICE AREA

SERVICE AREA	FY 2017 FTE
Public Works	13.0
Community Development (Planning)	9.0
Administration	7.72
Parks	5.6

Source: City of Lafayette

Unlike many other cities in Contra Costa County, the public works function had the highest staffing level in the City of Lafayette, with 13.0 FTE employees.

### 9.1.3 JOINT POWERS AUTHORITIES

The City of Lafayette is a member of several joint powers authorities (JPAs), which are listed in **Table 9.2**.

**TABLE 9.2**  
CITY OF LAFAYETTE  
JOINT POWERS AUTHORITY MEMBERSHIP

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Central Contra Costa Solid Waste Authority	Provides solid waste services for Central Contra Costa residents and businesses
Central Contra Costa Transit Authority	—
Contra Costa Transit Authority Congestion Management Agency	—
East/Central County Wastewater Management Authority	—
Lamorinda Fee and Financing Authority	Subregional transportation finance committee
Lamorinda Program Management Committee	Sub-regional transportation planning committee
Lamorinda School Bus Transportation Agency	School bus service—Lafayette, Moraga, Orinda
Municipal Pooling Authority	Risk management

Source: City of Lafayette

### 9.1.4 AWARDS AND RECOGNITION

**Table 9.3** lists the awards the City of Lafayette has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 9.3**  
**CITY OF LAFAYETTE**  
**AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Certificate of Achievement for Excellence in Financial Reporting	Government Finance Officers Association	2015 – 2017
Great Places in California	American Planning Association	2017

*Source: City of Lafayette*

## 9.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 9.4**, municipal services for the City of Lafayette are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 9.4**  
**CITY OF LAFAYETTE**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of Lafayette, Contra Costa County
Law Enforcement	Contra Costa County
Library	Contra Costa County
Lighting	City of Lafayette
Parks and Recreation	City of Lafayette, East Bay Regional Park District, East Bay Municipal Utility District
Solid Waste	Allied Waste
Stormwater	City of Lafayette
Streets	City of Lafayette

SERVICE	SERVICE PROVIDER
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

Source: City of Lafayette

The City of Lafayette reports the following opportunities and challenges related to its provision of municipal services:

- Meeting regional housing obligations, including the provision of housing for all incomes
- Dissolution of the former Redevelopment Agency
- Stormwater management requirements and funding sources to comply with requirements
- Unfunded housing mandates

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 9.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the City of Lafayette and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$144,384 in FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### 9.2.2 BROADBAND

The City of Lafayette does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Lafayette did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.



The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Lafayette received a grade of C, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Lafayette did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **9.2.3 BUILDING/PLANNING**

The City of Lafayette Planning and Building Department provides planning services and the City contracts with the Contra Costa County Building Division for building services. Department expenditures for FY 2017 were \$766,303.

The City of Lafayette issued 473 residential and 78 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$65.8 million. The Town Center Phase III residential project, under construction in 2017, includes 62 market-rate and 7 below-market-rate condominiums and two levels of underground parking adjacent to the BART station in the heart of downtown.

Planning city-wide has been captured in the General Plan and the Five-year Master Plan, several master plans, and the Downtown Specific Plan.

### **9.2.4 LAW ENFORCEMENT**

The City of Lafayette contracts with the Contra Costa Sheriff's Office to provide law enforcement and dispatch services. FY 2017 expenditures for the Sheriff's Office were \$229.3 million, up from \$217.8 million in FY 2015. FY 2017 expenditures for the City were approximately \$4.5 million, reflecting an upward trend from approximately \$3.9 million in FY 2015.

The City of Lafayette reported 0.7 FTE sworn personnel per 1,000 population in FY 2016, which is the same as in 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 20.1 crimes per sworn FTE in 2016. The property crime clearance rate (a measure of crimes solved) was 6.94% in 2016, and the violent crime clearance rate was 37.5%.<sup>6</sup>

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<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.



The Sheriff's Office reported 677 FTE for FY 2017, up from 664 FTE in FY 2016, with an average of 1.02 sworn staff per 1,000 population. Total property crime clearances were reported at 125 (30 in Lafayette) and total violent crime clearances were reported at 340 (11 in Lafayette) for FY 2017.

The City of Lafayette has a Crime Prevention Commission which meets monthly with law enforcement to discuss crime-related concerns and crime prevention, and to provide input and support

### **9.2.5 LIBRARY**

Contra Costa County provides library services for the City of Lafayette at its Lafayette Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state's averages for expenditures and staffing are nearly double the County's.

### **9.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the City of Lafayette Department of Public Works. City expenditures for light and signal maintenance were \$653,400 in FY 2017. The City maintains 26 signalized intersections, 240 traffic lights, and 358 street lights.

### **9.2.7 PARKS AND RECREATION**

The City of Lafayette Parks and Recreation Department is the primary service provider for parks and recreation facilities, as well as recreation programs. East Bay Regional Park District also provides and maintains parks within the City's SOI. FY 2017 expenditures for parks were approximately \$728,000 in FY 2017, reflecting an upward trend from approximately \$665,700 in FY 2015.

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<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

The City provides a range of programs and activities for all ages and interests, including inline hockey, basketball, dodge ball, lacrosse, and family and teen skate nights at the City's multi-sport rink.

The City provides and maintains approximately 3.5 park acres per 1,000 residents, 1 recreation center, and 9 miles of recreation trails. East Bay Regional Park District provides and maintains 1,000 park acres.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

### **9.2.8 SOLID WASTE**

Solid waste services are provided to the City of Lafayette via franchise agreement with Allied Waste Services. Allied Waste Services transports solid waste collected from the City of Lafayette to the Keller Canyon Landfill in the City of Pittsburg. The City of Lafayette has no expenditures for solid waste services as the provision of services is included in the franchise agreement.

The City solid waste disposal rates for 2017 were not reported or were unavailable at the time of this MSR update.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **9.2.9 STORMWATER/DRAINAGE**

The City of Lafayette Department of Public Works provides and maintains the City's stormwater drainage system. The City reports that they have 57 miles of closed storm drain lines and that less 35% of the downtown storm drain inlets are equipped with trash capture; the City has 1,686 storm drain inlets in total. The City of Lafayette also reports compliance with National Pollution Discharge Elimination System standards. Total FY 2017 expenditures for stormwater were \$112,380, representing an upward trend from \$72,150 in FY 2015.

### **9.2.10 STREETS/ROADS**

The City of Lafayette Department of Public Works provides and maintains 92 street miles and approximately 78 Class 1 and 2 bike lane miles, as well as public landscaping. FY 2017 expenditures for streets were \$6,768,000, which is a significant increase from \$3,584,000 in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Lafayette was 79 (good) in 2017, up from 77 in 2015, which remains above the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress.

### 9.2.11 UTILITIES

The City of Lafayette is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Lafayette.

The City of Lafayette did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## 9.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Lafayette's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 9.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 budget,<sup>9</sup> the City's General Fund revenues of \$16.5 million<sup>10</sup> approximately equal General Fund expenditures. The General Fund's unassigned General Fund balance at the end of FY 2019 totaled \$10.1 million, or about 61% of General Fund expenditures (including transfers out), a slight improvement over prior years (see Attachment C).<sup>11</sup> The City's reserve policy targets 60%.<sup>12</sup> **Table 9.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

A shortfall of \$150,000 is projected to the City's Stormwater Fund, which will require reductions in Stormwater Fund reserves or increased use of General Funds. The City is striving to build \$1.1

<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>9</sup> City of Lafayette Proposed Budget and Workplan, FY 2018-19 (FY 2019).

<sup>10</sup> City of Lafayette Staff Report, FY 2018/19 Proposed Municipal Budget and Workplan, pg. 1.

<sup>11</sup> City of Lafayette Staff Report, FY 2018/19 Budget, pg. 1.

<sup>12</sup> City of Lafayette policy established in 2015; staff is recommending 100% reserve levels.

million in reserves in the fund; the total amount currently reserved is \$450,000 although this will be affected by the City's budget decisions.<sup>13</sup>

**TABLE 9.5**  
**CITY OF LAFAYETTE**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$4,005,000	\$4,441,000	\$4,722,000
Sales Tax	\$2,877,000	\$3,194,000	\$3,008,000
Other Revenues (including Transfers)	\$7,915,000	\$8,633,000	\$9,293,000
<i>Total General Fund Revenues</i>	\$14,797,000	\$16,268,000	\$17,023,000
<i>Change from Prior Year</i>	n/a	9.9%	4.6%
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$3,268,000	\$3,667,000	\$4,136,000
Public Safety	\$4,551,000	\$4,603,000	\$4,691,000
Other (includes Transfers Out)	\$5,558,560	\$6,632,324	\$7,573,380
<i>Total Expenditures</i>	\$13,377,560	\$14,902,324	\$16,400,380
<i>Change from Prior Year</i>	n/a	11.4%	10.1%
<i>Expenditures per capita</i>	\$542	\$598	\$651
<b>LIQUIDITY RATIO <sup>1</sup></b>			
Governmental Activities	4.0	3.7	3.0
Business-type Activities	2.0	0.6	1.5

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 9.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

<sup>13</sup> City of Lafayette Staff Report, FY 2018/19 Budget, pg. 6-7.

In FY 2017 the City's governmental activities' liquidity ratio was approximately 3.0 indicating that short-term resources exceeded current liabilities.<sup>14</sup> In FY 2016 the City's recreation fund's liquidity ratio was 0.6; this situation could require borrowing from other funds, or can incur increased borrowing costs and risk of payment defaults. In FY 2017 the recreation fund's ratio was 1.5 (see Attachment C).

The City's total outstanding debt has been declining over time. Total \$4.8 million outstanding debt was approximately \$192 per capita in FY 2017, indicating reductions compared to the \$268 per capita reported for FY 2015 (see Attachment C). The City has no enterprise debt.

### **9.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The enterprise's positive net position has generally improved from FY 2015 to FY 2017 (see Attachment C). The total positive net position of governmental funds also increased slightly between FY 2015 and FY 2017, and the positive unrestricted portion improved.

### **9.3.4 LOCAL REVENUE MEASURES**

Voters defeated a proposed 1% local sales tax in 2016 that would have raised up to \$3 million annually; Measure C received only 41.18% approval.<sup>15</sup> The City has expressed concern about the failure of the measure eliminating the potential for future local sales tax increases if other agencies used the remaining sales tax capacity (up to 10% of taxable sales).

The City receives assessments from properties in its Core Area; however, the Core Area Fund has continually run a deficit which is projected to be \$246,000 in FY 2019. The budget proposes to fund this shortfall, although it had previously established a policy to limit General Funds to \$100,000.

### **9.3.5 ENTERPRISE ACTIVITIES**

The Recreation Fund is the City's only enterprise activity. The fund's revenues slightly exceed its expenditures; in FY 2019 a slight increase in its cash position to \$580,000 is anticipated.

### **9.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

<sup>14</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>15</sup> [https://ballotpedia.org/Lafayette,\\_California,\\_Sales\\_Tax,\\_Measure\\_C\\_\(November\\_2016\)](https://ballotpedia.org/Lafayette,_California,_Sales_Tax,_Measure_C_(November_2016))

The City contributes to a defined contribution 401(a) plan and has no unfunded pension liabilities. The City maintains an irrevocable trust account under the California Employers' Retiree Benefit Trust Fund managed by the California Public Employees' Retirement System. As of FY 2017 the account had a slight asset value because contributions exceeded obligations (see Attachment C). The City's CAFRs also report a minimal positive asset value in its other post-employment benefit account.

### **9.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of City governmental capital assets has declined slightly over the past several years, indicating the City's capital spending has generally not quite kept pace with asset depreciation (see Attachment C). The City's 5-year budget forecast shows a \$1 million annual transfer to its Capital Improvement Program (CIP) after a proposed \$1.6 million contribution in FY 2019.<sup>16</sup>

In the summer of 2019, the City will complete reconstruction of the last streets remaining in the failed road backlog, and then the City will focus on systematic pavement maintenance and preservation, and the replacement of aging corrugated metal storm drain pipes. The City currently has not identified sufficient resources to maintain roads at the desired level; the City has identified \$1.7 million annually for road maintenance, but needs \$2.3 million to maintain a PCI of 77, exceeding the target PCI of 75 established by MTC.<sup>17</sup>

### **9.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

The City has applied the California Municipal Financial Health Diagnostic, which indicated healthy financial indicators with the exception of cautions related to recurring net operating deficits and declining fund balances.<sup>18</sup>

## **9.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of

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<sup>16</sup> City of Lafayette Staff Report, FY 2018/19 Budget, 5-Year Budget Forecast, pg. 11.

<sup>17</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>18</sup> City of Lafayette Staff Report, May 27, 2014.

determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Lafayette.

### 9.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Lafayette serves 25,655 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Lafayette are depicted in **Figure 9.2**.

ABAG projects that the City of Lafayette will grow at an annual rate of approximately 0.4% to a population of 26,815 between 2010 and 2040.<sup>19</sup> The City is also projected to experience an approximate 0.3% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

### **JOBS AND HOUSING**

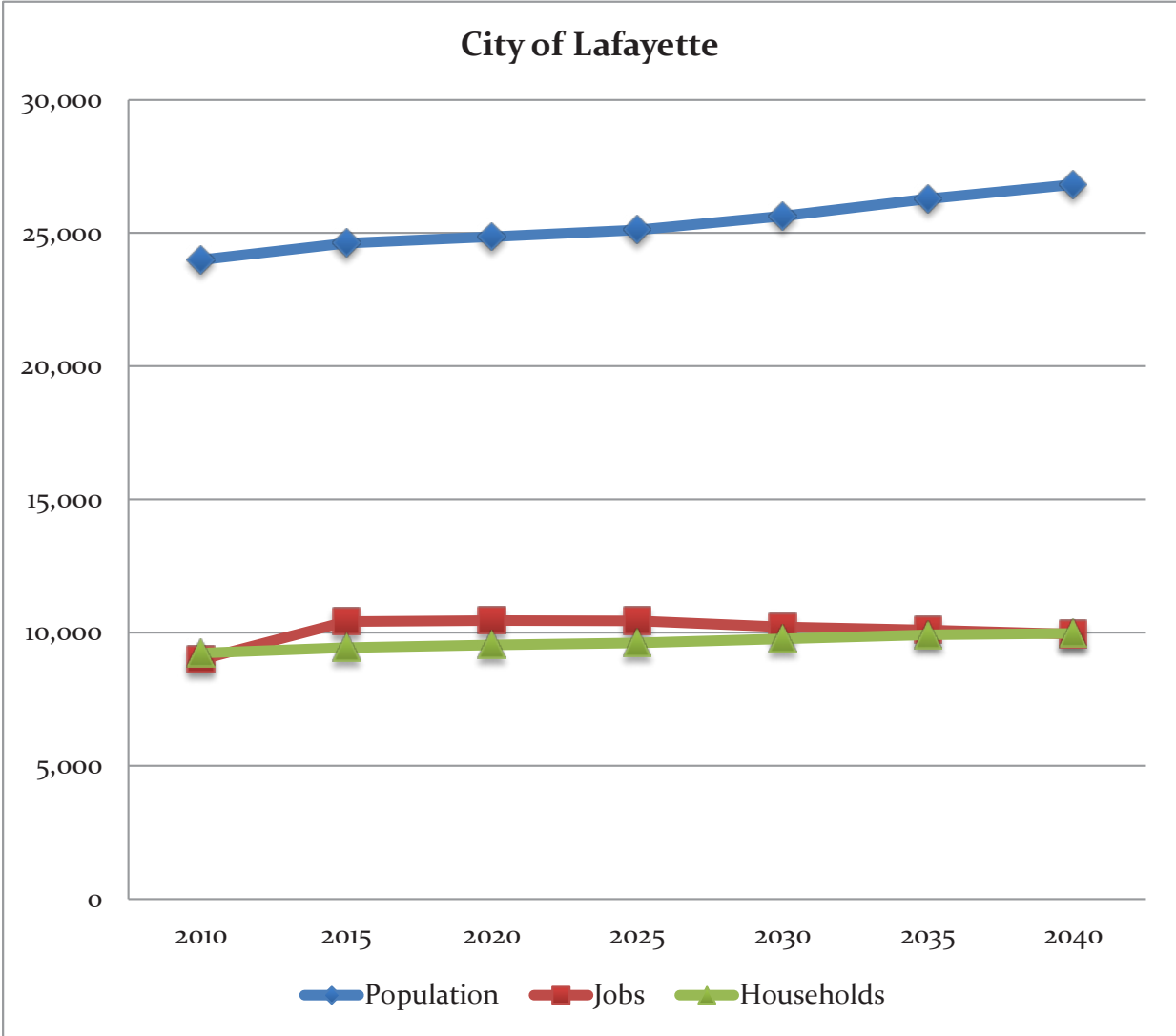
According to the Bay Area Census data<sup>20</sup> for 2010, the City of Lafayette has 10,862 employed residents. The ABAG Projections data<sup>21</sup> for 2010 estimated 8,990 jobs in the City, with approximately 0.83 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Lafayette has 9,651 housing units, which results in a job and housing balance of 0.98. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 9.6**), indicating that the rate of homeownership exceeds the rental household rate.

<sup>19</sup> ABAG. Projections 2017.

<sup>20</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>21</sup> ABAG. Projections 2017.





**Figure 9.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Lafayette**  
*May 2019*

**TABLE 9.6**  
**CITY OF LAFAYETTE**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	6,937
Renter-occupied housing units	2,286
Vacant housing units	428
<b>Total existing housing units</b>	<b>9,651</b>
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	138
Low	78
Moderate	85
Above Moderate	99
<b>Total Regional Housing Need Allocation</b>	<b>400</b>

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>22</sup> The City of Lafayette was assigned a RHNA of 400 units, as shown in Table 9.6.

The City adopted its General Plan in 2002 and its Housing Element in 2015. The City's 2014–2022 Housing Element identifies adequate sites, anticipated to yield approximately 868 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Lafayette 2014–2022 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>23</sup>

The City of Lafayette provides a variety of programs and services in the areas of health, education, and recreation to meet the needs of adults age 50 and older, as shown in **Table 9.7**.

<sup>22</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>23</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

**TABLE 9.7**  
**CITY OF LAFAYETTE**  
**PROGRAMS AND SERVICES FOR AN AGING POPULATION**

PROGRAM	SERVICE
Lamorinda Spirit Van	Offers rides to older Lamorinda residents
Senior Service Commission	Development, coordination, and promotion of Senior Service Center Programs

*Source: City of Lafayette*

### **ANTICIPATED GROWTH PATTERNS**

The City's undeveloped entitled residential acres in FY 2017 were not reported or were unavailable at the time of this MSR update. The dwelling units and square feet of commercial space either approved or in the approval process were not reported or were unavailable at the time of this MSR update.

PDA's help form the implementing framework for Plan Bay Area. One PDA has been identified by the City of Lafayette and included in Plan Bay Area 2040.<sup>24</sup> The Downtown PDA is anticipated to accommodate approximately 63% of the projected growth in households and all of the projected growth in employment.<sup>25</sup>

The Downtown PDA, characterized as a Transit Neighborhood consists of approximately 300 acres south of Highway 24, between Risa Road and Pleasant Hill Road.

Priority Conservation Areas (PCAs), which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Lafayette has identified two PCAs. The Burton Ridge PCA lies between Olympic Boulevard and the City's southern limits. The Lafayette Ridge PCA lies between the City's northwestern limits and Pleasant Hill Road. These PCAs are included in the regional planning initiative called FOCUS, short for Focusing our Vision, and Plan Bay Area 2040.<sup>26</sup>

The City of Lafayette does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

#### **9.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Lafayette's SOI is mostly coterminous with the municipal boundary, with the exception of two extensions to the east (see Figure 9.1). No unincorporated islands have been identified in the City of Lafayette.

<sup>24</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>25</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>26</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified a disadvantaged community within and contiguous to the SOI for the City of Lafayette.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

### **9.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Lafayette reports that it adequately serves all areas within its municipal boundary and anticipates it will continue to do so in the foreseeable future.

The disadvantaged community within and contiguous to the City’s SOI receives sewer, water, and fire protection services.

### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 79, which indicates the City's streets are in good condition and primarily require funding at a level to maintain the current condition; however, expenditures for streets nearly doubled from FY 2015 (when the PCI was 77) to FY 2017.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City's capital spending has not kept pace with infrastructure needs, and sufficient resources have not been identified to maintain City streets at or above the PCI target established by MTC.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, law enforcement, library, parks and recreation, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

#### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

#### **9.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

Overall, the City of Lafayette appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Lafayette has been operating with a surplus in their General Fund.

The City currently exceeds their 60% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 3.0, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$192 per capita for FY 2017 and has been declining.

The City contributes to a defined contribution 401(a) plan and has no unfunded pension liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **9.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### ***ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION***

The City of Lafayette website provides public access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. Audio recordings of City Council, Planning Commission, Design Review Commission, and Circulation Commission meetings are also made available on the City's website. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### ***ONLINE AVAILABILITY OF CITY PLANNING INFORMATION***

The City of Lafayette website provides public access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

#### ***PUBLIC INVOLVEMENT***

The City of Lafayette website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. Newsletters are also distributed to City residents. The City therefore adequately provides accountability with regard to citizen participation.

## **9.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **9.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Lafayette is mostly coterminous with the municipal boundary, with the exception of two extensions to the east, as shown in Figure 9.1. The City of Lafayette is bound by the Town of Moraga to the south, the cities of Walnut Creek and Pleasant Hill to the east, the City of Orinda on the west, and County lands to the north, including Briones Regional Park.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Lafayette.

### **9.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF LAFAYETTE**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Lafayette MSR profile.



***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Lafayette plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, commercial, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (2002).

***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Lafayette. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Lafayette appears adequate. The City of Lafayette anticipates it will continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Lafayette.

In the past several years, however, there has been interest by various neighborhood groups in the Newell Avenue and Reliez Valley areas to annex to the City of Lafayette. City officials have discussed potential annexation with these neighborhoods indicating that due to deficient infrastructure (e.g., roads, drainage), a special tax would be needed to support City services in these areas.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified a disadvantaged community within and contiguous to the SOI for the City of Lafayette. This area receives sewer, water, and fire protection services.

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# CHAPTER 10

## CITY OF MARTINEZ

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### 10.1 AGENCY OVERVIEW

The City of Martinez, incorporated in 1876, covers an area of approximately 12.5 square miles. With an estimated population of 38,097, the City has a population density of approximately 2,930 persons per square mile.<sup>1</sup>

The City of Martinez lies in central Contra Costa County, with the City of Pleasant Hill to the south, the Carquinez Strait to the north, the City of Concord and Waterbird Regional Preserve to the east, and County lands, including the Briones hills, to the west. The Sphere of Influence (SOI) for the City of Martinez extends beyond the municipal boundary to the east, north, and southeast, as well as to the southwest, as shown in **Figure 10.1**. The SOI includes the unincorporated communities of Vine Hill, Mt. View, North Pacheco, and the Alhambra Valley. The City adopted the countywide Urban Limit Line in 2007. The municipal boundary extends beyond the Urban Limit Line to the northeast.

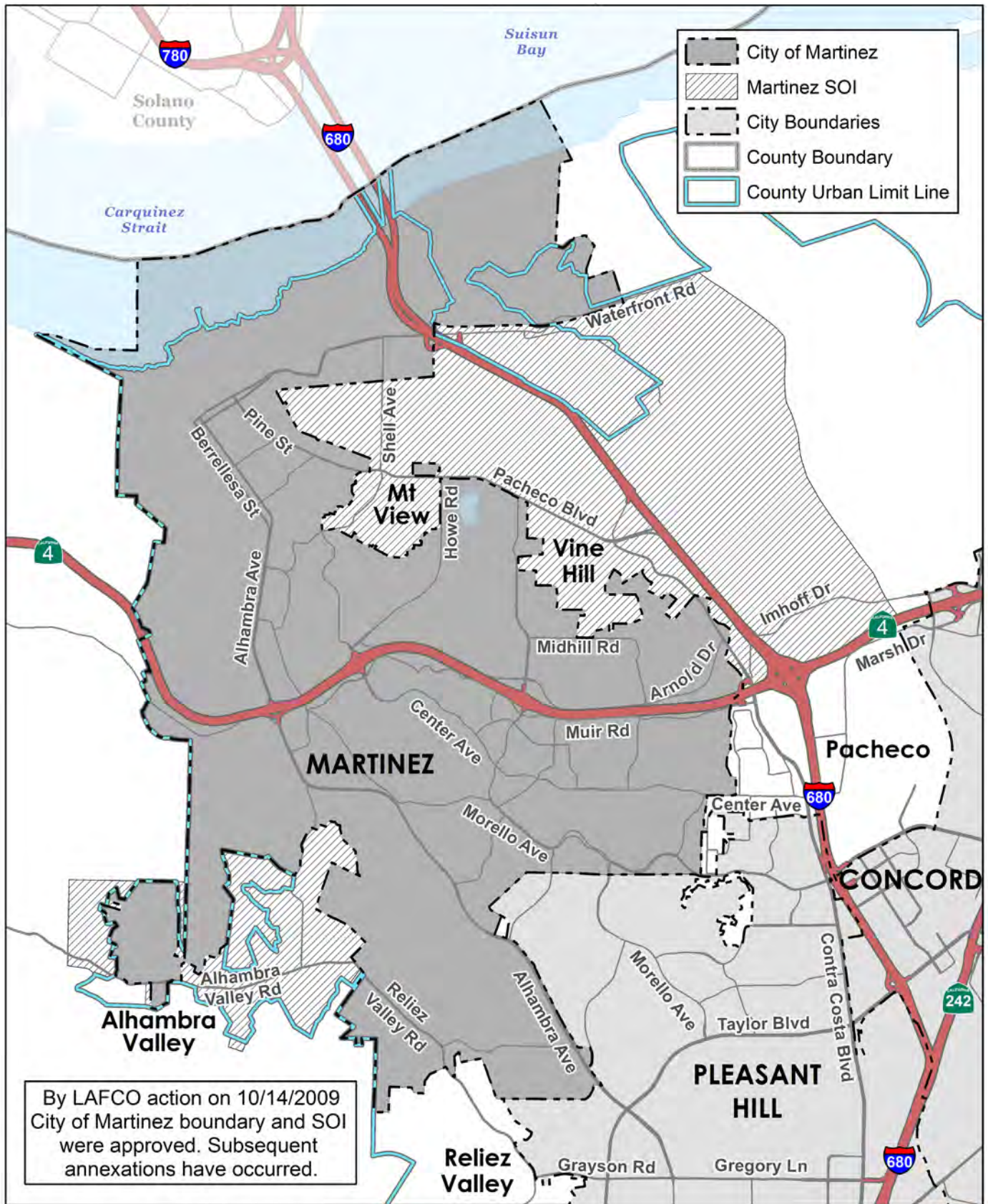
Land uses in the City include a mix of industrial, residential, commercial, agricultural, and open space. Agricultural uses include areas in the Alhambra Valley that consist of privately owned rural lands, generally in hilly areas that are used for grazing livestock or dry grain farming.

#### 10.1.1 FORM OF GOVERNMENT

The City of Martinez is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the Mayor; members serve four-year terms. The Mayor is elected at large and the remaining members of the City Council are elected by district.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 08/10/2017  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37.59:41.791N 122.07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 10.1. City of Martinez Municipal Boundary and Sphere of Influence**  
 May 2019

### 10.1.2 STAFFING

Total City staffing for fiscal year (FY) 2017 included 117.0 full-time equivalent (FTE) employees. **Table 10.1** shows the three service areas with the highest staffing levels.

**TABLE 10.1**  
**CITY OF MARTINEZ**  
**HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Police	52.0
Public Works	44.0
Park and Community Services	17.0

*Source: City of Martinez*

Similar to other cities in Contra Costa County, the police function had the highest staffing level in the City of Martinez, with 52.0 FTE employees.

### 10.1.3 JOINT POWERS AUTHORITIES

The City of Martinez is a member of several joint powers authorities (JPAs), which are listed in **Table 10.2**.

**TABLE 10.2**  
**CITY OF MARTINEZ**  
**JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Central Contra Costa Transit Authority	—
Central Contra Costa Transportation/Land Use Partnership	—
Contra Costa Transit Authority Congestion Management Agency	—
East Bay Regional Communications System Authority Operating Agreement	To improve communications in emergency and disaster situations by coordinating with local entities within Alameda and Contra Costa County on the interoperability of emergency communications equipment
East/Central County Wastewater Management Authority	—



JOINT POWERS AUTHORITY	SERVICE
Municipal Pooling Authority of Northern California	To pool risk with other public entities to jointly self-insure costs of tort liability, worker’s compensation, property, and other risks
Pleasant Hill-Martinez Joint Facilities Agency	To provide for the development and operation of shared facilities and services
Transportation/Land Use Partnership (TRANSPAC)	Aids in the establishment of policies and taking action to more effectively respond to the requirements of Measure C (local transportation funding)

Source: City of Martinez

### 10.1.4 AWARDS AND RECOGNITION

The City of Martinez has not reported receiving any awards since the first round Municipal Service Review (MSR).

## 10.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 10.3**, municipal services for the City of Martinez are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 10.3**  
**CITY OF MARTINEZ**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast, Wave Broadband
Building / Planning	City of Martinez
Law Enforcement	City of Martinez
Library	Contra Costa County
Lighting	City of Martinez
Parks and Recreation	City of Martinez
Solid Waste	Allied Waste
Stormwater	City of Martinez
Streets	City of Martinez

SERVICE	SERVICE PROVIDER
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

Source: City of Martinez

The City of Martinez reports the following opportunities and challenges related to its provision of municipal services:

- Meeting pension obligations
- Funding capital improvements

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 10.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the City of Martinez and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$214,584 in FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### 10.2.2 BROADBAND

The City of Martinez does not provide public broadband service. XFINITY from Comcast, AT&T Internet, and Wave Broadband are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Martinez did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.



submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Martinez received a grade of C, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Martinez did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **10.2.3 BUILDING/PLANNING**

The City of Martinez Building Division provides building services and the Planning Division provides planning services. Building Division expenditures for FY 2017 were \$806,246 and Planning Division expenditures were \$530,790.

The City of Martinez issued 1,635 residential and 73 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$27.5 million. The Villages at Arnold Subdivision, a 42-unit development, was completed in 2017.

Planning city-wide has been captured in the General Plan.

### **10.2.4 LAW ENFORCEMENT**

The City of Martinez Police Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$10.8 million.

The City of Martinez has 0.97 FTE sworn personnel per 1,000 population in 2017, which remains unchanged from 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 18 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 10% in 2017, and the violent crime clearance rate was 54%.<sup>6</sup>

### **10.2.5 LIBRARY**

Contra Costa County provides library services for the City of Martinez at its Martinez Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend

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<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditure and staffing levels are nearly double those of the County.

### **10.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the City of Martinez Engineering Department. City expenditures for light and signal maintenance in FY 2017 were \$515,646. The City maintains 27 signalized intersections, 331 traffic lights, and 550 street lights.

### **10.2.7 PARKS AND RECREATION**

The City of Martinez Recreation Division is the service provider for parks and recreation facilities, as well as recreation programs. FY 2017 expenditures for parks were \$809,774.

The City offers a range of activities and program including youth, senior, aquatic, historical, marina, sports and leagues, along with various special events. The City's Waterfront Park completed an extensive renovation program in 2018. Improvements included new and renovated parking lots, safety lighting and fencing, new trails and sidewalks, a tot lot, restroom, and extensive renovations to the existing four baseball fields.

The City provides and maintains 6.22 park acres per 1,000 residents, 5 recreation centers per 20,000 residents, and 3 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

### **10.2.8 SOLID WASTE**

Solid waste services are provided to the City of Martinez via franchise agreement with Allied Waste Services. Allied Waste Services transports solid waste collected from the City of Martinez to the Contra Costa Transfer and Recovery Facility located three miles east of the City of Martinez. The City of Martinez FY 2017 expenditures for solid waste services were \$77.097.

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<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

The City reported approximately 20 tons of waste disposed per capita for FY 2017. The FY 2017 per resident disposal rate was 5.8 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **10.2.9 STORMWATER/DRAINAGE**

The City of Martinez Engineering Department provides and maintains the City's stormwater drainage system. The City reports that they have 37 miles of closed storm drain lines and that approximately 7.85% of the City's 1,350 storm drain inlets are equipped with trash capture. The City of Martinez also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for stormwater were not reported or were unavailable at the time of this MSR update.

### **10.2.10 STREETS/ROADS**

The City of Martinez Engineering Department maintains 122 street miles. The Class 1 and 2 bike lane miles were unavailable at the time of this MSR update. FY 2017 expenditures for streets were approximately \$6.2 million.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Martinez was 51 (at risk) in 2017, down from 52 in 2015, and remains well below the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement in the 50-59 (at risk) has deteriorated and requires immediate attention, including rehabilitative work. The City will use new funding obtained from SB-1 and Measure D for pavement repair to increase the PCI.

### **10.2.11 UTILITIES**

The City of Martinez is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Martinez.

The City of Martinez did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

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<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

## 10.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Martinez’s financial health and assesses the City’s financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 10.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 proposed budget, the City’s General Fund revenues of \$22.5 million approximately equal General Fund expenditures; a mid-year update shows revenues improved by \$300,000 but was offset by increased expenditures of \$1.3 million (primarily to improve police staff recruitment and retention).<sup>9</sup> The net result is a reduction to the unassigned General Fund balance at the end of FY 2019 originally proposed to be \$8.3 million.<sup>10</sup> Currently the City maintains an unassigned General Fund balance equal to 20% of expenditures, consistent with the City's reserve policy target of 20%.<sup>11</sup> **Table 10.4** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

The City seeks to improve revenues and address fiscal issues by actively pursuing development opportunities and revitalizing its downtown. Actions include the reinstatement of the Community and Economic Development Director position and creation of a new Economic Development Coordinator position. The City is developing and implementing a market study, building and site inventory, and related marketing materials.<sup>12</sup>

<sup>9</sup> City of Martinez Mid-Cycle Amendments to the Fiscal Year 2018-19 Budget, City Council Agenda, June 20, 2018.

<sup>10</sup> City of Martinez 2017-18 and 2018-19 Biennial Budget, June 21, 2017.

<sup>11</sup> *ibid*, Martinez Biennial Budget, Section 15, pg. 207.

<sup>12</sup> *ibid* Martinez Biennial Budget, pg. ii.

**TABLE 10.4**  
**CITY OF MARTINEZ**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$7,165,000	\$7,755,000	\$8,212,000
Sales Tax	\$3,088,000	\$4,018,000	\$4,729,000
Other Revenues (including Transfers)	\$10,894,000	\$11,123,000	\$9,270,000
<i>Total General Fund Revenues</i>	\$21,147,000	\$22,896,000	\$22,211,000
<i>Change from Prior Year</i>	n/a	8.3%	-3.0%
GENERAL FUND EXPENDITURES			
General Government and Administration	\$3,359,000	\$3,968,000	\$4,518,000
Public Safety	\$9,327,000	\$10,396,000	\$10,576,000
Other (includes Transfers Out)	\$6,160,000	\$6,080,000	\$6,328,000
<i>Total Expenditures</i>	\$18,846,000	\$20,444,000	\$21,422,000
<i>Change from Prior Year</i>	n/a	8.5%	4.8%
<i>Expenditures per capita</i>	\$510	\$549	\$566
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	6.7	7.1	10.3
Business-type Activities	7.4	4.6	4.6

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 10.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio was approximately 10.3 indicating that short-term resources exceeded current liabilities.<sup>13</sup> Total enterprise activities' liquidity ratio equaled 4.6 in FY 2017 (see Attachment C).

<sup>13</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

The City's total outstanding debt has been declining over time. Total outstanding debt was approximately \$903 per capita in FY 2017, indicating reductions compared to the \$980 per capita reported for FY 2015 (see Attachment C).

### **10.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The enterprise's positive net position has generally improved from FY 2015 to FY 2017 (see Attachment C). The total positive net position of governmental funds also increased between FY 2015 and FY 2017, and the negative unrestricted portion of its net position improved.

### **10.3.4 LOCAL REVENUE MEASURES**

Voters approved Measure D, a half-cent sales tax, in November 2016 which currently generates \$3.2 million annually dedicated for street improvements. The City Council placed a one-half-cent sales tax measure (Measure X) on the November 2018 ballot, which voters passed.

### **10.3.5 ENTERPRISE ACTIVITIES**

Although the City's "business-type activity" (water, marina and parking services) indicated improving ending balances FY 2015 through FY 2017, the City's current water system budget shows annual revenue shortfalls of approximately \$600,000 in FY 2018 and FY 2019 (see Attachment C). The City plans to commission a study to update its water rates, the first update in 10 years, to address increasing costs for power and capital improvement needs. A draft study and review by the Martinez City Council is set for discussion in early 2019. The parking services fund is positive but declining. The marina budget projects negative ending fund balances of about (\$340,000) to (\$300,000) in FY 2018 and FY 2019, respectively.<sup>14</sup>

### **10.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The City's budget anticipated a 20% increase in its \$2.4 million annual pension costs from FY 2018 to FY 2019, and continued increases.<sup>15</sup> As of FY 2017, the net pension liability totaled \$36.4 million (see Attachment C).

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<sup>14</sup> City of Martinez 2017-18 and 2018-19 Biennial Budget, June 21, 2017, pg. 152.

<sup>15</sup> *ibid* Martinez Biennial Budget, pg. ii.

### 10.3.7 CAPITAL ASSETS AND DEPRECIATION

Measure D revenues have enabled the City to significantly increase its spending on road improvements. The City's governmental assets showed a net increase in FY 2017, indicating positive investments (see Attachment C). As noted above, water enterprise operations have shown declining positions which the City will address in its rate study update.

### 10.3.8 FINANCIAL PLANNING AND REPORTING

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

## 10.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Martinez.

### 10.4.1 GROWTH AND POPULATION PROJECTIONS

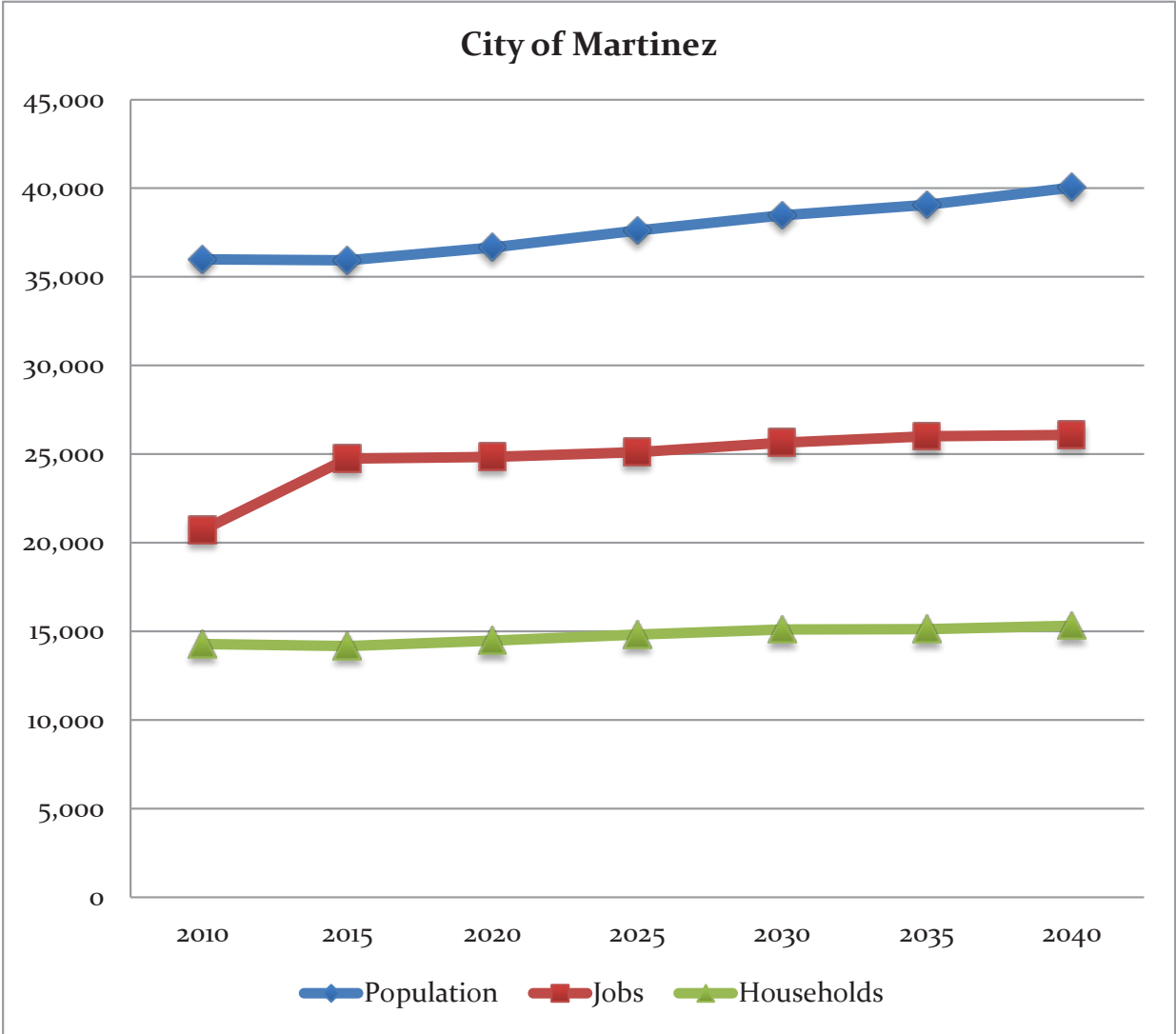
*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Martinez serves 38,097 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Martinez are depicted in **Figure 10.2**.





**Figure 10.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Martinez**  
*May 2019*

ABAG projects that the City of Martinez will grow at an annual rate of approximately 0.4% to a population of 40,035 between 2010 and 2040.<sup>16</sup> The City is also projected to experience an approximate 0.8% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

### JOBS AND HOUSING

According to the Bay Area Census data<sup>17</sup> for 2010, the City of Martinez has 18,164 employed residents. The ABAG Projections data<sup>18</sup> for 2010 estimated 20,710 jobs in the City, with approximately 1.14 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Martinez has 14,976 housing units, which results in a job and housing balance of 1.45. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 10.5**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 10.5**  
**CITY OF MARTINEZ**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	9,619
Renter-occupied housing units	4,668
Vacant housing units	689
Total existing housing units	14,976
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014-2022</b>	
Very low	124
Low	72
Moderate	78
Above Moderate	195
Total Regional Housing Need Allocation	469

Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022

<sup>16</sup> ABAG. Projections 2017.

<sup>17</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>18</sup> ABAG. Projections 2017.

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>19</sup> The City of Martinez was assigned a RHNA of 469 units, as shown in Table 10.5.

The City adopted its General Plan in 2016 and its Housing Element in 2015. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 1,156 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Martinez 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>20</sup>

The City of Martinez provides programs and services for adults age 50 and older, including a wide range of health, education, recreation, volunteer, and other social interaction opportunities for participants that enhance dignity, support independence, and encourage community involvement.

### **ANTICIPATED GROWTH PATTERNS**

The undeveloped entitled residential acres in FY 2017 were not reported or were unavailable at the time of this MSR update. Projects identified as part of the projected growth for the City (dwelling units and commercial space) that have been approved or are in the approval process were not reported or were unavailable at the time of this MSR update.

PDA's help form the implementing framework for Plan Bay Area. One PDA has been identified by the City of Martinez and included in Plan Bay Area 2040.<sup>21</sup> The Downtown PDA is anticipated to accommodate approximately 29% of the projected growth in households and 48% of the projected growth in employment.<sup>22</sup> The Downtown PDA is characterized as a Transit Neighborhood.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Martinez has not identified any Priority Conservation Areas in Plan Bay Area or the City's General Plan.<sup>23</sup>

The City of Martinez does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

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<sup>19</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>20</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>21</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>22</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>23</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

### **10.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Martinez’s SOI extends beyond the municipal boundary to the east, north, and southeast and includes the unincorporated communities of Vine Hill, Mt. View, North Pacheco, and the Alhambra Valley. Mt. View is an unincorporated island which is substantially surrounded by the City (see Figure 10.1).

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

#### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified a disadvantaged community located within the City boundary in the northwest area.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

### **10.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Martinez appears to adequately serve all areas within its municipal boundary and SOI and is likely to continue to do so in the foreseeable future based on available information.

The disadvantaged community within the City's SOI receives sewer, water, and fire protection services.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 51, which is below the target of 75 MTC has established and which indicates a pressing need for pavement rehabilitation funding. The City also has identified the need for funding other capital improvements.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City may experience funding obstacles to maintaining existing service levels or meeting overall infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

#### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets.<sup>24</sup> Services related to animal

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<sup>24</sup> Although not covered in this MSR, the City also provides retail water service.

control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

Based on available information, no areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

#### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

### **10.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### ***FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES***

As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, the City of Martinez appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Martinez has been operating with a surplus in their General Fund.

The City currently meets their 20% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 10.3, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$903 per capita for FY 2017 and has been declining.

The City's unfunded pension and OPEB liabilities continue to grow significantly; however, the City has taken steps to help address the increasing costs by accounting for a 20% increase in its budgets.

## **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **10.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

## **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Martinez website provides public access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.

## **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Martinez website provides public access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

## **PUBLIC INVOLVEMENT**

The City of Martinez website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City therefore adequately provides accountability with regard to citizen participation.

## **10.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **10.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Martinez extends beyond the municipal boundary to the east, north, and southeast and includes the unincorporated communities of Vine Hill, Mt. View, North Pacheco, and the Alhambra Valley, as shown in Figure 10.1. The City of Martinez is bound by the City of Pleasant Hill to the south, the Carquinez Strait to the north, the City of Concord and Waterbird Regional Preserve to the east, and County lands, including the Briones hills, to the west.



This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Martinez.

### **10.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF MARTINEZ**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Martinez MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Martinez plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including industrial, residential, commercial, agricultural, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan (2016).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Martinez. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Martinez appears adequate. The City of Martinez anticipates it will continue to have adequate capacity during the next five years.

#### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Martinez.

#### ***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified a disadvantaged community located within the City boundary in the northwest area. This area receives sewer, water, and fire protection services.

# CHAPTER 11

## TOWN OF MORAGA

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### 11.1 AGENCY OVERVIEW

The Town of Moraga, incorporated in 1974, covers an area of approximately 9.5 square miles. With an estimated population of 16,991, the Town has a population density of approximately 1,699 persons per square mile.<sup>1</sup>

The Town of Moraga lies in central Contra Costa County, with the City of Lafayette to the north and northeast and the City of Orinda to the northwest. County lands bound the Town to the south, east, and west. The Sphere of Influence (SOI) for the Town of Moraga is mostly coterminous with the municipal boundary, with the exception of an extension to the southeast, as shown in **Figure 11.1**. The Town adopted the countywide Urban Limit Line in 2007.

Land uses in the Town include a mix of residential, office, commercial, public institution, and open space. There are no agricultural land uses in the Town of Moraga.

#### 11.1.1 FORM OF GOVERNMENT

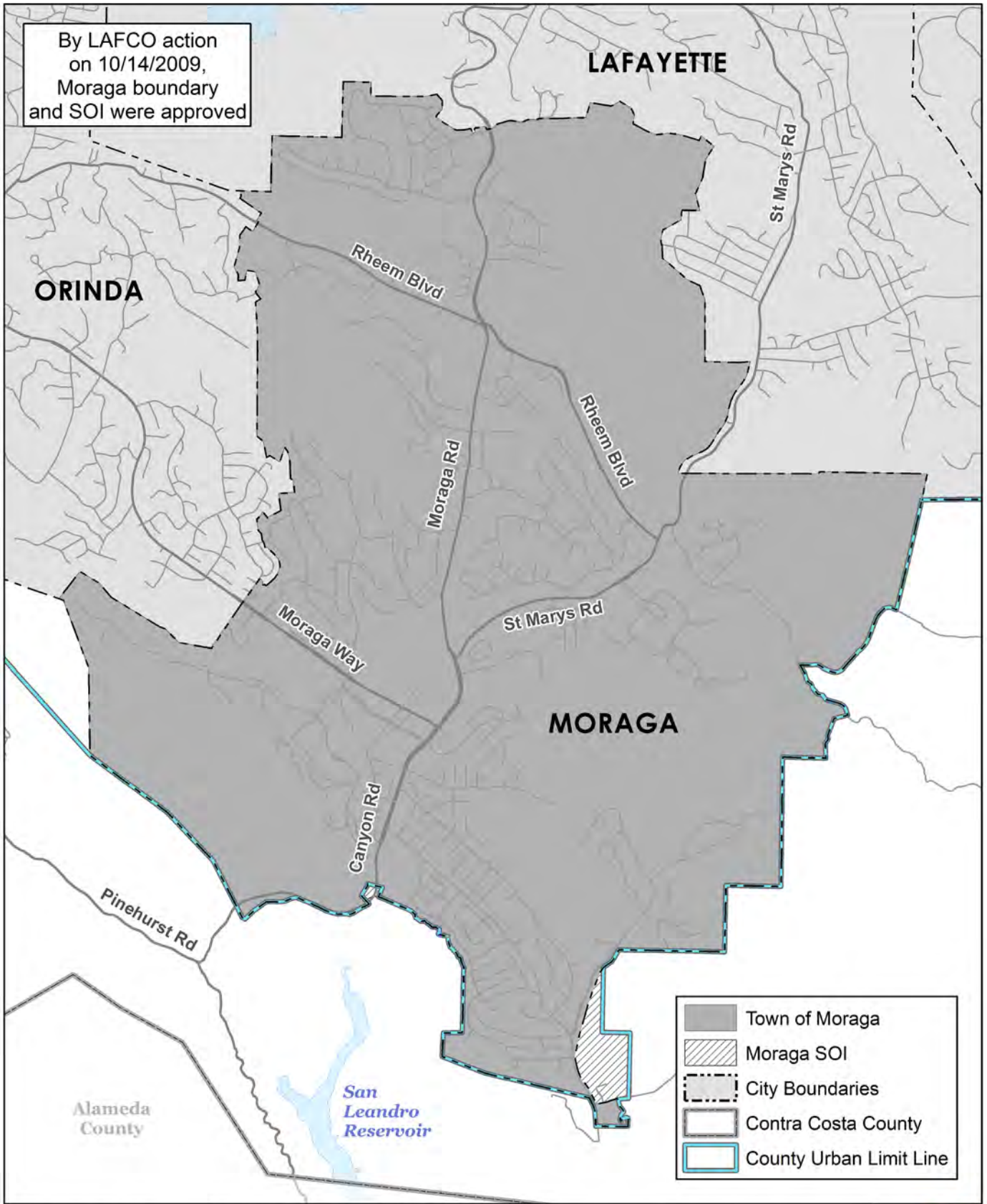
The Town of Moraga is a general law city operating under a council-manager form of government. The publicly elected Town Council consists of five members, including the Mayor. Council members serve four-year terms and the Mayor rotates each year.

#### 11.1.2 STAFFING

Total Town staffing for fiscal year (FY) 2017 was 36 FTE, with the Police Department at 13 FTE.

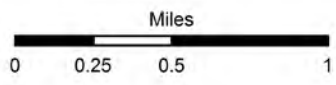
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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 10/04/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37.59:41.791N 122:07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 11.1. Town of Moraga Municipal Boundary and Sphere of Influence**  
 May 2019

### 11.1.3 JOINT POWERS AUTHORITIES

The Town of Moraga is a member of several joint powers authorities (JPAs), which are listed in **Table 11.1**.

**TABLE 11.1**  
**TOWN OF MORAGA**  
**JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Central Contra Costa Solid Waste Authority	Provides solid waste services for Central Costa Contra residents and businesses
Central Contra Costa Transit Authority	—
Contra Costa Transit Authority Congestion Management Agency	—
East Bay Regional Communications System Authority Operating Agreement	—
Lamorinda Fee and Financing Authority	Subregional transportation finance committee
Lamorinda School Bus Transportation Agency	School bus service—Lafayette, Moraga, Orinda

*Source: Town of Moraga*

### 11.1.4 AWARDS AND RECOGNITION

The awards the Town of Moraga received since the first round Municipal Service Review (MSR) were not reported or were unavailable at the time of this MSR update.

## 11.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 11.2**, municipal services for the Town of Moraga are provided by Town staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 11.2**  
**TOWN OF MORAGA**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	Town of Moraga
Law Enforcement	Town of Moraga, Contra Costa County
Library	Contra Costa County
Lighting	Town of Moraga
Parks and Recreation	Town of Moraga
Solid Waste	Allied Waste
Stormwater	Town of Moraga
Streets	Town of Moraga
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: Town of Moraga*

The Town of Moraga reports the following opportunities and challenges related to its provision of municipal services:

- Development of the Moraga Center and Rheem Center development areas to promote the growth of retail/restaurant options, mixed use developments, and a variety of housing types consistent with the Town’s approved Housing Element and RHNA goals
- Continued preservation of sensitive hillside and ridgeline areas while processing development of several subdivisions in these settings
- An increase in property crimes, some of which involve violence, which requires additional law enforcement resources to take police reports and investigate crimes
- Shifts to local-agency responsibility related to the use of non-judicial alternatives for the disposition of criminal offenses

A summary of the Town’s municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 11.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the Town of Moraga and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a

smaller facility is in Pinole. Expenditures for animal services were not reported or were unavailable at the time of this MSR update.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **11.2.2 BROADBAND**

The Town of Moraga does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the Town.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The Town of Moraga did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The Town of Moraga received a grade of D, which indicates that internet service providers did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The Town of Moraga did not indicate concerns about the ability of broadband providers to serve the Town's existing or growing population.

### **11.2.3 BUILDING/PLANNING**

The Town of Moraga Planning Department provides planning services and contracts out all building permit processing and inspection services to the Contra Costa County Building Department. Town of Moraga Planning Department expenditures for FY 2017 were \$790,707, up from \$868,417 in FY 2016.

The Town of Moraga issued 518 residential and 25 commercial building permits issued in 2017. Total building permit valuation in FY 2017 is estimated at approximately \$27.5 million.

Planning city-wide has been captured in the General Plan, Moraga Center Specific Plan, and the St. Mary's College Campus Master Plan.

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).



#### 11.2.4 LAW ENFORCEMENT

The Town of Moraga Police Department provides law enforcement and contracts with the Contra Costa County Office of the Sheriff for dispatch services. FY 2017 expenditures for the Sheriff's Office were \$229.3 million, up from \$217.8 million in FY 2015. FY 2017 expenditures for the Moraga Police Department were approximately \$2.9 million, up from \$2.5 million in FY 2016.

The Moraga Police Department reported 13 FTE for FY 2017, unchanged from the previous year. The 2017 FTE sworn personnel per 1,000 population was not reported or was unavailable at the time of this MSR update. The crimes per sworn FTE in 2017 were not reported or were unavailable at the time of this MSR update. The 2017 property crime clearance rate (a measure of crimes solved) and the violent crime clearance rate were not reported or were unavailable at the time of this MSR update.<sup>5</sup>

The Sheriff's Office reported 677 FTE for FY 2017, up from 664 FTE in FY 2016, with an average of 1.02 sworn staff per 1,000 population. Total property crime clearances were reported at 125 and total violent crime clearances were reported at 340 for FY 2017.

#### 11.2.5 LIBRARY

Contra Costa County provides library services for the Town of Moraga at its Moraga Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>6</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

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<sup>5</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>6</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>



### **11.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the Town of Moraga Public Works Department. Town expenditures for light and signal maintenance were not reported or were unavailable at the time of this MSR update. The signalized intersections, traffic lights, and street lights maintained by the Town were not reported or were unavailable at the time of this MSR update.

### **11.2.7 PARKS AND RECREATION**

The Town of Moraga Parks and Recreation Department is the service provider for parks and recreation facilities, as well as recreation programs. The Parks Division of the Public Works Department provides maintenance of park and recreation facilities. FY 2017 expenditures for parks were approximately \$1.3 million in FY 2017, reflecting a slight increase from approximately \$1.2 million in FY 2016

The Town provides a variety of programs and activities for people of all ages and interests, including special events, summer camps, senior trips, and youth classes.

Overall, the Parks Division maintains 320 acres of active and passive park land within the Town, which equates to 20 acres per 1,000 residents. The recreation centers per 20,000 residents, and miles of recreation trails provided and maintained by the Town were not reported or were unavailable at the time of this MSR update.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The Town's level of service standard is 5 acres per 1,000 residents.

### **11.2.8 SOLID WASTE**

Solid waste services are provided to the Town of Moraga via franchise agreement with Allied Waste Services. The Town of Moraga FY 2017 expenditures for solid waste services were not reported or were unavailable at the time of this MSR update.

The FY 2017 solid waste disposal rates were not reported or were unavailable at the time of this MSR update.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **11.2.9 STORMWATER/DRAINAGE**

The Town of Moraga Public Works Department provides and maintains the Town's stormwater drainage system. The miles of closed storm drain lines and percentage of their storm drain inlets equipped with trash capture were not reported or were unavailable at the time of this MSR update.

The Town's compliance with National Pollution Discharge Elimination System standards was not reported or was unavailable at the time of this MSR update. FY 2017 expenditures for stormwater were not reported or were unavailable at the time of this MSR update.

### **11.2.10 STREETS/ROADS**

The street miles and Class 1 and 2 bike lane miles provided and maintained by the Town of Moraga Public Works Department were not reported or were unavailable at the time of this MSR update. FY 2017 expenditures for streets were not reported or were unavailable at the time of this MSR update.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the Town of Moraga was 68 (fair) in 2017, up from 64 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>7</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance.

To maximize the Town's PCI, the Town has implemented recommendations from the 2015 Pavement Management Report to: 1) focus on one treatment per year to maximize quantities and lower unit bid; 2) allocate approximately 17%, 33%, and 50% of funding to overlay, reconstruction, and surface seal treatments respectively; 3) partner with other agencies to combine projects as a way to reduce costs; and 4) leverage Measure K as local match for grant funding.

### **11.2.10 UTILITIES**

The Town of Moraga is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the Town, and customers may choose either service provider. PG&E also provides gas service to the Town of Moraga.

The Town of Moraga did not report concerns about the ability of utility service providers to serve the Town's existing or growing population.

## **11.3 FINANCIAL OVERVIEW**

This section provides an overview of the Town of Moraga's financial health and assesses the Town's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current

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<sup>7</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

budget documents, and Town staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 11.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the Town.

According to the Town's FY 2018-19 budget, the Town's General Fund revenues of \$9.3 million<sup>8</sup> approximately equal General Fund expenditures. **Table 11.3** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year (see Attachment C). The General Fund's projected unassigned balance at the end of FY 2019 totals \$3.9 million, or about 42% of General Fund expenditures (see Attachment C). The Town's reserve policy targets 50%.<sup>9</sup> While property tax growth has been strong and the Town has rescinded its fiscal emergency,<sup>10</sup> the Town faces continuing needs for capital improvement funding.

The primary cause of the Town's fiscal emergency was insufficient cash flow for day-to-day operations. Two serious infrastructure failures contributing to the emergency, the Rheem sinkhole and Canyon Road bridge, have been repaired and reopened in November 2017.<sup>11</sup>

**TABLE 11.3**  
**TOWN OF MORAGA**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$1,854,000	\$1,983,000	\$2,111,000
Sales Tax	\$2,755,000	\$1,069,000	\$1,007,000
Other Revenues (including Transfers)	\$4,876,637	\$7,274,759	\$5,118,817
<i>Total General Fund Revenues</i>	\$9,485,637	\$10,326,759	\$8,236,817
<i>Change from Prior Year</i>	n/a	8.9%	-20.2%

<sup>8</sup> Town of Moraga Staff Report, Preliminary FY 2018/19 Budget, June 13, 2018 Town Council Meeting.

<sup>9</sup> Town of Moraga Preliminary Fiscal Year 2018/19 Operating and Capital Improvement Program Budgets, policy FY 2019 budget, pg. C-7.

<sup>10</sup> The Town of Moraga fiscal emergency was declared on June 28, 2017 as part of the FY 2017/18 Budget process.

<sup>11</sup> *ibid*, Town of Moraga Staff Report, FY 2019 Budget.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND EXPENDITURES			
General Government and Administration	\$1,439,000	\$1,609,000	\$1,676,000
Public Safety	\$2,494,000	\$2,537,000	\$2,564,000
Other (includes Transfers Out)	\$5,529,465	\$4,232,700	\$4,306,480
<i>Total Expenditures</i>	\$9,462,465	\$8,378,700	\$8,546,480
<i>Change from Prior Year</i>	<i>n/a</i>	-11.5%	2.0%
<i>Expenditures per capita</i>	\$576	\$505	\$507
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	8.0	8.9	8.4
Business-type Activities	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 11.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In the years prior to the emergency (FY 2015 through FY 2017), the Town's governmental activities' liquidity ratio was approximately 8.0 or greater, indicating that short-term resources significantly exceeded current liabilities (see Attachment C).<sup>12</sup>

The Town's total outstanding debt has been declining over time. Total outstanding debt was approximately \$471 per capita in FY 2017, indicating reductions compared to the \$529 per capita reported for FY 2015 (see Attachment C).

### 11.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The total positive net position of governmental funds increased between FY 2015 and FY 2017, and the positive unrestricted portion improved (see Attachment C).

<sup>12</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

#### **11.3.4 LOCAL REVENUE MEASURES**

Voter-approved Measure K, a one-cent local sales and use tax, generates about \$1.8 million annually. The measure is a general tax adopted in 2012 and expiring after 20 years. Currently the Town dedicates the funds towards road maintenance.

#### **11.3.5 ENTERPRISE ACTIVITIES**

The Town does not provide any enterprise activities.

#### **11.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The Town projects its annual payments towards unfunded pension liabilities to more than triple over the next four years. In FY 2019 those payments total \$250,000 and could grow to \$770,000 in FY23.<sup>13</sup>

#### **11.3.7 CAPITAL ASSETS AND DEPRECIATION**

The value of the Town's capital assets increased FY 2015 and FY 2016 partly due to road improvements funded by Certificates of Participation; however, Town infrastructure is aging and the Town's fiscal emergency and depleted reserves contributed to current shortfalls of funding. Roads require additional funds to restore and maintain their condition at target levels, and shortfalls exist in the Town's stormwater program and asset replacement program. Specific funding options to fill the gap were not identified in the FY 2019 budget, although the Town's five-year General Fund projections indicate revenue growth and increases in the General Fund balance.

#### **11.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The Town's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

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<sup>13</sup> Town of Moraga FY 2019 Budget Presentation.

## 11.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the Town of Moraga.

### 11.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the Town of Moraga serves 16,991 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the Town of Moraga are depicted in **Figure 11.2**.

ABAG projects that the Town of Moraga will grow at an annual rate of approximately 0.4% to a population of 18,080 between 2010 and 2040.<sup>14</sup> The Town is also projected to experience an approximate 0.8% annual growth rate in jobs between 2010 and 2040. Overall, the Town's planning is expected to accommodate the growth projected by ABAG.

### **JOBS AND HOUSING**

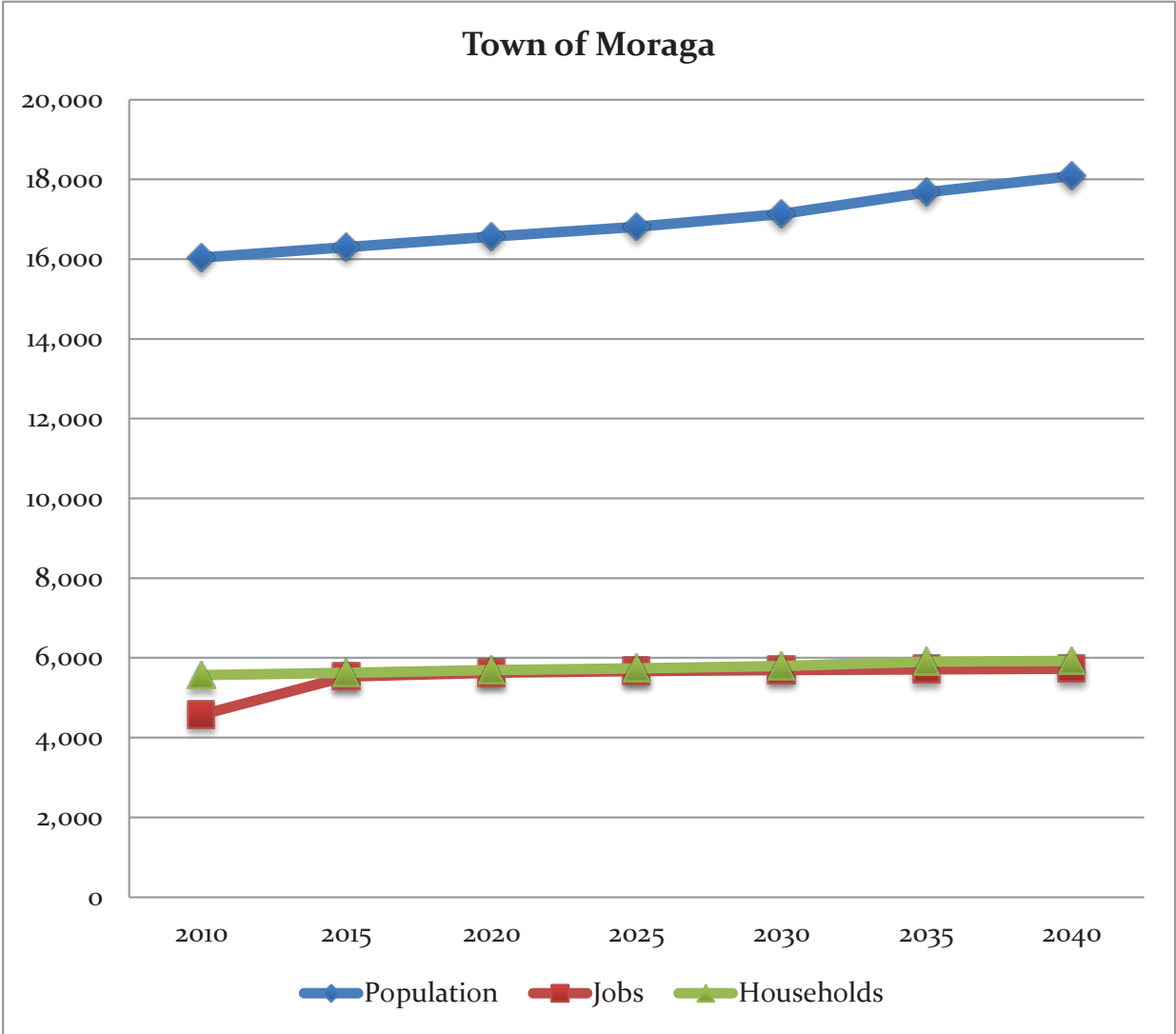
According to the Bay Area Census data<sup>15</sup> for 2010, the Town of Moraga has 7,060 employed residents. The ABAG Projections data<sup>16</sup> for 2010 estimated 4,570 jobs in the Town, with approximately 0.65 job for every employed resident. Bay Area Census data for 2010 indicate that the Town of Moraga has 5,754 housing units, which results in a job and housing balance of 0.82.

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<sup>14</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>15</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>16</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.



**Figure 11.2. Population, Job, and Household Growth Projections (2010-2040)**  
**Town of Moraga**  
*May 2019*



The number of owner-occupied units in the Town is greater than the number of renter-occupied housing units (**Table 11.4**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 11.4**  
**TOWN OF MORAGA**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	4,673
Renter-occupied housing units	897
Vacant housing units	184
Total existing housing units	5,754
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	75
Low	44
Moderate	50
Above Moderate	60
Total Regional Housing Need Allocation	229

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014–2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>17</sup> The Town of Moraga was assigned a RHNA of 229 units, as shown in Table 11.4

The Town adopted its General Plan in 2002 and its Housing Element in 2015. The Town’s 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 644 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The Town of Moraga 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>18</sup>

<sup>17</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014–2022*.

The programs and services provided by the Town to meet the needs of adults age 50 and older were not reported or were unavailable at the time of this MSR update.

Moraga Municipal Code Sec. 8.104 provides for density bonuses for residential development projects to assist in meeting the Town's affordable housing goals, per its adopted Housing Element. Additionally, the Moraga Center PDA provides for higher residential densities targeted for affordable housing, including senior housing. The Town is currently working on completion of the Moraga Center Specific Plan Implementation Project, which would provide for zoning provisions and development standards consistent with the Moraga Center Specific Plan to streamline the approval process for affordable housing developments.

### ***ANTICIPATED GROWTH PATTERNS***

The Town reported approximately 530 undeveloped entitled residential acres in FY 2017. The Town reports approximately 229 dwelling units as either approved or in the approval process.

PDA's help form the implementing framework for Plan Bay Area. One PDA has been identified by the Town of Moraga and included in Plan Bay Area 2040.<sup>19</sup> The Moraga Center PDA is anticipated to accommodate approximately 50% of the projected growth in households and 18% of the projected growth in employment.<sup>20</sup>

The Moraga Center PDA, which encompasses approximately 187 acres, is characterized as a Transit Town Center. In 2010, the Town adopted the Moraga Center Specific Plan (MCSP) to guide the future development of this area. Since that time, approximately 20 acres have been redeveloped for residential purposes, leaving the remainder of the Moraga Center as either vacant (approximately 79 acres) or underutilized (approximately 88 acres). Future development of these vacant or underutilized parcels are slated for a combination of residential, retail, commercial, and mixed uses.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The Town of Moraga has identified the Moraga Open Space Ordinance and Non-Moraga Open Space Ordinance Open Space PCA. This PCA is included in Plan Bay Area 2040 as MOSO and Non-MOSO.<sup>21</sup>

The Town of Moraga did not report that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

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<sup>18</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>19</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>20</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>21</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

### 11.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES

The Town of Moraga’s SOI is mostly coterminous with the municipal boundary, with the exception of an extension to the southeast (see Figure 11.1). No unincorporated islands have been identified in the Town of Moraga.

The Town of Moraga is currently processing an application for a proposed 13-unit residential subdivision on a 24-acre site located at Camino Pablo and Tharp Drive (Assessor’s Parcel Number 258-290-023; **Figure 11.3**). The proposed project includes a request to annex the property into the Town of Moraga; the project site is currently within unincorporated Contra Costa County, but is within the Urban Limit Line for the Town of Moraga.

The southern portion of the project site (approximately 4.5 acres) has a Town of Moraga General Plan designation of Residential, 1 Dwelling Unit Per Acre (1–DUA). The remainder of the site (approximately 19.5 acres) has a Town of Moraga General Plan designation of Open Space (OS). The entire site is designated Agricultural Lands (AL) in the Contra Costa County General Plan and has a Contra Costa County zoning designation of A–2 (Agriculture).

The proposed project consists of 13 single-family residential units on individual lots. The two-story detached houses would be clustered at the southern end of the site on approximately 8 acres, and the remaining 16 acres would be preserved as permanent open space. The Town anticipates taking action on this application by the end of 2019.

The Town does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.



**Figure 11.3. Area of Proposed Camino Pablo Annexation**  
*May 2019*



## ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

There are no disadvantaged communities within or contiguous to the SOI for the Town of Moraga and therefore, no disadvantaged communities are relevant to this analysis.

### **11.4.3 TOWN SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The Town of Moraga reports that it adequately serves all areas within its municipal boundary and SOI. Based on available information, sufficient data has not been provided by the Town of Moraga for this MSR Update to make an accurate determination about the Town’s ability to adequately serve all areas within its municipal boundary in the foreseeable future.

There are no disadvantaged communities within or contiguous to the Town’s SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for Town streets is 68, which is below the target of 75 MTC has established and which indicates a potential future need for pavement rehabilitation funding. The Town has implemented recommendations from its Pavement Management Report to help address this need.

When accounting for the projected growth and population increases over the next five years, as well as the available information related to its provision of municipal services, the Town may experience funding obstacles to maintaining existing service levels or meeting overall infrastructure needs.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The Town did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The Town is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the Town's General Plan. The Town's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The Town provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, law enforcement, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The Town does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

#### **11.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

##### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

The Town of Moraga has recovered from a 2017 fiscal emergency resulting from unplanned major infrastructure repairs which cost the Town approximately \$5 million and drained their reserve fund.

As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, the Town of Moraga appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

##### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The Town of Moraga has been operating with a surplus in their General Fund until the 2017 fiscal year. The Town's 2018-2019 budget projects that revenues will approximately equal expenditures.

The Town does not currently meet their 50% reserve goal, but they appear to have the ability to maintain an acceptable level of service provision and to enact changes to maintain services.

##### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The Town reported a liquidity ratio of 8.4, which indicates the Town has the means available to cover its existing obligations in the short run.

Total debt was approximately \$471 per capita for FY 2017 and has been declining.

The Town's unfunded pension and OPEB liabilities continue to grow. The Town has not identified any measures to address the increasing pension liabilities.

##### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The Town issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.



### **11.5.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### ***ONLINE AVAILABILITY OF TOWN GOVERNANCE INFORMATION***

The Town of Moraga website provides public access to the agendas and minutes for the Town Council and its various boards and commissions; the Town's budgets; and the Town's CAFRs. The Town also livestreams broadcasts Council meetings as well as broadcasts them on cable TV. The Town therefore adequately provides accountability with regard to governance and municipal operations.

#### ***ONLINE AVAILABILITY OF TOWN PLANNING INFORMATION***

The Town of Moraga website provides public access to the Town's general plan as well as various development plans and projects. The Town therefore adequately provides accountability with regard to municipal and land use planning.

#### ***PUBLIC INVOLVEMENT***

The Town of Moraga website provides access to public notices, including the time and place at which Town residents may provide input, as well as other opportunities for public involvement in the Town decision-making process. Newsletters are also distributed to Town residents. The Town therefore adequately provides accountability with regard to citizen participation.

## **11.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **11.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the Town of Moraga is mostly coterminous with the municipal boundary, with the exception of an extension to the southeast, as shown in Figure 11.1. The Town of Moraga is bound by the City of Lafayette to the north and northeast, and the City of Orinda to the northwest, and County lands to the south, east, and west.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the Town of Moraga.

This report also recommends that Contra Costa LAFCO consider the option of retaining the existing SOI with the condition that future potential annexation applications from the Town require that the Town provide more information to demonstrate its capacity, adequacy, and ability to provide services to the area under consideration

Town provide more information<sup>22</sup> to demonstrate its capacity, adequacy, and ability to provide services to the area under consideration

### **11.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE TOWN OF MORAGA**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this Town of Moraga MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The Town of Moraga plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, office, commercial, public institution, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (2002).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the Town of Moraga. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the Town of Moraga appears adequate. The Town of Moraga anticipates it will continue to have adequate capacity during the next five years.

#### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the Town's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the Town of Moraga.

#### ***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There are no disadvantaged communities within or contiguous to the SOI for the Town of Moraga and therefore no present or probable need for the Town to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities.

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<sup>22</sup> To include expenditures for animal control, lighting, solid waste, stormwater/drainage, and streets/roads services; additional detail for law enforcement, lighting, parks and recreation solid waste, stormwater drainage, streets/road services; as well as programs and services for adults aged 50 and over.

# CHAPTER 12

## CITY OF OAKLEY

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### 12.1 AGENCY OVERVIEW

The City of Oakley, incorporated in 1999, covers an area of approximately 16 square miles. With an estimated population of 41,742, the City has a population density of approximately 2,608 persons per square mile.<sup>1</sup>

The City of Oakley lies in eastern Contra Costa County, with the City of Brentwood to the south, the City Antioch to the west, the San Joaquin River to the north, and County lands to the east and south. The Sphere of Influence (SOI) for the City of Oakley is mostly coterminous with the municipal boundary, with the exception of an extension to the east, as shown in **Figure 12.1**. The City adopted the countywide Urban Limit Line in 2008.

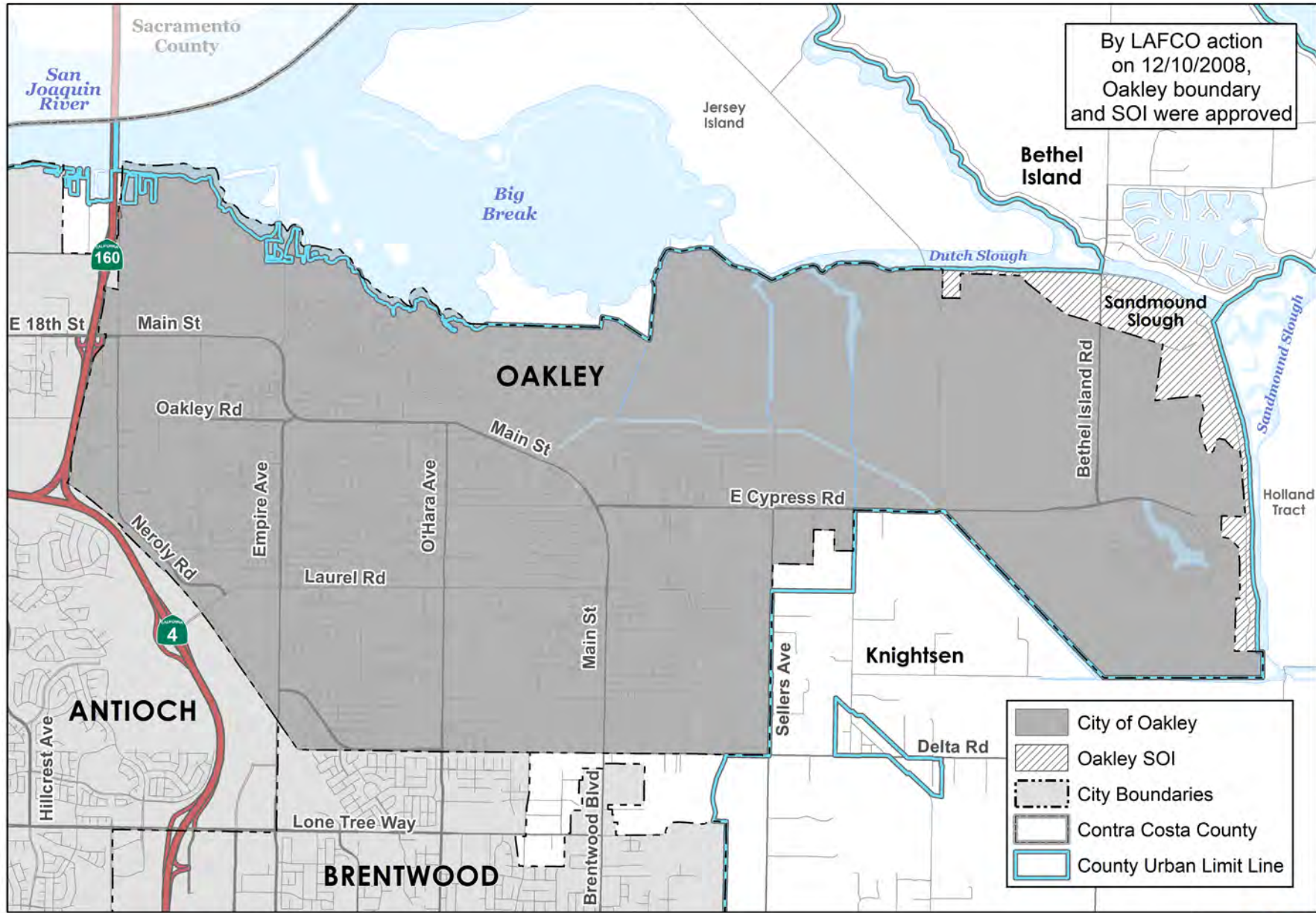
Land uses in the City include a mix of industrial, residential, office, commercial, institution, retail, agricultural, and open space. Agricultural uses include vineyards, orchards, and row crops, animal husbandry, active cultivation of crops, or some other type of use that is substantially agricultural in nature.

#### 12.1.1 FORM OF GOVERNMENT

The City of Oakley is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the Mayor. Council members serve four-year terms and the Mayor rotates each year.

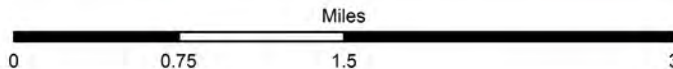
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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 11/04/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37:59:41.791N 122:07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 12.1. City of Oakley Municipal Boundary and Sphere of Influence**  
 May 2019

### 12.1.2 STAFFING

Total City staffing for fiscal year (FY) 2017 included 82.5 full-time equivalent (FTE) employees. **Table 12.1** shows the four service areas with the highest staffing levels.

**TABLE 12.1**  
CITY OF OAKLEY  
HIGHEST STAFFING LEVELS BY SERVICE AREA

SERVICE AREA	FY 2017 FTE
Police	40.0
Parks and Recreation	16.0
Administration	9.5
Public Works	7.5

Source: City of Oakley

Similar to other cities in Contra Costa County, the police service function had the highest staffing level in the City of Oakley, with 40.0 FTE employees.

### 12.1.3 JOINT POWERS AUTHORITIES

The City of Oakley is a member of several joint powers authorities, which are listed in **Table 12.2**.

**TABLE 12.2**  
CITY OF OAKLEY  
JOINT POWERS AUTHORITY MEMBERSHIP

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
East Bay Regional Communications System Authority Operating Agreement	—
East Contra Costa County Habitat Conservancy	—
East Contra Costa County Habitat Conservation Plan Implementing Agreement	—
East Contra Costa Regional Fee and Financing Authority	—
East Contra Costa Transit Authority Restated	—
PACE Program, 2014	—
State Route 4 Bypass Authority 1989-2011	—
Transplan (East County) Regional Transportation Planning Committee	—

Source: City of Oakley

### 12.1.4 AWARDS AND RECOGNITION

**Table 12.3** lists the awards the City of Oakley has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 12.3**  
**CITY OF OAKLEY**  
**AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Public Works Project of the Year (Main Street Rehabilitation Project)	American Public Works Association, Northern California	2018
Local Government Program Excellence (Community, Diversity, and Inclusion)	International City Management Association	2018
Public Works Project of the Year (Downtown Improvement Project)	American Public Works Association, Northern California	2016
Playful City USA	National Campaign for Play	2016
League of California Cities (Advancement of Diverse Communities)	League of Cities	2012
Certificate of Achievement for Excellence in Financial Reporting	Government Finance Officers Association	Annually

*Source: City of Oakley*

## 12.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 12.4**, municipal services for the City of Oakley are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.



**TABLE 12.4**  
**CITY OF OAKLEY**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of Oakley
Law Enforcement	City of Oakley
Library	Contra Costa County
Lighting	City of Oakley, Pacific Gas and Electric
Parks and Recreation	City of Oakley, East Bay Regional Park District
Solid Waste	Mt. Diablo Resource Recovery
Stormwater	City of Oakley
Streets	City of Oakley
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: City of Oakley*

Opportunities or challenges related to the provision of municipal services for the City of Oakley were not reported or were unavailable at the time of this MSR update.

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 12.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the City of Oakley and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Contract expenditures for animal services were approximately \$238,000 in FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>



the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **12.2.2 BROADBAND**

The City of Oakley does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Oakley did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Oakley received a grade of C, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Oakley did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **12.2.3 BUILDING/PLANNING**

The City of Oakley Building Division provides building services and the Planning Division provides planning services. Department expenditures for FY 2017 were \$2.1 million, up from \$1.9 million in FY 2015.

The City of Oakley issued 1,426 residential permits in 2017, reflecting an upward trend from 1,130 in 2015. The City issued 11 commercial building permits in 2017, down from 16 in 2015. Total building permit valuation in FY 2017 is estimated at \$72.4 million, reflecting a downward trend from \$85.8 million in 2015.

Planning city-wide has been captured in the General Plan and the Strategic Plan.

### **12.2.4 LAW ENFORCEMENT**

The City of Oakley Police Department provides law enforcement and dispatch services. In 2017-18, the City successfully transitioned from contracting with the County Sheriff's Office for police to services to having its own in-house police department. FY 2017 expenditures were approximately \$11.1 million, reflecting an upward trend from \$8.8 million in FY 2015.

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<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

The City of Oakley has 0.76 FTE sworn personnel per 1,000 population, a number which has remained steady since FY 2015 and which they are seeking to increase. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 15 crimes per sworn FTE in 2017, down from 19.4 in FY 2015. The property crime clearance rate (a measure of crimes solved) was 7% for FY 2017, and the violent crime clearance rate was 15%.<sup>6</sup> The City reports that these numbers appear very low, which may be attributable to a software problem and which they are working to address.

### **12.2.5 LIBRARY**

Contra Costa County provides library services for the City of Oakley at its Oakley Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state averages for expenditures and staffing are nearly double the County's.

### **12.2.6 LIGHTING**

Lighting is provided and maintained by the City of Oakley Public Works and Engineering Department and Pacific Gas and Electric (PG&E). City expenditures for light and signal maintenance were \$110,000 in FY 2017, down from \$140,000 in FY 2015. The City maintains 21 signalized intersections and 1,450 street lights.

### **12.2.7 PARKS AND RECREATION**

The City of Oakley Parks and Landscape Division is the service provider for parks and recreation facilities, as well as landscaped public areas, and the Recreation Division is the service provider for

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<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

recreation programs. FY 2017 expenditures for parks were approximately \$0.56 million in FY 2017, up only slightly from FY 2015.

The City provides a range of programs and activities including various sports and camps, along with year-round community events.

The City provides and maintains 235 park acres per 1,000 residents. A new recreation center is under construction, anticipated for completion in the spring of 2019. Most recreation trails are provided and maintained by the East Bay Regional Park District.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 6 acres per 1,000 residents.

### **12.2.8 SOLID WASTE**

Solid waste services are provided to the City of Oakley via franchise agreement with Mt. Diablo Resource Recovery, which also serves the cities of Antioch, Brentwood, Concord, and Pittsburg, through the Mt. Diablo Resource Recovery Park. Contra Costa Waste Service, located at 1300 Loveridge Road in Pittsburg, is dedicated to recovery and recycling of as many items as possible. Mt. Diablo Recycling, a 90,000-square foot facility located in Pittsburg, is 100% dedicated to recycling. As part of the franchise agreement, there is no charge for solid waste services to City-owned facilities.

Mt. Diablo Resource Recovery reported approximately 19,273 tons of waste disposed per capita for FY 2017. The FY 2017 per resident disposal rate was 2.6 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **12.2.9 STORMWATER/DRAINAGE**

The City of Oakley Public Works and Engineering Department provides and maintains the City's stormwater drainage system. The City reports that they have 110 miles of closed storm drain lines and that 3% of their 2,610 storm drain inlets are equipped with trash capture. The City of Oakley also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for stormwater were \$892,000.

### **12.2.10 STREETS/ROADS**

The City of Oakley Public Works and Engineering Department provides and maintains 136 street miles and approximately 27 Class 1 and 2 bike lane miles, as well as landscaped public areas. FY 2017 expenditures for streets were \$11.8 million, up from \$10.6 million in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Oakley was 77 (good) in 2017, up from 75 in 2015, which is slightly above the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress. The City rates its own pavement condition, which it reports as 78 for FY 2017.

### 12.2.11 UTILITIES

The City of Oakley is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Oakley.

The City of Oakley did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## 12.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Oakley's financial health and assesses the City's financial ability to provide services. Key financial information for City municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 12.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 budget, the City's General Fund revenues of \$19.6 million are slightly less than General Fund expenditures of \$20.3 million. The \$6.3 million available General Fund balance at the start of FY 2019 equals about 32% of annual expenditures, exceeding the City's 20% reserve policy.<sup>9</sup> The City sets aside reserves for major maintenance and capital improvement costs of its Storm Drain Program, which it met in FY 2017.<sup>10</sup> **Table 12.5** summarizes

<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>9</sup> City of Oakley Adopted Annual Operating and Capital Budget, Fiscal Year 2018-2019, Reserve Policies, pg. 14.

<sup>10</sup> City of Oakley FY 2017 Basic Financial Statements, Note 10 (item 9).

prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

Although the City meets its General Fund and Stormwater Fund reserve targets, its Vehicle and Equipment Replacement Reserve Fund is not in compliance with the policy to maintain a reserve balance equaling at least 50% of accumulated depreciation. The City notes that it "is not keeping up with aging of capital infrastructure" and is investigating a computerized Asset Management program.<sup>11</sup>

The City is experiencing difficulty funding its Lighting and Landscape District at desired levels; two of its zones' revenues fall short of expenditures, and other zones are funded at minimum levels without adequate set-asides for periodic repairs and replacement.<sup>12</sup> The General Fund is loaning one of the zones funds for park maintenance until the zone can annex sufficient newly developed homes to provide sufficient assessment revenue. The City also anticipates a loan to its Public Facilities Impact Fee to fund a shortfall in impact fees; the fund helps to pay debt service on 2016 debt that refinanced earlier debt and also helped pay for construction of a new community center.

**TABLE 12.5**  
**CITY OF OAKLEY**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$4,833,000	\$5,324,000	\$5,796,000
Sales Tax	\$1,506,000	\$1,753,000	\$1,774,000
Other Revenues (including Transfers)	\$4,441,000	\$8,683,000	\$5,060,000
<i>Total General Fund Revenues</i>	<i>\$10,780,000</i>	<i>\$15,760,000</i>	<i>\$12,630,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>46.2%</i>	<i>-19.9%</i>
GENERAL FUND EXPENDITURES			
General Government and Administration	\$1,737,000	\$1,818,000	\$2,323,000
Public Safety	\$4,523,000	\$4,499,000	\$4,009,000
Other (includes Transfers Out)	\$3,860,000	\$4,913,000	\$9,178,000
<i>Total Expenditures</i>	<i>\$10,120,000</i>	<i>\$11,230,000</i>	<i>\$15,510,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>11.0%</i>	<i>38.1%</i>
<i>Expenditures per capita</i>	<i>\$255</i>	<i>\$279</i>	<i>\$377</i>

<sup>11</sup> City of Oakley Response to MSR Fiscal Questions.

<sup>12</sup> *ibid*, Oakley FY 2019 Budget, Budget Message, pg. 5.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	5.4	6.6	7.1
Business-type Activities	n/a	n/a	n/a

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 12.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio exceeded 7.0 indicating that short-term resources exceeded current liabilities.<sup>13</sup> The City has no enterprise funds.

The City's total outstanding debt has been declining over time. Total outstanding debt was approximately \$236 per capita in FY 2017, indicating increases compared to the \$169 per capita reported for FY 2015 (see Attachment C).

### 12.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The total positive net position of governmental funds increased between FY 2015 and FY 2017, and the positive unrestricted portion improved (see Attachment C).

### 12.3.4 LOCAL REVENUE MEASURES

The City has no local voter-approved tax measures.

### 12.3.5 ENTERPRISE ACTIVITIES

The City has no enterprise activities.

### 12.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities,

<sup>13</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The City's \$1.7 million pension liability is 75% funded (see Attachment C). The City has implemented and funded a Section 115 Trust to address the pension liability. The City has no other post-employment benefit liabilities.

### **12.3.7 CAPITAL ASSETS AND DEPRECIATION**

The value of the City's governmental assets showed a net increase in FY 2017 (see Attachment C). However, the net value would have shown a decline if road assets transferred to the City from the Redevelopment Successor Agency were excluded. A decline in net value indicates that infrastructure investments are not keeping pace with depreciation of those assets.

Development impact fees will help to fund a new fire station. In addition, the City will be obtaining a \$1.9 million no-cost loan from the East Contra Costa Fire Protection District to pay for increased fire station costs.<sup>14</sup>

### **12.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

The City is investigating the prospect of obtaining a computerized Asset Management Program that would be implemented in the coming years.

Economic development is among the City's highest priorities, and its FY 2019 budget lists a number of recent accomplishments to advance that goal including: launch of the *OpportunityOakley.com* website; participation with neighboring cities in the joint East County Economic Development attraction website *EastCounty4You.com*; facilitated planning for over 20 new residential and commercial projects; and completed Downtown revitalization loans and renovations.<sup>15</sup>

## **12.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of

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<sup>14</sup> *East Bay Times*, August 15, 2018.

<sup>15</sup> *ibid*, Oakley FY 2019 Budget Message, pg. 3.



determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Oakley.

#### 12.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Oakley serves 41,742 residents.

#### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

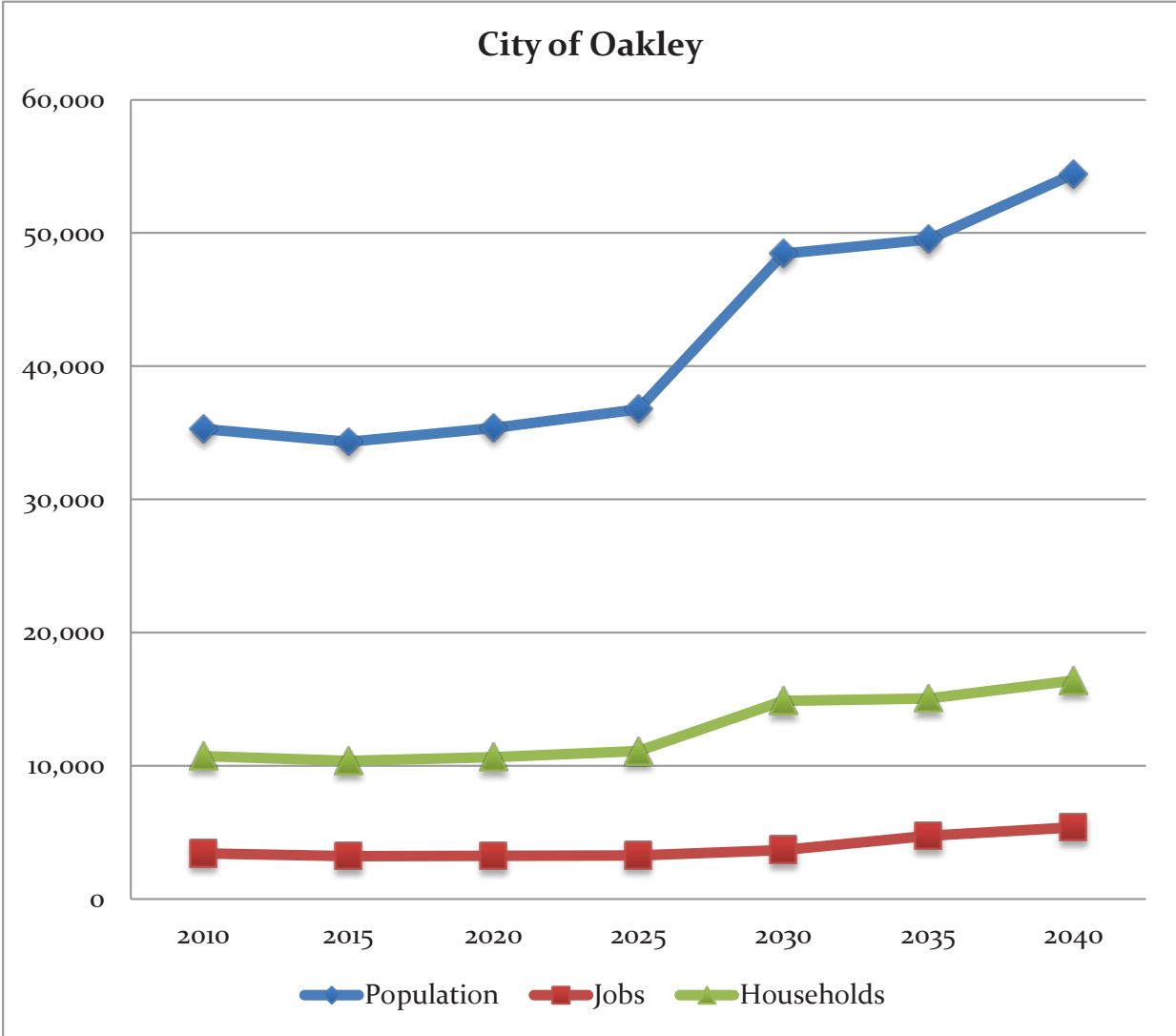
As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Oakley are depicted in **Figure 12.2**.

ABAG projects that the City of Oakley will grow at an annual rate of approximately 1.4% to a population of 54,435 between 2010 and 2040.<sup>16</sup> The City is also projected to experience an approximate 1.5% annual growth rate in jobs between 2010 and 2040.

The City reports that its General Plan buildout estimates (68,000 population) are higher than Plan Bay Area 2040 projections. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

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<sup>16</sup> ABAG. Projections 2017.



**Figure 12.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Oakley**  
*May 2019*

## JOBS AND HOUSING

According to the Bay Area Census data<sup>17</sup> for 2010, the City of Oakley has 14,439 employed residents. The ABAG Projections data<sup>18</sup> for 2010 estimated 3,410 jobs in the City, with approximately 0.24 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Oakley has 11,484 housing units, which results in a job and housing balance of 0.32. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 12.6**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 12.6**  
**CITY OF OAKLEY**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	8,163
Renter-occupied housing units	2,564
Vacant housing units	757
Total existing housing units	11,484
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	317
Low	174
Moderate	175
Above Moderate	502
Total Regional Housing Need Allocation	1,168

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014–2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>19</sup> The City of Oakley was assigned a RHNA of 1,168 units, as shown in Table 12.6.

The City adopted its General Plan in 2002 and its Housing Element in 2015.<sup>20</sup> The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 2,095 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Oakley 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with

<sup>17</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>18</sup> ABAG. Projections 2017.

<sup>19</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014–2022*.

<sup>20</sup> The City is planning an update to its General Plan in 2019/2020.

State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>21</sup>

The City of Oakley's Recreation Division provides some programs for adults age 50 and older. Oakley Seniors, a nonprofit organization, provides general services to seniors in the area at the Oakley Senior Center.

### **ANTICIPATED GROWTH PATTERNS**

The City of Oakley reported approximately 2,500 undeveloped entitled residential acres in FY 2017. Several projects have been identified as part of the projected growth for the City and include 4,500 dwelling units and 75,000 square feet of commercial space. These projects are either approved or in the approval process.

PDA's help form the implementing framework for Plan Bay Area. Three PDA's have been identified by the City of Oakley and included in Plan Bay Area 2040.<sup>22</sup> The Employment Center, Downtown, and Potential Planning Area PDA's are anticipated to accommodate approximately 90% of the projected growth in households and 75% of the projected growth in employment.<sup>23</sup> The Employment Area PDA is characterized as a Suburban Center, the Downtown PDA is characterized as a Transit Town Center, and the Potential Planning Area PDA is characterized as a Transit Neighborhood.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Oakley has not identified any Priority Conservation Areas, nor are any included in Plan Bay Area 2040.<sup>24</sup>

The City of Oakley does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI prior to the next MSR update.

### **12.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Oakley's SOI is mostly coterminous with the municipal boundary, with the exception of an extension to the east (see Figure 12.1). No unincorporated islands have been identified in the City of Oakley.

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<sup>21</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>22</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>23</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>24</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified an area in northwest Oakley—south of Main Street along Neroly Road—that meets the criteria of a disadvantaged community.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

#### **12.4.3 CITY SERVICES MSR DETERMINATIONS**

##### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Oakley reports that it adequately serves all areas within its municipal boundary and SOI and anticipates it will continue to do so in the foreseeable future.

The disadvantaged community identified within the City's SOI receives sewer, water, and fire protection services.

##### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 77, which indicates the City's streets are in good condition and primarily require funding at a level to maintain the current condition.

The City reports that it is not keeping up with the aging of capital infrastructure and that they are investigating the prospects of obtaining a computerized asset management program that would be implemented in the coming years.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City reports that the demand for capital infrastructure construction and maintenance is consistently higher than the resources available. The City continues to seek opportunities to supplement CIP funding with federal and state grants.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

#### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

#### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

#### **12.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, the City of Oakley appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Oakley has been operating with a surplus in their General Fund until the 2017 fiscal year.

The City currently exceeds their 20% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 7.1, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$236 per capita for FY 2017, up from \$169 per capita in FY 2015.

The City's unfunded pension liabilities continue to grow; however, the City has funded a Section 115 Trust to address the increasing pension liabilities. The City has no OPEB liabilities.



## **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **12.4.4 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

## **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Oakley website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.

## **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Oakley website provides access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

## **PUBLIC INVOLVEMENT**

The City of Oakley website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City uses social media and also distributes newsletters to residents. The City therefore adequately provides accountability with regard to citizen participation.

## **12.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **12.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Oakley is mostly coterminous with the municipal boundary, with the exception of an extension to the east, as shown in Figure 12.1. The City of Oakley is bound by the City of Brentwood to the south, the City Antioch to the west, and County lands to the north, east, and south.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Oakley.

### **12.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF OAKLEY**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Oakley MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Oakley plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including industrial, residential, office, commercial, institution, retail, agricultural, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan (2002).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Oakley. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Oakley appears adequate. The City of Oakley anticipates it will continue to have adequate capacity during the next five years.

#### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

Most communities of interest within the City's municipal boundary are included within the SOI. In 2006, the City considered annexing the area within the City's SOI. Although the City did proceed with annexation of a large portion of the territory in 2006, due to resistance from the residents, the City did not pursue the annexation of a small portion within the existing SOI. Contra Costa LAFCO has not identified other specific social or economic communities of interest relevant to the City of Oakley.

#### ***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified an area in northwest Oakley—south of Main Street along Neroly Road—that meets the criteria of a disadvantaged community. This area receives sewer, water, and fire protection services.

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# CHAPTER 13

## CITY OF ORINDA

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### 13.1 AGENCY OVERVIEW

The City of Orinda, incorporated in 1985, covers an area of approximately 12.8 square miles. With an estimated population of 19,199, the City has a population density of approximately 1,476 persons per square mile.<sup>1</sup>

The City of Orinda lies in central Contra Costa County, with the City of Lafayette to the east and the Town of Moraga to the southeast. County lands bound the City to the south, north, and west. The Sphere of Influence (SOI) for the City of Orinda is coterminous with the municipal boundary, as shown in **Figure 13.1**. The City adopted the countywide Urban Limit Line in 2009.

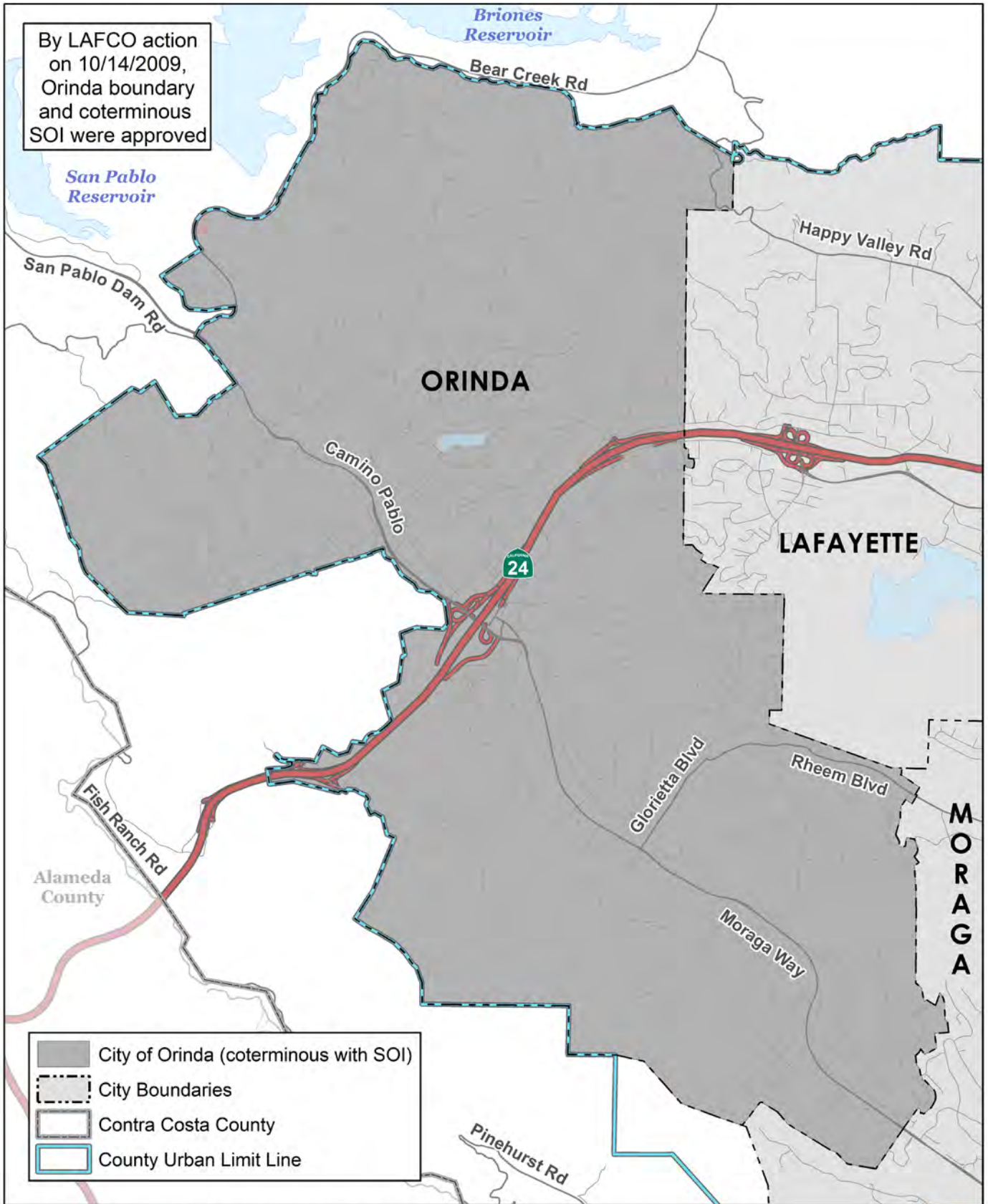
Land uses in the City include a mix of residential, office and community business, public, and open space. Although there are no designated agricultural land uses in the City of Orinda, livestock grazing may be allowable within some open space areas.

#### 13.1.1 FORM OF GOVERNMENT

The City of Orinda is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the Mayor. Council members serve four-year terms and the Mayor rotates each year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 10/04/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37.59:41.791N 122.07:03.756W

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**Figure 13.1. City of Orinda Municipal Boundary and Sphere of Influence**  
 May 2019

### 13.1.2 STAFFING

Total City staffing for fiscal year (FY) 2017 included 38.3 full-time equivalent (FTE) employees. **Table 13.1** shows the four service areas with the highest staffing levels.

**TABLE 13.1**  
**CITY OF ORINDA**  
**HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Public Works and Engineering	12.0
Park and Recreation	11.0
City Manager and Administration	8.3
Planning	6.0

*Source: City of Orinda*

Unlike other cities in Contra Costa County, the public works and engineering function had the highest staffing level in the City of Orinda, with 12.0 FTE employees.

### 13.1.3 JOINT POWERS AUTHORITIES

The City of Orinda is a member of several joint powers authorities (JPAs), which are listed in **Table 13.2**.

**TABLE 13.2**  
**CITY OF ORINDA**  
**JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Central Contra Costa Solid Waste Authority	Solid waste
Central Contra Costa Transportation Authority	Transit
Contra Costa Transit Authority Congestion Management Agency	Streets and roads
Forensic Services Agreement	Forensic services
Lamorinda Fee and Financing Authority	Traffic impact fee
Lamorinda School Bus Transportation Agency	School bus service

*Source: City of Orinda*

### 13.1.4 AWARDS AND RECOGNITION

The City of Orinda has not reported receiving any awards since the first round Municipal Service Review (MSR).

## 13.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 13.3**, municipal services for the City of Orinda are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 13.3**  
**CITY OF ORINDA**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of Orinda, Contra Costa County
Law Enforcement	Contra Costa County
Library	Contra Costa County
Lighting	City of Orinda
Parks and Recreation	City of Orinda
Solid Waste	Allied Waste
Stormwater	City of Orinda
Streets	City of Orinda
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	n/a

*Source: City of Orinda*

Opportunities or challenges related to the provision of municipal services for the City of Orinda were not reported or were unavailable at the time of this MSR update.

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.



### 13.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) provides animal control services for the City of Orinda and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$106,833 for FY 2017 and are included as part of the Police Department budget.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### 13.2.2 BROADBAND

The City of Orinda does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Orinda did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Orinda received a grade of D, which indicates that internet service providers did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Orinda did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### 13.2.3 BUILDING/PLANNING

The City of Orinda Planning Department provides planning services and the City contracts with the Contra Costa County Building Division for building services. Department expenditures for FY 2017 were \$1,038,101. The City does not record an expense for building services. The contract with Contra Costa County is structured as a revenue-sharing arrangement and Contra Costa County retains the base fees collected.

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

A combined total of 889 residential and commercial building permits were issued in 2017 and the total building permit valuation in FY 2017 was \$49.8 million.

Planning city-wide has been captured in the General Plan, Strategic Plan, the five-year Capital Improvement Plan, and the Bicycle, Trails and Walkways Master Plan.

### 13.2.4 LAW ENFORCEMENT

The City of Orinda Police Department provides law enforcement and dispatch services through contract with the Contra Costa County Office of the Sheriff. FY 2017 expenditures for the Sheriff's Office were \$229.3 million, up from \$217.8 million in FY 2015.

The City of Orinda has 1.3 FTE sworn personnel per 1,000 population. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 11.6 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 7.8% in 2017, and the violent crime clearance rate was 0.5%.<sup>6</sup>

The Sheriff's Office reported 677 FTE for FY 2017, up from 664 FTE in FY 2016, with an average of 1.02 sworn staff per 1,000 population. Total property crime clearances were reported at 125 (17 in Orinda) and total violent crime clearances were reported at 340 (13 in Orinda) for FY 2017.

### 13.2.5 LIBRARY

Contra Costa County provides library services for the City of Orinda at its Orinda Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating

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<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state averages for expenditures and staffing are nearly double the County's.

The City of Orinda is responsible for operating the library building and utilities as well as providing funding for additional hours of operation. A portion of these expenses are offset by a voter-approved parcel tax. In FY 2017, the parcel tax amount was \$39 per equivalent residential unit. The total costs paid by the City in FY 2017 were \$217,043.

### **13.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the City of Orinda Public Works and Engineering Department. City FY 2017 expenditures for light and signal maintenance were \$76,179. The City maintains 19 signalized intersections and 17 traffic lights.

### **13.2.7 PARKS AND RECREATION**

The City of Orinda Parks and Recreation Department is the service provider for parks and recreation facilities, as well as recreation programs. FY 2017 expenditures for parks were approximately \$3.6 million.

The City provides a variety of classes and programs for adults, seniors, and youth, along with adult and youth sports leagues.

The City provides and maintains 7.45 park acres per 1,000 residents, 1 recreation center per 20,000 residents, and 12 miles of recreation trails. The City anticipates opening a second recreation center in 2019.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

### **13.2.8 SOLID WASTE**

Solid waste services are provided to the City of Orinda via franchise agreement with Republic Services. The City of Orinda FY 2017 expenditures for solid waste services were unavailable at the time of this MSR update. Because the City does not provide these services, it does not have an expenditure report. Republic Services handles all billing and also services City facilities without a charge under the franchise agreement.

The FY 2017 solid waste disposal rates were not reported or were unavailable at the time of this MSR update.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### 13.2.9 STORMWATER/DRAINAGE

The City of Orinda Public Works and Engineering Department provides and maintains the City's stormwater drainage system. The City reports that they have 19 miles of closed storm drain lines within and that 0.4% of their storm drain inlets are equipped with trash capture. The City's compliance with National Pollution Discharge Elimination System standards was not reported or was unavailable at the time of this MSR update. Stormwater expenditures were \$177,929 in FY 2017, with an additional \$257,850 spent on drainage projects.

### 13.2.10 STREETS/ROADS

The City of Orinda Public Works and Engineering Department provides and maintains 92.7 street miles, 1 mile of Class 1 and 0.8 mile of Class 2 bike lanes. FY 2017 expenditures for streets were approximately \$13 million, with \$12 million spent for street related repairs.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Orinda was 60 (fair) in 2017, up considerably from 49 in 2015, but remains well below the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance.

### 13.2.11 UTILITIES

Pacific Gas & Electric provides gas and electricity service to the City of Orinda. The City is not a member of a Community Choice Aggregation program.

The City of Orinda did not report concerns about the ability of utility service providers to serve the City's existing or growing population.

## 13.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Orinda's financial health and assesses the City's financial ability to provide services. Key financial information for City municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

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<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

### 13.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

The City of Orinda prepares a biennial budget. According to the City's FY 2018-19 budget, the City's General Fund revenue of \$13.2 million exceeds General Fund expenditures by \$320,000; the budget transfers most of the surplus to the Road and Drainage Stabilization Fund.<sup>9</sup> The City maintains a General Fund balance of \$5.9 million consistent with its financial policy to retain a \$5 million reserve plus 20% of annual revenues exceeding \$10 million.<sup>10</sup> The City has achieved and maintained this level in prior years as well, although reductions occurred in FY 2017 from the use of \$2 million for storm and sinkhole related repairs. **Table 13.4** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

The City provides funding to its M-11 Lighting and Landscape District to offset assessment shortfalls, and is considering options that may include assessment increases, or dissolution / replacement with a Business Improvement District.<sup>11</sup>

**TABLE 13.4**  
**CITY OF ORINDA**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$5,653,000	\$6,123,000	\$6,543,000
Sales Tax	\$2,067,000	\$2,121,000	\$2,107,000
Other Revenues (including Transfers)	\$5,324,183	\$5,581,236	\$5,114,653
<i>Total General Fund Revenues</i>	<i>\$13,044,183</i>	<i>\$13,825,236</i>	<i>\$13,764,653</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>6.0%</i>	<i>-0.4%</i>

<sup>9</sup> City of Orinda Biennial Budget Fiscal Years 2018 and 2019 Adopted May 16, 2017, pg. 40.

<sup>10</sup> *ibid*, Orinda FY 2019 budget, Financial Policies and Budget Procedures, pg. 27.

<sup>11</sup> *ibid*, Orinda FY 2019 budget, Strategic Priorities, pg. 13.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND EXPENDITURES			
General Government and Administration	\$1,834,000	\$2,015,000	\$1,977,000
Public Safety	\$3,960,000	\$4,034,000	\$4,112,000
Other (includes Transfers Out)	\$6,368,067	\$6,444,523	\$9,791,389
<i>Total Expenditures</i>	<i>\$12,162,067</i>	<i>\$12,493,523</i>	<i>\$15,880,389</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>5.9%</i>	<i>12.1%</i>
<i>Expenditures per capita</i>	<i>\$655</i>	<i>\$663</i>	<i>\$835</i>
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	5.6	3.6	2.5
Business-type Activities	n/a	n/a	n/a

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 13.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio equaled 2.5 indicating that short-term resources exceeded current liabilities (see Attachment C).<sup>12</sup>

The City's total outstanding debt has been increasing over time. Total outstanding debt was approximately \$2,700 per capita in FY 2017, indicating a significant increase compared to the \$984 per capita reported for FY 2015. Governmental activities' outstanding debt totaled \$51.3 million in FY 2017 (see Attachment C).

### 13.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The total positive net position of governmental funds increased between FY 2015 and FY 2017, and the positive unrestricted portion declined slightly, apparently as the result of increased investments in capital assets (see Attachment C).

<sup>12</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

### **13.3.4 LOCAL REVENUE MEASURES**

General Fund revenues are supplemented by Measure L, which generates approximately \$1.1 million of annual voter-approved local half-cent sales tax. Measure L, approved in 2012 and effective 2013 (expires after 10 years), is appropriated annually for road and drainage infrastructure improvements.

In June 2018, the voters approved an increase in the local library tax to \$69 per residential equivalent unit, which will provide support for the 17-year old facility as well as continuing operational funds.

### **13.3.5 ENTERPRISE ACTIVITIES**

The City has no enterprise funds.

### **13.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The City has no pension liability, as it provides a defined contribution retirement plan. The City is in the process of obtaining its first other post-employment benefit actuarial estimate for retiree medical contributions. The City obtained its first other post-employment benefit actuarial estimate for retiree medical contributions in July 2018 and has recorded a liability of \$411,965 on its Statement of Net Position for the period ending June 30, 2018. Currently, the City contributes the minimum payment per month and the majority of the premium is paid for by the two participating retirees.

### **13.3.7 CAPITAL ASSETS AND DEPRECIATION**

FY 2015 and FY 2016 showed small declines in governmental assets; however, FY 2017 net value of depreciable assets increased significantly (see Attachment C). This increase was largely due to completion of significant drainage and roadway improvement projects (including sinkhole repair).

Road improvements are funded by 2014 voter-approved general obligation bonds totaling \$20 million. Voters approved an additional \$25 million of bonds in 2016. The bonds are repaid by annual assessments on property owners.<sup>13</sup>

### **13.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports.

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<sup>13</sup> *ibid*, Orinda FY 2019 budget, pg. 112-113.



According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

The City prepares a 5-year forecast as part of planning its annual budget. A facility condition report was commissioned to estimate long-term costs associated with the City's library building, and aid in budgeting and the use of library tax revenues.<sup>14</sup>

## 13.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Orinda.

### 13.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

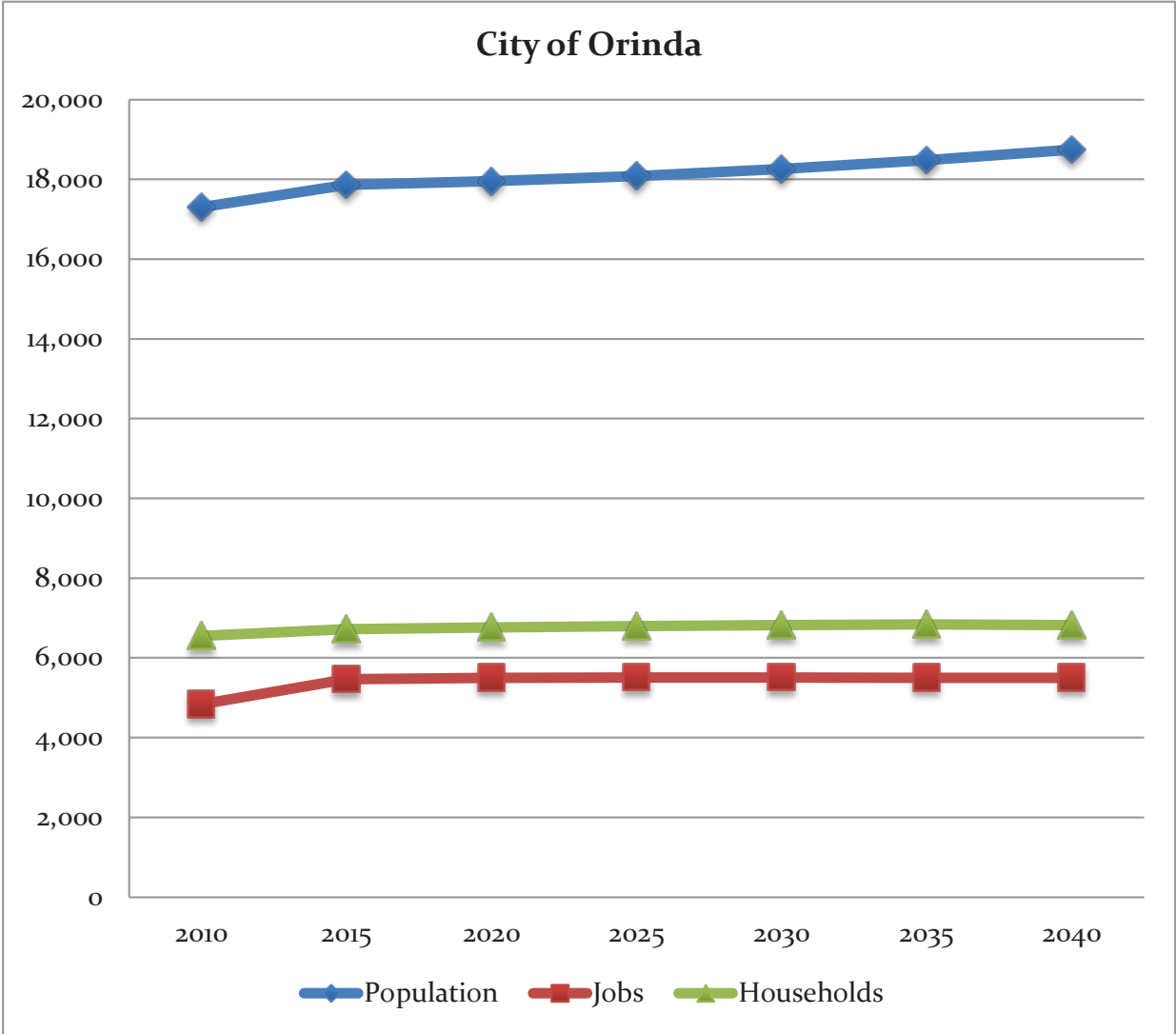
According to the 2018 California Department of Finance estimates, the City of Orinda serves 19,199 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Orinda are depicted in **Figure 13.2**.

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<sup>14</sup> Facility Condition Assessment Orinda Library, EMG, February 28, 2018.



**Figure 13.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Orinda**  
*May 2019*

ABAG projects that the City of Orinda will grow at an annual rate of approximately 0.3% to a population of 18,745 between 2010 and 2040.<sup>15</sup> The City is also projected to experience an approximate 0.4% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

## JOBS AND HOUSING

According to the Bay Area Census data<sup>16</sup> for 2010, the City of Orinda has 8,001 employed residents. The ABAG Projections data<sup>17</sup> for 2010 estimated 4,835 jobs in the City, with approximately 0.6 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Orinda has 6,804 housing units, which results in a job and housing balance of 0.74. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 13.5**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 13.5**  
**CITY OF ORINDA**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	5,876
Renter-occupied housing units	677
Vacant housing units	251
Total existing housing units	6,804
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	84
Low	47
Moderate	54
Above Moderate	42
Total Regional Housing Need Allocation	227

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014–2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>18</sup> The City of Orinda was assigned a RHNA of 227 units, as shown in Table 13.5.

The City adopted its General Plan in 1987 and its Housing Element in 2015. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 299 units, which are

<sup>15</sup> ABAG. Projections 2017.

<sup>16</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>17</sup> ABAG. Projections 2017.

<sup>18</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014–2022*.

appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Orinda 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>19</sup>

The City provides a number of senior services and programs, and works with other agencies and nonprofit organizations to meet the needs of seniors in the community. The Orinda Recreation Department sponsors fitness, recreational, and social programs, and provides referrals to the Contra Costa County Agency on Aging and Adult Services. The City’s Senior Service Committee meets monthly. Senior health care consulting is provided through a volunteer health insurance and advocacy program at Orinda Senior Village. The County Connection Link program provides paratransit, and the Orinda Association’s Seniors Around Town program provides free door-to-door rides to seniors who are unable to drive and may not qualify for the County Connection Link program. The Council on Aging, Lamorinda Group, Spirit Van, and the Contra Costa Library also offer programs for seniors.

### **ANTICIPATED GROWTH PATTERNS**

The City of Orinda reported approximately 450 undeveloped entitled residential acres in FY 2017. During FY 2017, 43 new housing units were constructed, with a comparatively higher number submitted to the City for design approval.

PDA’s help form the implementing framework for Plan Bay Area. One PDA has been identified by the City of Orinda and included in Plan Bay Area 2040.<sup>20</sup> The Downtown PDA is anticipated to accommodate approximately 50% of the projected growth in households and 57% of the projected growth in employment.<sup>21</sup> The Downtown PDA is characterized as a Transit Town Center.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Orinda has not identified any Priority Conservation Areas, and none are included in Plan Bay Area 2040.<sup>22</sup>

The City of Orinda does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and coterminous SOI.

<sup>19</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>20</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>21</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>22</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

### **13.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Orinda’s SOI is coterminous with the municipal boundary (see Figure 13.1). No unincorporated islands have been identified in the City of Orinda.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

#### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

There are no disadvantaged communities within or contiguous to the SOI for the City of Orinda and therefore, no disadvantaged communities are relevant to this analysis.

### **13.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Orinda appears to adequately serve all areas within its municipal boundary and SOI and is likely to continue to do so in the next five years based on available information.

There are no disadvantaged communities within or contiguous to the City’s SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 60, which is below the target of 75 MTC has established and which indicates a need for pavement rehabilitation funding.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City of Orinda CIP forecasts available funds and proposed projects, allowing them to keep pace with infrastructure priorities.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, building/planning, law enforcement, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City operates the Orinda Library through a cooperative agreement with Contra Costa County. The City does not share other facilities or services. Based on available information, no areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

#### **13.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

##### ***FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES***

Overall, the City of Orinda appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

##### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Orinda has been operating with a surplus in their General Fund until the 2017 fiscal year.

The City currently meets their 20% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

##### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 2.5, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$2,700 per capita for FY 2017 and has been increasing over time.

The City provides a defined contribution retirement plan and has no unfunded pension liabilities.

##### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The City issued its CAFR approximately 8 months after fiscal year end, which is not considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

Overall, the CAFRs are clearly presented; however, the City could incorporate changes to improve the transparency of its financials. For example, certain tables in the CAFR extend over multiple pages; however, the left-most column does not carry over to multiple pages, affecting the readability of the tables.



### **13.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### ***ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION***

The City of Orinda website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City of Orinda also livestreams City Council and Planning Commission meetings. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### ***ONLINE AVAILABILITY OF CITY PLANNING INFORMATION***

The City of Orinda website provides access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

#### ***PUBLIC INVOLVEMENT***

The City of Orinda website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. Newsletters are also distributed to City residents. The City therefore adequately provides accountability with regard to citizen participation.

## **13.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **13.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Orinda is coterminous with the municipal boundary, as shown in Figure 13.1. The City of Orinda is bound by the City of Lafayette to the east, the Town of Moraga to the southeast, and County lands to the south, north, and west.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Orinda. This report also recommends that future potential SOI changes not be considered for the City of Orinda until such time as a more complete review has been conducted to examine their capacity, adequacy, and financial ability to provide services.

### **13.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF ORINDA**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Orinda MSR profile.

***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Orinda plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, office, commercial, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (1987).

***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Orinda. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Orinda appears adequate. The City of Orinda anticipates it will continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Orinda.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There are no disadvantaged communities within or contiguous to the SOI for the City of Orinda and therefore no present or probable need for the City to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities.

# CHAPTER 14

## CITY OF PINOLE

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### 14.1 AGENCY OVERVIEW

The City of Pinole, incorporated in 1903, covers an area of approximately 11.6 square miles. With an estimated population of 19,236, the City has a population density of approximately 1,748 persons per square mile.<sup>1</sup>

The City of Pinole lies in western Contra Costa County with the cities of Richmond and San Pablo to the south, Hercules to the north, San Pablo Bay to the west, and Hercules to the east. County lands (unincorporated Briones Hills and the communities of Bay View, Montalvin Manor, and Tara Hills) also lie to the east. The Sphere of Influence (SOI) for the City of Pinole extends beyond the municipal boundary to the south and west, as shown in **Figure 14.1**. The City adopted the countywide Urban Limit Line in 2007.

Land uses in the City include a mix of residential, multi-family residential, commercial, retail, mixed use, and open space. Although there are no designated agricultural land uses in the City of Pinole, some rural designated areas may allow for community gardening and specialty crop farming.

#### 14.1.1 FORM OF GOVERNMENT

The City of Pinole is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the Mayor. Council members serve four-year terms and the Mayor rotates each year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>

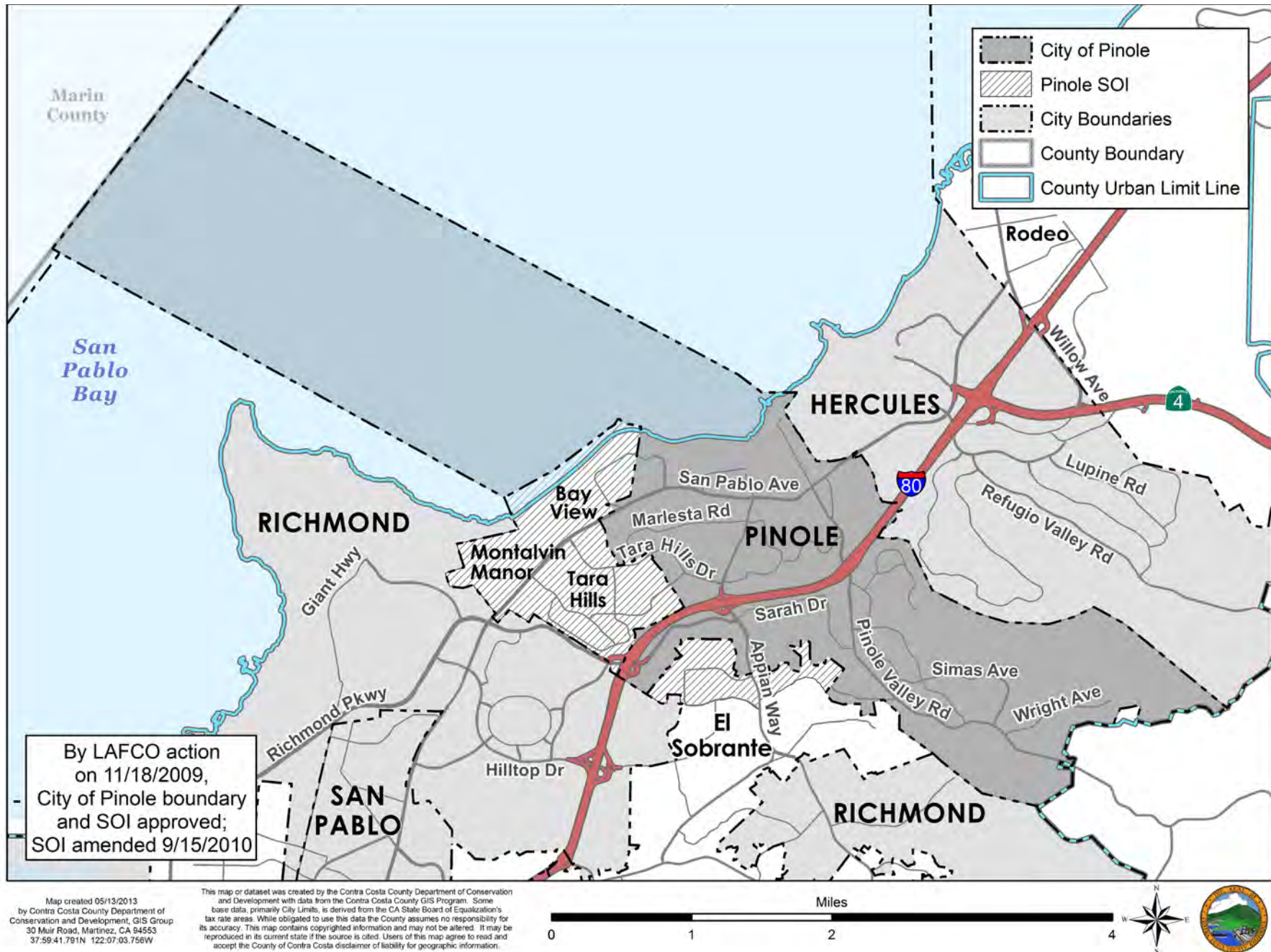


Figure 14.1. City of Pinole Municipal Boundary and Sphere of Influence  
 May 2019

### 14.1.2 STAFFING

Total City staffing for fiscal year (FY) 2017 included 113.31 full-time equivalent (FTE) employees. **Table 14.1** shows the four service areas with the highest staffing levels.

**TABLE 14.1**  
CITY OF PINOLE  
HIGHEST STAFFING LEVELS BY SERVICE AREA

SERVICE AREA	FY 2017 FTE
Police Service	45.42
Recreation	14.18
Waste Management	11.0
Public Works	10.25

Source: City of Pinole

Similar to other cities in Contra Costa County, the police function had the highest staffing level in the City of Pinole, with 45.42 FTE employees.

### 14.1.3 JOINT POWERS AUTHORITIES

The City of Pinole is a member of several joint powers authorities (JPAs), which are listed in **Table 14.2**.

**TABLE 14.2**  
CITY OF PINOLE  
JOINT POWERS AUTHORITY MEMBERSHIP

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Contra Costa Abandoned Vehicle Authority	Removal and disposal of abandoned vehicles
Contra Costa Transit Authority Congestion Management Agency	—
East Bay Regional Communications System Authority	Regional communication systems
Marin Clean Energy	Utility services (electric) provider
Municipal Pooling Authority	Workers compensation and liability self-insurance pool
Pinole Joint Financing Authority	Financing

JOINT POWERS AUTHORITY	SERVICE
West Contra Costa Integrated Waste Management Authority	Garbage service oversight
Western Contra Costa County Transit Authority	—
Western Contra Costa Transportation Advisory Committee	Growth management and sub-regional planning mandates
Western Riverside Council of Governments	PACE program

Source: City of Pinole

#### 14.1.4 AWARDS AND RECOGNITION

**Table 14.3** lists the awards the City of Pinole has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 19.3**  
**CITY OF PINOLE**  
**AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Excellence in Financial Reporting	Government Finance Officers Association	2011 – 2016
Restoration Project of the Year	Contra Costa Watershed Forum	2011
Meritorious in Operating Budget	California Society of Municipal Finance Officers	2008 – 2011, 2014 – 2015

Source: City of Pinole

## 14.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 14.4**, municipal services for the City of Pinole are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.



**TABLE 14.4**  
**CITY OF PINOLE**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of Pinole
Law Enforcement	City of Pinole
Library	Contra Costa County
Lighting	City of Pinole
Parks and Recreation	City of Pinole
Solid Waste	Richmond Sanitary Services
Stormwater	City of Pinole
Streets	City of Pinole
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: City of Pinole*

Opportunities or challenges related to the provision of municipal services for the City of Pinole were not reported or were unavailable at the time of this MSR update.

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 14.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) is the animal control service provider for the City of Pinole and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$108,450 for FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>



the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **14.2.2 BROADBAND**

The City of Pinole does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Pinole did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Pinole received a grade of C, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Pinole did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **14.2.3 BUILDING/PLANNING**

The City of Pinole Building Division provides building services and the Planning Division provides planning services. Department expenditures for FY 2017 were \$781,869.

The City of Pinole issued 261 residential and 5 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$9.2 million.

The City worked with Target to complete an interior store renovation, and provided final occupancy to a new Sprouts Grocery store, Lifelong Medical Clinic, and multi-tenant retail shop space building within the Gateway Shopping Center. The City also worked with Eden Housing to complete the renovation and modernization of 144 affordable multi-family housing units. Construction was initiated on a new CVS Pharmacy, AAA Office, and a DaVita Dialysis Clinic. Additionally, the City worked with East Bay Regional Park District on the design and construction of a new segment of the Bay Trail from the Pinole Shores Drive trailhead to Bayfront Park.

Planning city-wide has been captured in the General Plan.

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<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

#### 14.2.4 LAW ENFORCEMENT

The City of Pinole Police Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$605,651.

The City of Pinole has 1.45 FTE sworn personnel per 1,000 population, which represents a slight increase from 1.41 FTE in 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 74.2 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 16.8% in 2017, and the violent crime clearance rate was 78.7%.<sup>6</sup>

#### 14.2.5 LIBRARY

Contra Costa County provides library services for the City of Pinole at its Pinole Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state averages for expenditures and staffing are nearly double the County's.

#### 14.2.6 LIGHTING

Lighting (street and traffic) is provided and maintained by the City of Pinole Public Works Department. City expenditures for light and signal maintenance were \$933,013 in FY 2017, up from \$630,182 in FY 2015. The City maintains 29 signalized intersections, 21 traffic lights, and 523 street lights.

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

### **14.2.7 PARKS AND RECREATION**

The City of Pinole Public Works Department maintains the parks and recreation facilities as well as landscaped medians and public planter beds. The Recreation Department is the service provider for recreation programs. FY 2017 expenditures for parks were approximately \$1,041,074.

The City offers a variety of programs and classes for all ages and interests, including a school of performing arts, day camps, a senior center with a robust activity schedule and trips and travel, and various community events.

The City provides and maintains 14 park acres per 1,000 residents, 3 recreation centers per 20,000 residents, and 3.5 miles of recreation trails.<sup>8</sup>

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 3 acres per 1,000 residents.

### **14.2.8 SOLID WASTE**

Solid waste services are provided to the City of Pinole via contract with Richmond Sanitary Services. The City of Pinole FY 2017 expenditures for solid waste services were \$234,631.

The City reported approximately 0.68 ton of waste disposed per capita for FY 2017. The FY 2017 per resident disposal rate was 3.7 pounds/resident/day.<sup>9</sup>

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **14.2.9 STORMWATER/DRAINAGE**

The City of Pinole Public Works Department provides and maintains the City's stormwater drainage system. The City reports that they have 34 miles of closed storm drain lines and that approximately 10.3% of their estimated 1,048 storm drain inlets are equipped with trash capture. The City of Pinole also reports compliance with National Pollution Discharge Elimination System standards. Total FY 2017 expenditures for stormwater were \$241,081.

### **14.2.10 STREETS/ROADS**

The City of Pinole Public Works Department provides and maintains 51.75 street miles and approximately 1.5 Class 1 and 2 bike lane miles. FY 2017 expenditures for streets were \$627,006.

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<sup>8</sup> The City of Pinole has a senior center which offers programs for ages 50 and over, a youth center for ages 6-17, and the tiny tot facility for ages 3-5.

<sup>9</sup> Data from Republic Services via Recyclemore. Percentage is based on data for inbound solid waste, green waste, construction and demolition waste, not accounting for diverted recyclables.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Pinole was 68 (fair) in 2017, up from 67 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>10</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance.

#### 14.2.11 UTILITIES

The City of Pinole is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Pinole.

The City of Pinole did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

### 14.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Pinole's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

#### 14.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

The City of Pinole prepares an annual budget. According to the City's FY 2018-19 budget, the City's General Fund revenue of \$14.3 million exceeds General Fund expenditures by about \$300,000<sup>11</sup> The City's General Fund balance is projected to grow to about \$8.1 million consistent with its financial policy to retain a \$5 million reserve plus 10% of annual revenues exceeding \$10 million.<sup>12</sup> **Table 14.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year. The City's Utility Users Tax, renewed in November 2018, helps to maintain City revenues.

<sup>10</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>11</sup> City of Pinole Fiscal Year 2018-19 Proposed Budget June 19, 2018 pg. B-1.

<sup>12</sup> *ibid*, Pinole FY 2019 budget, Financial Policies, pg. A-9.

Several City funds, including Recreation and Cable Television, continue to require City funding although the City's policy is for those funds to be self-sustaining. The City's Building and Planning Fund also required City financial support, although as the result of fluctuating development fee revenues.

The City's five-year projections indicate annual General Fund shortfalls beginning in FY 2019 assuming conservative revenue growth against increases in pension costs; however the proposed FY 2019 budget shows a balanced budget. The Utility Users Tax will help mitigate projected shortfalls.

**TABLE 14.5**  
**CITY OF PINOLE**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$5,132,000	\$3,413,000	\$3,491,000
Sales Tax	\$6,120,000	\$7,859,000	\$7,597,000
Other Revenues (including Transfers)	\$6,066,000	\$6,120,000	\$6,065,000
<i>Total General Fund Revenues</i>	<i>\$17,317,575</i>	<i>\$17,391,787</i>	<i>\$17,152,904</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>0.4%</i>	<i>-1.4%</i>
GENERAL FUND EXPENDITURES			
General Government and Administration	\$2,136,000	\$2,685,000	\$2,708,000
Public Safety	\$8,336,000	\$9,025,000	\$9,459,000
Other (includes Transfers Out)	\$1,550,000	\$2,808,000	\$2,348,000
<i>Total Expenditures</i>	<i>\$12,022,000</i>	<i>\$14,518,000</i>	<i>\$14,515,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>20.8%</i>	<i>0.0%</i>
<i>Expenditures per capita</i>	<i>\$644</i>	<i>\$771</i>	<i>\$760</i>
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	4.9	6.0	6.6
Business-type Activities	7.0	30.9	4.6

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 14.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio equaled 6.6, indicating that short-term resources exceeded current liabilities (see Attachment C).<sup>13</sup> The City's enterprise funds' liquidity ratio equaled 4.6 in FY 2017. Although the General Fund balance and short-term liquidity measures appear strong, combined governmental activities' unrestricted net position at the end of FY 2017 was a negative \$31.2 million.<sup>14</sup> This negative long-term unrestricted position reflects significant pension and other post-employment benefit liabilities of \$46.6 million in FY 2017 that are not covered by the value of non-capital assets.

Total outstanding debt was approximately \$620 per capita in FY 2017, indicating reductions compared to the \$720 per capita reported for FY 2015 (see Attachment C).

### 14.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The total net position of governmental activities improved from FY 2015 to a total \$19.3 million in FY 2017. As noted above, combined governmental activities' unrestricted net position at the end of FY 2017 was a negative \$31.2 million. This decrease was largely the result of net pension and other post-employment benefit (OPEB) liabilities. The net position of the City's wastewater utility has generally improved from FY 2015 through FY 2017.

### 14.3.4 LOCAL REVENUE MEASURES

The City helps to fund services using funds from two local sales tax measures (both Measure S) approved by voters in 2006 and in 2014; together these sales taxes equal 1% of taxable sales and provide about \$3.9 million annually. The taxes are general revenues and can be used for any purpose, but 2006 taxes have been dedicated by the City to public safety programs and the 2014 taxes to infrastructure projects are their highest priority.<sup>15</sup>

In November 2018, voters approved Measure C extending the existing Utility Users Tax at its current rate of 8% with no sunset date. The tax, first approved in 1998, supports essential City services. Fiscal year 2018-2019 revenues from this tax are estimated to be \$1.9 million, or 14% of General Fund revenues.<sup>16</sup>

<sup>13</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>14</sup> City of Pinole FY 2017 CAFR, pg. 6.

<sup>15</sup> *ibid*, Pinole FY 2019 budget, pg. A-12.

<sup>16</sup> *ibid*, Pinole FY 2019 budget, pg. A-17.

### **14.3.5 ENTERPRISE ACTIVITIES**

The City's sole enterprise activity is its wastewater utility.

### **14.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The City reported its unfunded pension liability of \$18.6 million in FY 2015 grew to \$27.1 million in FY 2017.<sup>17</sup> The City's reported OPEB liability was \$19.5 million in FY 2017. In addition to City payments required to pay ongoing pension costs and unfunded liabilities, the City is paying about \$500,000 annually towards a Pension Obligation Bond issued in 2006. The FY 2017 CAFR reports \$3,085,910 million pension expense paid in FY 2017 in addition to the pension bond payments and OPEB payments.<sup>18</sup>

### **14.3.7 CAPITAL ASSETS AND DEPRECIATION**

FY 2016 and FY 2017 show declines in the net value of governmental and enterprise assets (see Attachment C). Completion of a Water Pollution Control Plant Upgrade Project anticipated for Spring 2019 should result in a significant increase in net value of enterprise assets. The City includes in its wastewater rate structure a component to fund reserves for asset replacement. These costs are shared 50% with the City of Hercules (in addition to sharing plant operations costs based on flows).

### **14.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets are prepared in a timely manner and posted on the agency's website. The FY 2017 CAFR was prepared over 8 months after the end of the FY 2017 fiscal year, which is not considered timely.

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<sup>17</sup> City of Pinole MSR Fiscal Profile, Table 8.

<sup>18</sup> Ibid, Pinole FY 2017 CAFR, pg. 54.



## 14.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Pinole.

### 14.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Pinole serves 19,236 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Pinole are depicted in **Figure 14.2**.

ABAG projects that the City of Pinole will grow at an annual rate of approximately 0.4% to a population of 21,390 between 2010 and 2040.<sup>19</sup> The City is also projected to experience an approximate 0.8% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

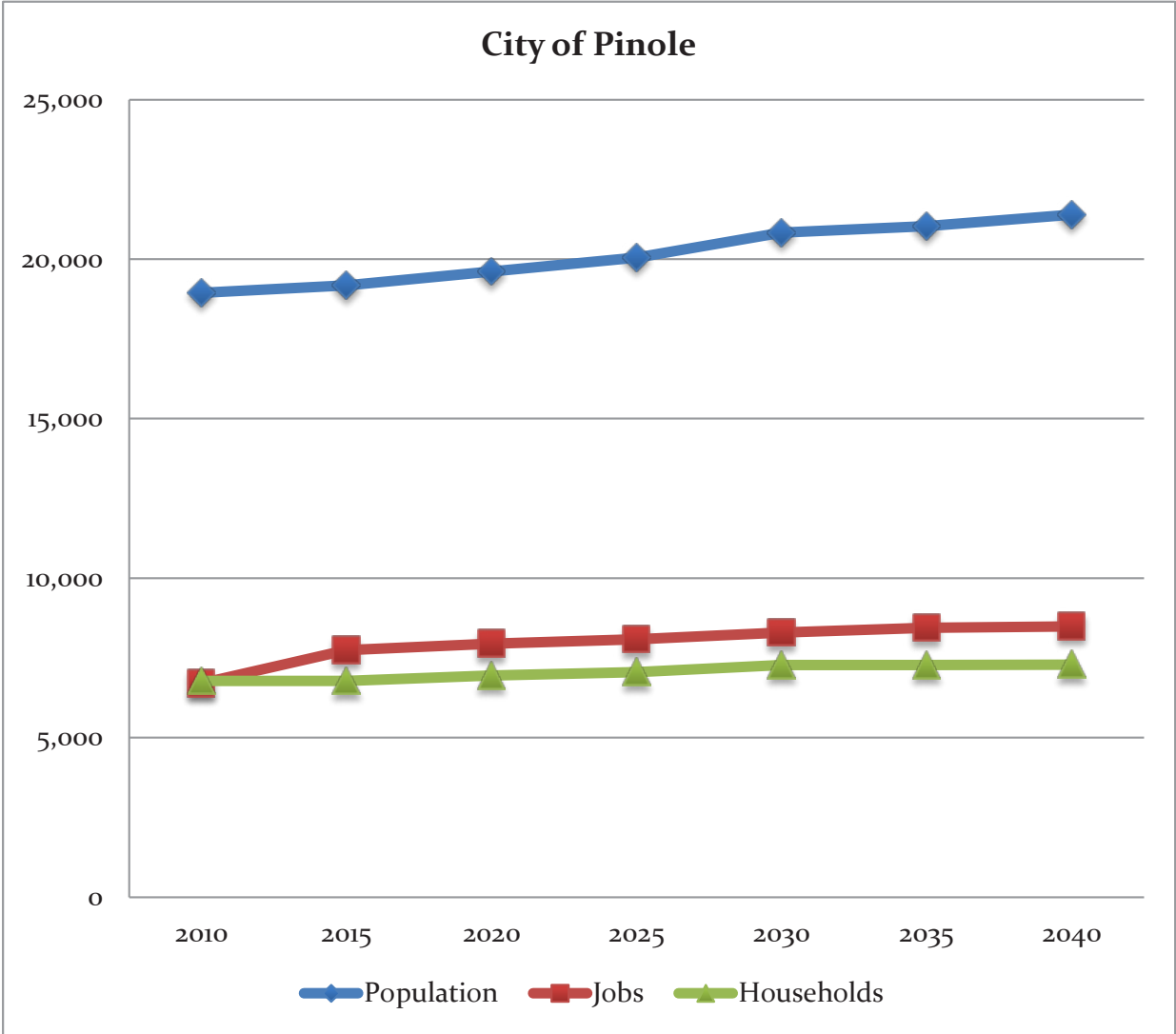
### **JOBS AND HOUSING**

According to the Bay Area Census data<sup>20</sup> for 2010, the City of Pinole has 8,888 employed residents. The ABAG Projections data<sup>21</sup> for 2010 estimated 6,700 jobs in the City, with approximately 0.75 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Pinole has 7,158 housing units, which results in a job and housing balance of 0.99. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 14.6**), indicating that the rate of homeownership exceeds the rental household rate.

<sup>19</sup> ABAG. Projections 2017.

<sup>20</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>21</sup> ABAG. Projections 2017.



**Figure 14.2. Population, Job, and Household Growth Projections (2010-2040)**

**City of Pinole**

*May 2019*

**TABLE 14.6**  
**CITY OF PINOLE**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	4,861
Renter-occupied housing units	1,914
Vacant housing units	393
<b>Total existing housing units</b>	<b>7,158</b>
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	80
Low	48
Moderate	43
Above Moderate	126
<b>Total Regional Housing Need Allocation</b>	<b>297</b>

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>22</sup> The City of Pinole was assigned a RHNA of 297 units, as shown in Table 14.6.

The City adopted its General Plan in 2010 and its Housing Element in 2015. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 493 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Pinole 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>23</sup>

The City of Pinole senior center offers programs for adults age 50 and over, including morning, afternoon, and evening classes.

<sup>22</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022.*

<sup>23</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

## **ANTICIPATED GROWTH PATTERNS**

The City of Pinole reported approximately 1.7 undeveloped entitled residential acres in FY 2017. Several projects have been identified as part of the projected growth for the City and include 13 dwelling units and 143,061 square feet of commercial space. These projects are either approved or in the approval process.

PDA's help form the implementing framework for Plan Bay Area. Two PDA's have been identified by the City of Pinole and included in Plan Bay Area 2040.<sup>24</sup> The Old Town San Pablo Avenue and Appian Way Corridor PDA's are anticipated to accommodate approximately 56% of the projected growth in households and employment.<sup>25</sup> The Old Town San Pablo Avenue PDA is characterized as a Mixed Use Corridor and the Appian Way Corridor PDA is characterized as a Transit Town Center.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Pinole has not identified any Priority Conservation Areas, nor are any included in Plan Bay Area 2040.<sup>26</sup>

The City of Pinole does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

### **14.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Pinole's SOI extends beyond the municipal boundary to the south (see Figure 14.1). No unincorporated islands have been identified in the City of Pinole.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

## **DISADVANTAGED COMMUNITIES**

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified disadvantaged communities within the City's SOI.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities

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<sup>24</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>25</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>26</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

and special districts that provide such services. These services have been recently reviewed under the 2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round), adopted in 2016 and 2014 respectively, and remain unchanged.

### **14.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Pinole reports that it adequately serves all areas within its municipal boundary and SOI and anticipates it will continue to do so in the foreseeable future.

Disadvantaged communities are within or contiguous to the City's SOI and these areas receive sewer, water, and fire protection services.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 68, which is below the target of 75 MTC has established and which indicates a potential future need for pavement rehabilitation funding.

When accounting for the projected growth and population increases over the next five years, as well as the potential fiscal challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's

2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets.<sup>27</sup> Services related to animal control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

## **14.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

### ***FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES***

The City of Pinole is experiencing some fiscal challenges, such as General Fund deficits projected after FY 2019 and continuing for five years, that may affect its ability to provide services,

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<sup>27</sup> In addition to the municipal services covered in this report, the City also provides fire and emergency medical and wastewater collection and treatment.

particularly in the event of unexpected funding needs. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, and despite these fiscal challenges, the City of Pinole appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Pinole anticipates moving from a surplus trend to a deficit in their general fund after FY 2019.

The City appears to meet their \$5 million plus 10% reserve goal, allowing them to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 6.6, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$620 per capita for FY 2017 and has been declining.

The City's unfunded pension and OPEB liabilities continue to grow. The City has not identified any measures to address the increasing pension liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The City issued its CAFR approximately 9 months after fiscal year end, which is not considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

#### **14.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Pinole website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.



## ***ONLINE AVAILABILITY OF CITY PLANNING INFORMATION***

The City of Pinole website provides access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

## ***PUBLIC INVOLVEMENT***

The City of Pinole website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City televises City Council and Planning Commission meetings. Newsletters are also distributed to City residents. The City therefore adequately provides accountability with regard to citizen participation.

## **14.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **14.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Pinole extends beyond the municipal boundary to the south, as shown in Figure 14.1. The City of Pinole is bound by cities of Richmond and San Pablo to the south, Hercules to the north, San Pablo Bay to the west, and County lands to the east.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Pinole.

### **14.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF PINOLE**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Pinole MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Pinole plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, multi-family residential, commercial, retail, mixed use, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (2010).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Pinole. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Pinole appears adequate. The City of Pinole anticipates it will continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Pinole.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified disadvantaged communities within the City's SOI. These areas receive sewer, water, and fire protection services.

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# CHAPTER 15

## CITY OF PITTSBURG

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### 15.1 AGENCY OVERVIEW

The City of Pittsburg, incorporated in 1903, covers an area of approximately 15.5 square miles. With an estimated population of 72,647, the City has a population density of approximately 4,540 persons per square mile.<sup>1</sup>

The City of Pittsburg lies in eastern Contra Costa County, with the City of Antioch to the east, San Pablo Bay to the north, and the cities of Clayton and Concord to the south and west. County lands bound the City to the south and west. The Sphere of Influence (SOI) for the City of Pittsburg extends beyond the municipal boundary to the west, as shown in **Figure 15.1**. The City's voter-approved Urban Growth Boundary surrounds the entire City.

Land uses in the City include a mix of residential, commercial, mixed use, governmental and quasi-public, industrial, planned development, and open space. Under the open space designation, allowable agricultural uses include orchards and cropland, grasslands, incidental agricultural, or related sales.

#### 15.1.1 FORM OF GOVERNMENT

The City of Pittsburg is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the Mayor. Council members serve four-year terms and the Mayor rotates each year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>

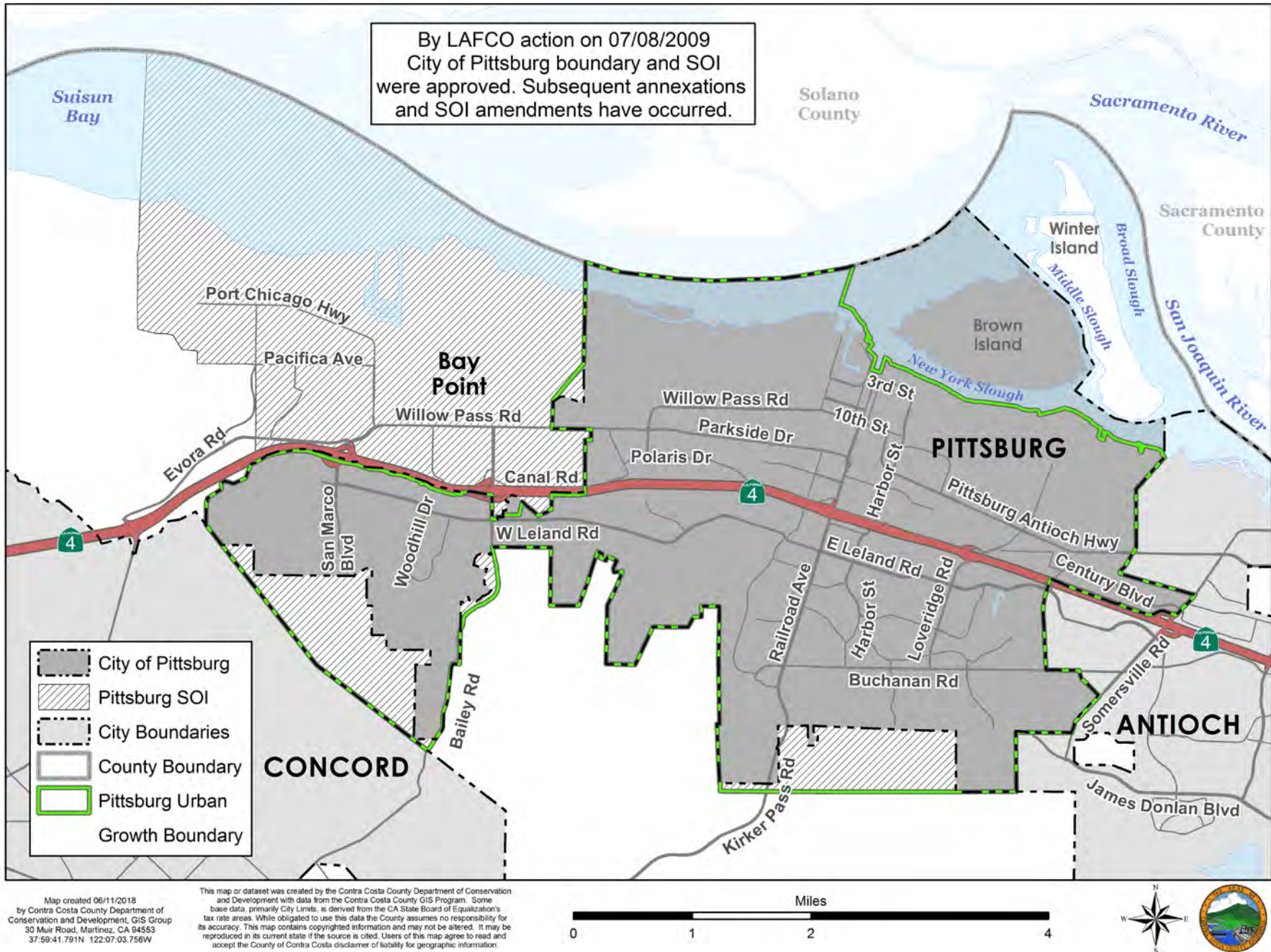


Figure 15.1. City of Pittsburg Municipal Boundary and Sphere of Influence  
 May 2019

### 15.1.2 CITY STAFFING

Total City staffing for fiscal year (FY) 2017 included 268.0 full-time equivalent (FTE) employees. **Table 15.1** shows the four service areas with the highest staffing levels.

**TABLE 15.1**  
CITY OF PITTSBURG  
HIGHEST STAFFING LEVELS BY SERVICE AREA

SERVICE AREA	FY 2017 FTE
Police	110.0
Public Works – Water & Sewer Enterprises	41.0
Public Works – Maintenance Services	37.45
Administration	25.7

Source: City of Pittsburg

Similar to other cities in Contra Costa County, the police function had the highest staffing level in the City of Pittsburg, with 110.0 FTE employees.

### 15.1.3 JOINT POWERS AUTHORITIES

The City of Pittsburg is a member of several joint powers authorities (JPAs), which are listed in **Table 15.2**.

**TABLE 15.2**  
CITY OF PITTSBURG  
JOINT POWERS AUTHORITY MEMBERSHIP

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
California Municipal Finance Authority	Bond issuance – 2011 infrastructure bonds
Contra Costa Transit Authority Congestion Management Agency	Congestion management/Measure C growth management
Delta Diablo Sanitation District	Waste management
East Bay Regional Communications System Authority	Construction, operation, maintenance of public safety communications
East/Central County Wastewater Management Authority	—
East Contra Costa County Habitat Conservancy JPA	Habitat Conservation Plan



JOINT POWERS AUTHORITY	SERVICE
East Contra Costa County Habitat Conservation Plan Implementing Agreement	—
East Contra Costa Regional Fee and Financing Authority	Traffic mitigation fees
Eastern Contra Costa Transit Authority	Public transportation needs in Eastern Contra Costa County
Marin Energy Authority	Provide community choice aggregation energy to residents and businesses
Municipal Pooling Authority	Self-insurance pool
Pittsburg Power Company	Municipal gas and electric utility
Recycled Water Sales and Utility Service (Delta Diablo)	Recycled water and utility services
Transplan (East County) Regional Transportation Planning Committee	—

Source: City of Pittsburg

#### 15.1.4 AWARDS AND RECOGNITION

**Table 15.3** lists the awards the City of Pittsburg has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 15.3**  
**CITY OF PITTSBURG**  
**AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Distinguished Budget Presentation	Government Finance Officers Association	2012 – 2017
Certificate of Achievement for Excellence in Financial Reporting	Government Finance Officers Association	2013 – 2017

Source: City of Pittsburg

## 15.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 15.4**, municipal services for the City of Pittsburg are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.



**TABLE 15.4**  
**CITY OF PITTSBURG**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of Pittsburg
Law Enforcement	City of Pittsburg
Library	Contra Costa County
Lighting	City of Pittsburg, Pacific Gas and Electric
Parks and Recreation	City of Pittsburg
Solid Waste	Mt. Diablo Resource Recovery
Stormwater	City of Pittsburg
Streets	City of Pittsburg
Utilities:	
Electricity	Pittsburg Power Company, Pacific Gas & Electric
Gas	Pittsburg Power Company, Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: City of Pittsburg*

The City of Pittsburg reports the following challenges related to its provision of municipal services:

- Meeting pension obligations
- Funding infrastructure improvements
- Increased housing density within areas surrounding BART stations
- Lack of vacant land for housing development
- Stress on utility infrastructure

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 15.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) is the animal control service provider for the City of Pittsburg and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. City expenditures for animal control services were \$403,833 for FY 2017, reflecting an upward trend from \$369,006 in FY 2015.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### 15.2.2 BROADBAND

The City of Pittsburg does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Pittsburg did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Pittsburg received a grade of C-, which indicates that internet service providers did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Pittsburg did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### 15.2.3 BUILDING/PLANNING

The City of Pittsburg Community Development Department provides building and planning services. Department expenditures for FY 2017 were \$2.2 million, up from \$1.9 million in FY 2015.

The City of Pittsburg issued 150 residential and 90 commercial building permits in 2017. Total building permit valuation in FY 2017 was \$89.7 million.

Planning city-wide has been captured in the General Plan, the five-year Capital Improvement Program, and the five-year Master Plan.

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

## 15.2.4 LAW ENFORCEMENT

The City of Pittsburg Police Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$25.8 million, reflecting an upward trend from approximately \$23.1 million in FY 2015.

The City of Pittsburg has 1.1 FTE sworn personnel per 1,000 population, which is unchanged from 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 37 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 6.5% in 2017, and the violent crime clearance rate was 42.2%.<sup>6</sup>

## 15.2.5 LIBRARY

Contra Costa County provides library services for the City of Pittsburg at its Pittsburg Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing are nearly double the County's.

## 15.2.6 LIGHTING

Lighting (street and traffic) is provided and maintained by the City of Pittsburg Public Works Department. City expenditures for light and signal maintenance were \$953,278 in FY 2017, up from \$933,570 in FY 2015. The City maintains 62 signalized intersections, 620 traffic lights, and 2,054 of its 4,286 street lights.

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

### **15.2.7 PARKS AND RECREATION**

The City of Pittsburg Parks and Recreation Department is the service provider for parks and recreation facilities and recreation programs. FY 2017 expenditures for parks were approximately \$4.4 million in FY 2017, up from approximately \$3.9 million in FY 2015.

The City offers extensive classes and programs serving all ages and interests, including sports, aquatics, marina, literacy, art and theatre activities, and a host of special events. A portion of the City of Pittsburg overlaps with the Ambrose Recreation and Park District and there are shared aquatic programs among the agencies.

The City provides and maintains 5 park acres per 1,000 residents, 1 recreation center per 20,000 residents, and 26.37 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

### **15.2.8 SOLID WASTE**

Solid waste services are provided to the City of Pittsburg via franchise agreement with Mt. Diablo Resource Recovery. The City of Pittsburg FY 2017 expenditures for solid waste services were \$692,167, reflecting a downward trend from \$812,582 in FY 2015.

The City reported approximately 0.99 ton of waste disposed per capita for FY 2017. The FY 2017 per resident disposal rate was 5.45 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **15.2.9 STORMWATER/DRAINAGE**

The City of Pittsburg Public Works Department provides and maintains the City's stormwater drainage system. The City reports that they have 105 miles of closed storm drain lines and that 3.5% of their 3,676 storm drain inlets are equipped with trash capture. The City of Pittsburg also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for stormwater were \$1,034,380.

### **15.2.10 STREETS/ROADS**

The City of Pittsburg Public Works Department provides and maintains 164 street miles and approximately 44 Class 1 and 2 bike lane miles, as well as landscaped public areas. FY 2017 expenditures for streets were \$3 million, up from \$2.8 million in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score.

These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Pittsburg was 67 (fair) in 2017, which is unchanged from 2015, and remains below the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance.

### 15.2.11 UTILITIES

The City of Pittsburg is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Pittsburg.

The City of Pittsburg did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## 15.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Pittsburg's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 15.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 budget, the City's General Fund revenue of \$44.0 million is about \$600,000 less than General Fund expenditures.<sup>9</sup> The General Fund projects a slight decline in its FY 2019 ending balance to \$13.2 million, or about 30% of annual expenditures. The City's Fiscal Sustainability policies require a reserve of 30%.<sup>10</sup> The City notes that it has experienced recurring budget deficits, and has used reserves to fill the gap. **Table 15.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>9</sup> City of Pittsburg Adopted Annual Budget, Fiscal Year 2018-19, pg. 59.

<sup>10</sup> Pittsburg Municipal Code, Sec. 3.26.020 General Fund Account.

The City has maintained a significant positive net position for governmental activities and enterprise activities (see Attachment C).<sup>11</sup> Although the General Fund balance and short-term liquidity measures appear strong, combined governmental activities' unrestricted net position at the end of FY 2017 was a negative \$33.3 million.<sup>12</sup> This negative long-term position reflects significant pension and other post-employment benefit (OPEB) liabilities that are not covered by the value of non-capital assets. The City's long-term projections, assuming conservative revenue growth, indicate a need for \$1.5 million of additional annual revenues (and/or cost reductions) beginning in FY 2022 in order to maintain desired reserve levels; the financial needs increase to about \$5.5 million annually by FY 2030.<sup>13</sup>

The General Fund receives funding from enterprise funds consistent with the City Council adopted policy; according to the City, these transfers are sustainable and are being reduced gradually to eliminate the need in the future.

**TABLE 15.5**  
**CITY OF PITTSBURG**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$3,205,000	\$3,301,000	\$3,574,000
Sales Tax	\$11,746,000	\$13,113,000	\$13,372,000
Other Revenues (including Transfers)	21,828,757	24,207,941	25,467,362
<i>Total General Fund Revenues</i>	\$36,779,757	\$40,621,941	\$42,413,362
<i>Change from Prior Year</i>	n/a	12.9%	-7.5%
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$8,752,000	\$7,411,000	\$8,104,000
Public Safety	\$21,485,000	\$22,848,000	\$24,110,000
Other (includes Transfers Out)	\$9,100,172	\$9,152,934	\$9,582,867
<i>Total Expenditures</i>	\$39,337,172	\$39,411,934	\$41,796,867
<i>Change from Prior Year</i>	n/a	0.2%	6.1%
<i>Expenditures per capita</i>	\$586	\$578	\$586

<sup>11</sup> See also FY 2017 CAFR, pg. 11.

<sup>12</sup> City of Pittsburg FY 2017 CAFR, pg. 23.

<sup>13</sup> *ibid*, Pittsburg FY 2019 budget, pg. 50 et seq.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	3.8	4.1	3.3
Business-type Activities	4.0	4.4	5.3

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 15.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio equaled 3.3, which indicated that short-term resources exceeded current liabilities.<sup>14</sup> The City's enterprise funds' liquidity ratio equaled 5.3 in FY 2017. Total outstanding debt of \$78.3 million amounted to approximately \$1,097 per capita in FY 2017, indicating a reduction compared to the \$1,221 per capita reported for FY 2015 (see Attachment C).

### 15.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

As noted above, the City has maintained a significant positive net position for governmental activities, although the net position declined from FY 2015 to FY 2017. The net position of combined enterprise activities generally increased from FY 2015 through FY 2017; marina net position declined from \$14 million to \$13 million in FY 2017 (see Attachment C).

### 15.3.4 LOCAL REVENUE MEASURES

The City partially funds services from a one-half-cent voter-approved local sales tax measure approved in 2012 and subsequently extended through 2035. The sales tax measure will provide an estimated \$4.7 million annually in FY 2019. The taxes fund public safety, the Senior Center, jobs programs, road repair, youth services and services for victims of domestic violence within the City.<sup>15</sup>

<sup>14</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>15</sup> *ibid*, Pittsburg FY 2019 budget, pg. 36.



### **15.3.5 ENTERPRISE ACTIVITIES**

City enterprises include water, sewer, marina, Pittsburg Power, and Waterfront Operations.

According to the City, the General Fund subsidized the City-owned golf course until its closure in FY 2018.

### **15.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The City's unfunded pension liability increased from FY 2015 by about \$10 million to \$50.4 million at the end of FY 2017 (see Attachment C). The City established a trust to accumulate funds for future pension obligation payments; in FY 2019 \$400,000 is budgeted towards the trust.<sup>16</sup> The City's OPEB liability was \$27.2 million at the end of FY 2017; a trust was established with the California Public Employees Retirement System to fund OPEB obligations and held a balance of \$3.8 million as of March 31, 2018 (see Attachment C).<sup>17</sup> The long-term forecast projects total pension and OPEB payments to grow from about \$4.4 million annually in FY 2019 to \$9.7 million by FY 2029 to fully fund its obligations over time according to CalPERS requirements.<sup>18</sup> The trusts will help the City manage and meet its payments and reduce impacts on other General Fund resources as payments increase. In addition, the City is paying about \$3.6 million annually towards a pension obligation bond issued in 2006.

### **15.3.7 CAPITAL ASSETS AND DEPRECIATION**

FY 2016 through FY 2017 shows declines in the net value of governmental assets; enterprise assets show minimal declines (see Attachment C). These declines indicate that capital investment has not kept pace with asset depreciation. The FY 2019 budget proposes approximately \$12 million in capital improvements, the majority for water and sewer system improvements which are funded by operating fees and charges.<sup>19</sup> The City does not have the resources to fund everything on an ideal replacement schedule, but uses its five-year capital budget program to identify capital needs and funding through available funds, grants, or other funding sources.

### **15.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal

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<sup>16</sup> *ibid*, Pittsburg FY 2019 budget, pg. 13.

<sup>17</sup> See also Pittsburg FY 2019 budget, pg. 13-14.

<sup>18</sup> *ibid*, Pittsburg FY 2019 budget, pg. 50 et seq.

<sup>19</sup> *ibid*, Pittsburg FY 2019 budget, pg. 15.

bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

In FY05 the City established an Economic Development Fund to provide financing for economic development activities within the City. Revenue sources include a Business Improvement District tax, as share of the City's voter-approved sales tax, and transfers from Pittsburg's power enterprise. The City has undertaken ongoing business retention and recruitment activities, including collaborating with Antioch, Oakley, and Brentwood to create EastCounty4you.com, a marketing site to promote the region.

## 15.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Pittsburg.

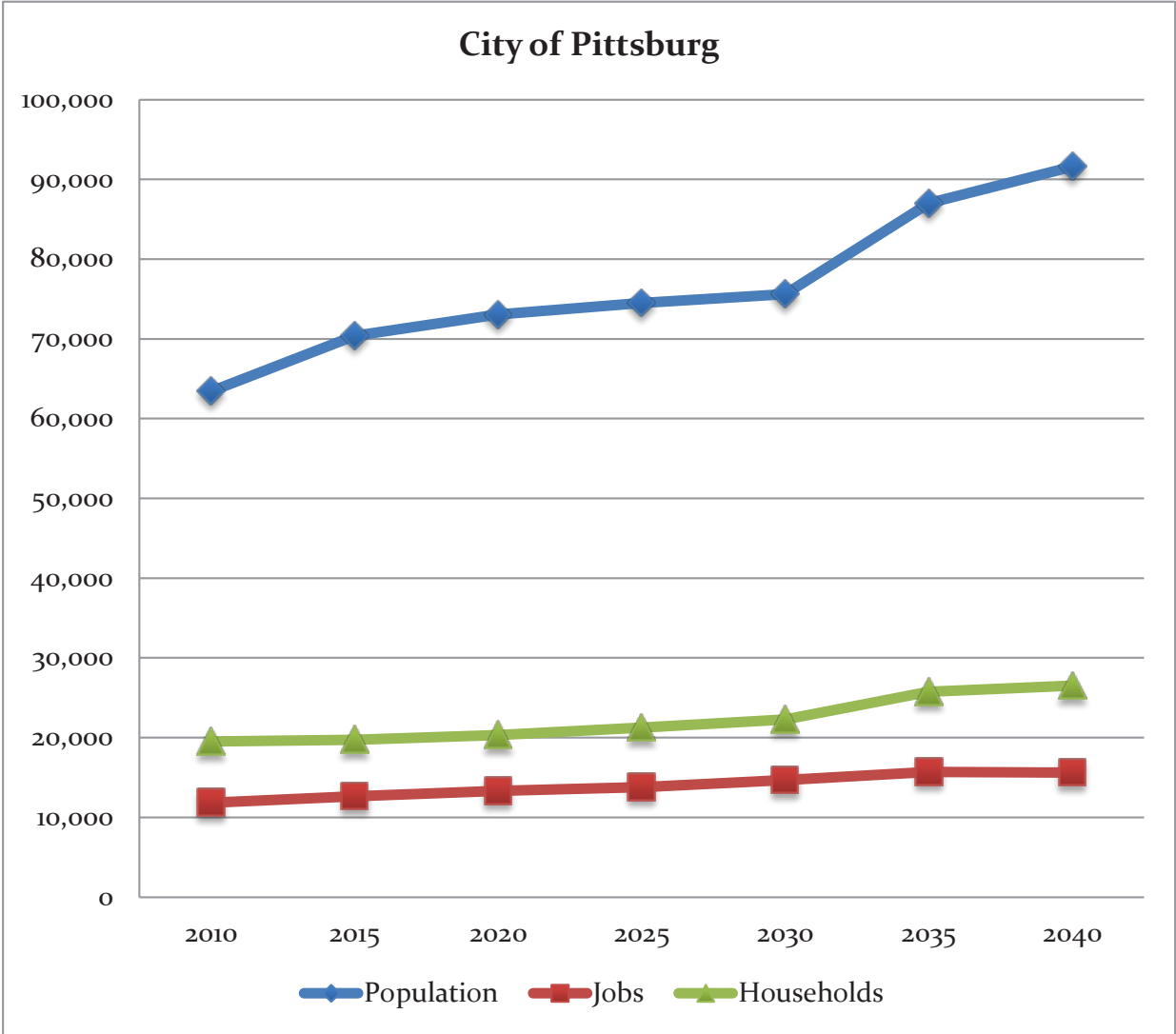
### 15.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Pittsburg serves 72,647 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Pittsburg are depicted in **Figure 15.2**.



**Figure 15.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Pittsburgh**  
*May 2019*

ABAG projects that the City of Pittsburg will grow at an annual rate of approximately 1.2% to a population of 91,615 between 2010 and 2040.<sup>20</sup> The City is also projected to experience an approximate 0.9% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

## JOBS AND HOUSING

According to the Bay Area Census data<sup>21</sup> for 2010, the City of Pittsburg has 27,266 employed residents. The ABAG Projections data<sup>22</sup> for 2010 estimated 11,835 jobs in the City, with approximately 0.43 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Pittsburg has 21,126 housing units, which results in a job and housing balance of 0.61. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 15.6**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 15.6**  
**CITY OF PITTSBURG**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	11,490
Renter-occupied housing units	8,037
Vacant housing units	1,599
Total existing housing units	21,126
REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014-2022	
Very low	392
Low	254
Moderate	316
Above Moderate	1,063
Total Regional Housing Need Allocation	2,025

Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>23</sup> The City of Pittsburg was assigned a RHNA of 2,025 units, as shown in Table 15.6.

<sup>20</sup> ABAG. Projections 2017.

<sup>21</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>22</sup> ABAG. Projections 2017.

<sup>23</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022.*

The City adopted its General Plan in 2001 and its Housing Element in 2015. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 5,006 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Pittsburg 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>24</sup>

The City of Pittsburg has general policies related to senior housing included in the Housing Element of the General Plan.

#### **ANTICIPATED GROWTH PATTERNS**

The City of Pittsburg reported approximately 575 undeveloped entitled residential acres in FY 2017. Several projects have been identified as part of the projected growth for the City including 1,035 approved (but not yet built) housing units, 119 near-term future housing units, and 3,894 long-term future housing units. The Maximum Planned Buildout Scenarios estimate 4,455 total additional housing units in various specific and master plans adopted by the City. The City has estimated that approximately 1.13 million square feet of commercial and office space can be built in and around its two BART Stations per the approved planning documents. An additional 870,000 square feet of commercial and industrial space is proceeding in various stages of the planning approval process.

PDA's help form the implementing framework for Plan Bay Area. Two PDA's have been identified by the City of Pittsburg and included in Plan Bay Area 2040.<sup>25</sup> The Railroad Avenue eBART Station and Downtown PDA's are anticipated to accommodate approximately 50% of the projected growth in households and 42% of the projected growth in employment.<sup>26</sup>

The Railroad Avenue eBART Station and Pittsburg/Bay Point BART Station PDA's are characterized as a Transit Town Center. The Railroad Avenue eBART Station PDA consists of areas within ½ mile of the Pittsburg Center BART Station. The Pittsburg/Bay Point BART Station PDA is bounded by State Route 4 to the north, West Leland to the south, Bailey Road to the east, and Alves Ranch to the west. The Downtown PDA is characterized as a Transit Neighborhood and is bounded by the San Joaquin River to the north, BNSF Railroad tracks to the south, Harbor Street to the east, and NRG Pittsburg Generating Station to the west.

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<sup>24</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>25</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>26</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Pittsburg has not identified any Priority Conservation Areas, nor are any included in Plan Bay Area 2040.<sup>27</sup>

The City of Pittsburg does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

#### 15.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES

The City of Pittsburg's SOI for the City of Pittsburg extends beyond the municipal boundary to the west (see Figure 15.1). LAFCO did not identify any unincorporated islands in the City of Pittsburg.

The City has expressed an interest in the annexation of two areas—the Faria/Southwest Hills<sup>28</sup> area, located just southwest of the municipal boundary of the City of Pittsburg within the Southwest Hills planning subarea of the Pittsburg General Plan, and an extension of James Donlon Boulevard, a City-approved project to construct an approximately 2-mile roadway from the Antioch City Limits to Kirker Pass Road. Both areas are within the City's SOI.

The City also identified additional unincorporated island areas in which it has an interest—Orbisonia Heights and Keller Canyon (**Figure 15.3**). The Orbisonia Heights area is within the City's SOI but not the municipal boundary or the Urban Growth Boundary; the Keller Canyon area is not within the City's SOI, municipal boundary or Urban Growth Boundary.

Orbisonia Heights, located south of Highway 4 east of Bailey Road, does not receive any services from the City at this time. Ambrose Park, which is within the municipal boundary, splits the nearly 30 acres of unincorporated and vacant property. The City reports a willingness to consider annexation of the island and to provide Code Enforcement and Police Services to the area.

Keller Canyon landfill, located south of the City limits east of Bailey Road, is adjacent to residential property to the west and the City of Concord and the Concord Naval Weapons Station to the south. The City shares the street maintenance and Code Enforcement of Bailey Road with the County from the City limits south to Concord. The island does not receive any services from the City at this time. The City of Pittsburg reports that it is evaluating the potential to annex the island and to provide street maintenance and Code Enforcement to Bailey Road. The City is a Local Enforcement Agency for the State of California and can provide the oversight and monitoring for the Keller Canyon landfill.

<sup>27</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

<sup>28</sup> City voters approved a measure to bring into the City's SOI and assign General Plan designations for Open Space and Residential.





**Figure 15.3. Orbisonia Heights and Keller Canyon Landfill Areas**  
**City of Pittsburgh**  
 May 2019



The City does not request any additional changes to its SOI at this time. Other than the areas indicated above, the City of Pittsburg does not provide services outside its municipal boundaries or SOI.

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County

This MSR Update identified disadvantaged communities within the municipal boundary, including the unincorporated community of Bay Point, which is within the SOI for the City of Pittsburg.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

### **15.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Pittsburg reports that it adequately serves all areas within its municipal boundary and SOI and anticipates it will continue to do so in the foreseeable future.

Disadvantaged communities have been identified within the City of Pittsburg's SOI. Sewer, water, and fire/emergency medical services are provided for these areas.

### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 67, which is below the target of 75 MTC has established and which indicates a potential future need for pavement rehabilitation funding.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City may experience funding obstacles to maintaining existing service levels or meeting overall infrastructure needs.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City of Pittsburg has identified capital needs and funding as part of its five-year capital budget program.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, lighting, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City shares aquatic programs with the Ambrose Recreation and Park District. No other areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

#### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

#### **15.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### ***FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES***

The City of Pittsburg is experiencing some fiscal challenges that may affect its ability to provide services, particularly in the event of unexpected funding needs. The City has experienced recurring budget deficits for which it has used reserves to address the shortfalls. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, and despite these fiscal challenges, the City of Pittsburg appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Pittsburg has been operating with a surplus in their General Fund in the recent two fiscal years.

The City currently meets its 30% reserve goal, allowing it to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 3.3, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$1,097 per capita for FY 2017 and has been declining.

The City's unfunded pension and OPEB liabilities continue to grow; however, the City has established a trust to help address the increasing pension liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **15.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### ***ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION***

The City of Pittsburg website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. All City of Pittsburg meetings—City Council, Planning Commission, and Community Advisory Commission—are streamed on the City's website and broadcast on CCTV. The webcasts are archived and can be viewed at any time after the meeting, usually by noon the day following the meetings. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### ***ONLINE AVAILABILITY OF CITY PLANNING INFORMATION***

The City of Pittsburg website provides access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

#### ***PUBLIC INVOLVEMENT***

The City of Pittsburg website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City therefore adequately provides accountability with regard to citizen participation.

## **15.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **15.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Pittsburg extends beyond the municipal boundary to the west, as shown in Figure 15.1. The City of Pittsburg is bound by the City of Antioch to the east, San Pablo Bay to the north, the cities of Clayton and Concord to the south and west, and County lands to the south and west.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Pittsburg.

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## **15.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF PITTSBURG**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Pittsburg MSR profile.

### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Pittsburg plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, commercial, industrial, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space (including agriculture) uses, as demonstrated in the General Plan (2001).

### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Pittsburg. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years, and in conjunction with recent annexations (Montreux and Tuscany Meadows).

### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Pittsburg appears adequate. The City of Pittsburg anticipates it will continue to have adequate capacity during the next five years.

### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Pittsburg.

### ***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified disadvantaged communities within the municipal boundary, as well as the unincorporated community of Bay Point, which is within the SOI for the City of Pittsburg. These areas receive services related to sewer, water, and structural fire protection. There are no other disadvantaged communities within or contiguous to the SOI for the City.

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# CHAPTER 16

## CITY OF PLEASANT HILL

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### 16.1 AGENCY OVERVIEW

The City of Pleasant Hill, incorporated in 1961, covers an area of approximately 8.1 square miles. With an estimated population of 35,068, the City has a population density of approximately 4,383 persons per square mile.<sup>1</sup>

The City of Pleasant Hill lies in central Contra Costa County, with the City of Martinez to the north, the City of Concord to the east, the City of Walnut Creek to the south, the City of Lafayette to the southwest, and County lands to the west (Briones Hills) and south. The Sphere of Influence (SOI) for the City of Pleasant Hill extends beyond the municipal boundary to the north and to the west, with a small extension to the south near I-680, as shown in **Figure 16.1**. The City adopted the countywide Urban Limit Line in 2008.

Land uses in the City include a mix of industrial, residential, institutional, commercial, and open space. Although there are no agricultural land use designations in the City of Pleasant Hill, the Mangini/Delu property remains a working farm.

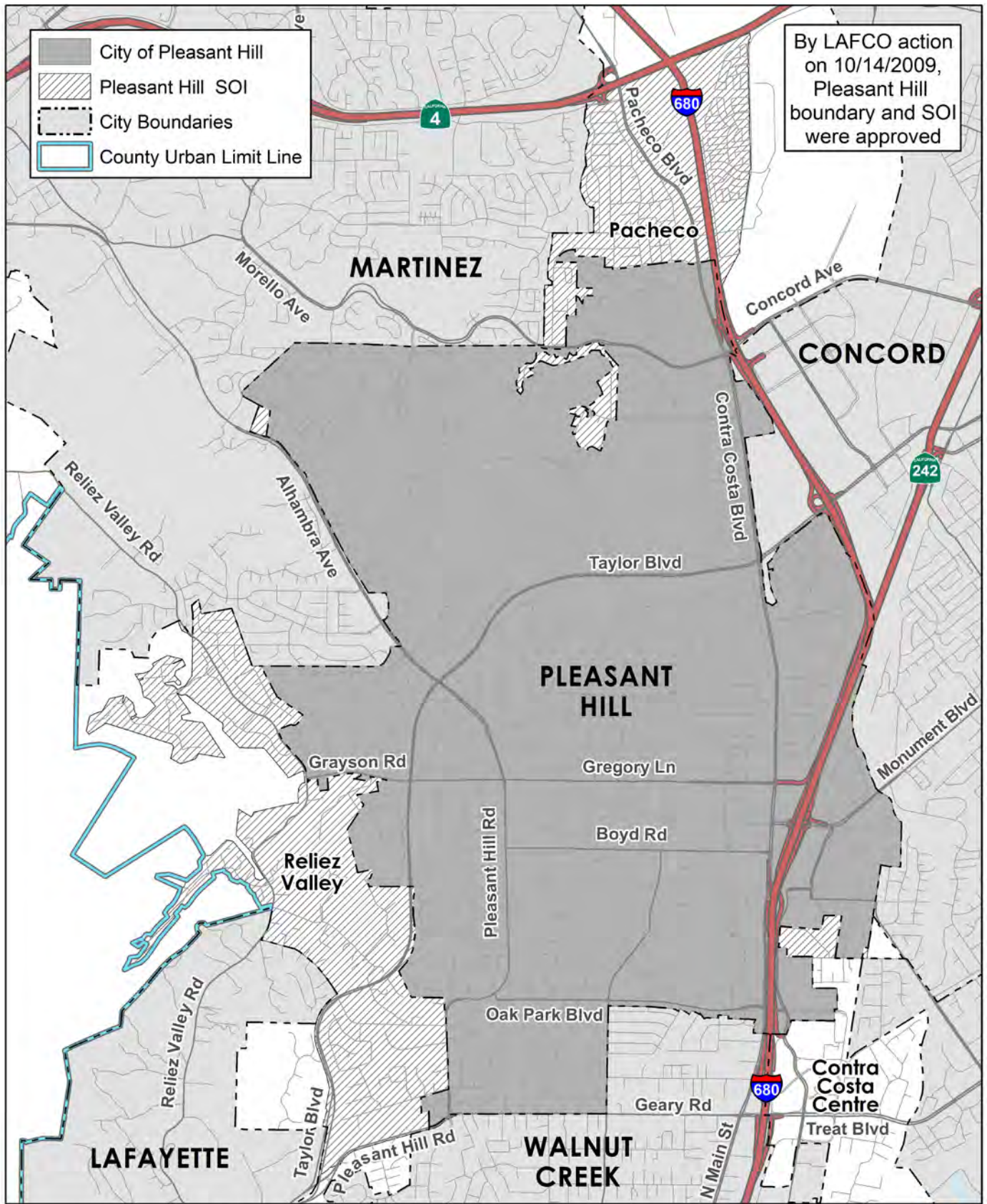
#### 16.1.1 FORM OF GOVERNMENT

The City of Pleasant Hill is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the Mayor. Council members serve four-year terms and the Mayor rotates each year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>





**Figure 16.1. City of Pleasant Hill Municipal Boundary and Sphere of Influence**  
 May 2019

### 16.1.2 CITY STAFFING

Total City staffing for fiscal year (FY) 2017 included 110.6 full-time equivalent (FTE) employees. **Table 16.1** shows the four service areas with the highest staffing levels.

**TABLE 16.1**  
**CITY OF PLEASANT HILL**  
**HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Police	57.0
City Administration	35.0
Public Works	25.95
Public Service Center	14.0

Source: City of Pleasant Hill

Similar to other cities in Contra Costa County, the police function had the highest staffing level in the City of Pleasant Hill, with 57.0 FTE employees.

### 16.1.3 JOINT POWERS AUTHORITIES

The City of Pleasant Hill is a member of several joint powers authorities (JPAs), which are listed in **Table 16.2**.

**TABLE 16.2**  
**CITY OF PLEASANT HILL**  
**JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG’s mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
California Enterprise Development Authority	Property assessed clean energy program
California Municipal Finance Authority	Promote economic, cultural, and community development activities in the City, including the financing of projects by the Authority
California Statewide Communities Development Authority	Access economic development financing resources and participate in a JPA-affiliated property assessed clean energy program
Central Contra Costa Transit Authority	—
Central Contra Costa Transportation/Land Use Partnership	—
Contra Costa Abandoned Vehicle Service Authority	Regional program to abate abandoned vehicles

JOINT POWERS AUTHORITY	SERVICE
Contra Costa Transit Authority Congestion Management Agency	—
East Bay Regional Communications System Authority	Regional interoperable communications system
East/Central County Wastewater Management Authority	—
Fire Districts Association of California	Employee benefits purchasing pool
Golden State Finance Authority	Include properties within the City’s jurisdiction in the PACE program to finance or refinance the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle infrastructure, and such other improvements as may be authorized.
Municipal Pooling Authority	Risk management pool
Pleasant Hill-Martinez Joint Facilities Agency	Shared services arrangements for provision of municipal services
TRANSPAC Transportation Partnership and Cooperation	Participate in a regional transportation planning association
Western Riverside Council of Governments	Participate in a JPA-affiliated property assessed clean energy

Source: City of Pleasant Hill

#### 16.1.4 AWARDS AND RECOGNITION

The award the City of Pleasant Hill has reported receiving since the first round Municipal Service Review (MSR) includes the *Growing Smart Together Awards – On the Ground Getting it Done*, awarded by the Association of Bay Area Governments.

## 16.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 16.3**, municipal services for the City of Pleasant Hill are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 16.3**  
**CITY OF PLEASANT HILL**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast, Wave Broadband
Building / Planning	City of Pleasant Hill
Law Enforcement	City of Pleasant Hill
Library	Contra Costa County
Lighting	City of Pleasant Hill, Contra Costa County, Pacific Gas & Electric
Parks and Recreation	Pleasant Hill Recreation and Park District
Solid Waste	Allied Waste
Stormwater	City of Pleasant Hill
Streets	City of Pleasant Hill
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	n/a

*Source: City of Pleasant Hill*

Opportunities or challenges related to the provision of municipal services for the City of Pleasant Hill were not reported or were unavailable at the time of this MSR update.

A summary of the available municipal service level statistics for FY 2017 is provided for the City in **Attachment B**.

### 16.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) is the animal control service provider for the City of Pleasant Hill and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were not reported or were unavailable at the time of this MSR update.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>



number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **16.2.2 BROADBAND**

The City of Pleasant Hill does not provide public broadband service. XFINITY from Comcast, AT&T Internet, and Wave Broadband are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Pleasant Hill did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Pleasant Hill received a grade of B-, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Pleasant Hill did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **16.2.3 BUILDING/PLANNING**

The City of Pleasant Hill Building Division provides building services and the Planning Division provides planning services. Department expenditures for FY 2017 were not reported or were unavailable at the time of this MSR update.

The City of Pleasant Hill issued 150 residential and 90 commercial building permits in 2017. Total building permit valuation in FY 2017 was approximately \$39.7 million.

Planning city-wide has been captured in the General Plan and the Capital Improvement Program.

### **16.2.4 LAW ENFORCEMENT**

The City of Pleasant Hill Police Department provides law enforcement and dispatch services. FY 2017 expenditures were not reported or were unavailable at the time of this MSR update.

The City of Pleasant Hill has 1.3 FTE sworn personnel per 1,000 population, which is unchanged from 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup>

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<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

There were 37.5 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was approximately 23% in 2017, and the violent crime clearance rate was approximately 56%.<sup>6</sup>

### **16.2.5 LIBRARY**

Contra Costa County provides library services for the City of Pleasant Hill at its Pleasant Hill Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state averages for expenditures and staffing are nearly double the County's.

### **16.2.6 LIGHTING**

Lighting (street and traffic) is provided by and maintained by the City of Pleasant Hill Maintenance Division, Contra Costa County, and Pacific Gas & Electric. City expenditures for light and signal maintenance were \$178,000 in FY 2017, up from \$151,000 in FY 2015. Contra Costa County maintains the City's 62 signalized intersections and 620 traffic lights. The number of street lights maintained by the City is 505. Pacific Gas & Electric maintains 1,614 street lights in the City.

### **16.2.7 PARKS AND RECREATION**

The Pleasant Hill Recreation and Park District is the service provider for parks and recreation facilities and recreation programs in the City of Pleasant Hill as well as unincorporated areas in Lafayette and Walnut Creek. FY 2017 expenditures for parks were not reported or were unavailable at the time of this MSR update.

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<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

The Pleasant Hill Recreation and Park District provides 2,300 programs and activities for all ages and abilities, including classes, sports, camps, events and travel adventures. The park acres per 1,000 residents, recreation centers per 20,000 residents, and miles of recreation trails were not reported or were unavailable at the time of this MSR update.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 3 acres per 1,000 residents.

### **16.2.8 SOLID WASTE**

Solid waste services are provided to the City of Pleasant Hill via franchise agreement with Allied Waste Services. Allied Waste Services transports solid waste collected from the City of Pleasant Hill to the Keller Canyon Landfill near the City of Pittsburg. The City of Pleasant Hill FY 2017 expenditures for solid waste services were not reported or were unavailable at the time of this MSR update.

The FY 2017 solid waste disposal rates were not reported or were unavailable at the time of this MSR update.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **16.2.9 STORMWATER/DRAINAGE**

The City of Pleasant Hill Maintenance Division maintains the City's stormwater drainage system. The City reports that they have 49 miles of closed storm drain lines and that 8% of their 1,363 storm drain inlets are equipped with trash capture. The City of Pleasant Hill also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for stormwater were \$70,000, down from \$90,000 in FY 2015.

### **16.2.10 STREETS/ROADS**

The City of Pleasant Hill Maintenance Division provides and maintains 110 street miles and approximately 20.7 Class 1 and 2 bike lane miles, as well as landscaped public areas. FY 2017 expenditures for streets were \$7.53 million, up slightly from \$7.52 million in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.



The PCI for streets in the City of Pleasant Hill was 66 (fair) in 2017, up from 65 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance. The City self-reports a PCI of 68 for 2017.

### 16.2.11 UTILITIES

Pacific Gas & Electric provides gas and electricity service to the City of Pleasant Hill. The City is not a member of a Community Choice Aggregation program.

The City of Pleasant Hill did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## 16.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Pleasant Hill's financial health and assesses the City's financial ability to provide services. Key financial information for City municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 16.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

The City of Pleasant Hill prepares a biennial budget. According to the City's FY 2018-19 budget, the City's General Fund revenue of \$29.2 million are about equal to General Fund expenditures.<sup>9</sup> Deficits projected in prior years (FY 2018 and FY 2017) were primarily due to "the intentional investment of a portion of the General Fund's high fund balance in priority projects such as street resurfacing."<sup>10</sup> **Table 16.4** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year (see Attachment C).

The General Fund projects an ending FY 2019 balance of \$9.9 million, or about 34% of annual expenditures. In 2014 the City Council adopted a policy establishing General Fund reserves totaling \$8,890,000 for working capital (\$5 million), economic uncertainty (\$2 million), catastrophic events (\$1 million), and for an existing bank loan (\$890,000).<sup>11</sup>

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<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>9</sup> City of Pleasant Hill Proposed Fiscal Year 2018/19-2019/20 Biennial Budget, pg. iv.

<sup>10</sup> City of Pleasant Hill Response to MSR Fiscal Questions.

<sup>11</sup> City of Pleasant Hill Resolution Number 31-14 Adopting a Revised General Fund Reserve Policy.

The City expects to generate additional sales tax beginning in FY 2018/19 due to the formation of a Tourism Improvement District that will market hotels in Pleasant Hill.<sup>12</sup>

The City's Five-Year Forecast predicts that revenues may not keep pace with expenditure increases, resulting in deficits in FY 2021 through FY 2023.<sup>13</sup> The City's Long-Term Financial Plan identifies measures to balance the budget, including service reductions; paying down the City's unfunded pension liability; paying down unfunded accrued leave liability; increasing General Fund reserves; reducing deferred maintenance and making other desirable capital improvements.<sup>14</sup>

**TABLE 16.4**  
**CITY OF PLEASANT HILL**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$5,518,000	\$5,760,000	\$6,111,000
Sales Tax	\$7,737,000	\$8,598,000	\$8,437,000
Other Revenues (including Transfers)	\$7,939,000	\$8,583,000	\$9,596,000
<i>Total General Fund Revenues</i>	\$21,194,000	\$22,941,000	\$24,144,000
<i>Change from Prior Year</i>	n/a	8.2%	5.2%
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$4,283,000	\$4,323,000	\$5,099,000
Public Safety	\$8,758,000	\$9,499,000	\$10,190,000
Other (includes Transfers Out)	\$8,160,000	\$8,870,000	\$9,808,000
<i>Total Expenditures</i>	\$21,201,000	\$22,692,000	\$25,097,000
<i>Change from Prior Year</i>	n/a	7.0%	10.6%
<i>Expenditures per capita</i>	\$625	\$663	\$718

<sup>12</sup> *ibid*, Pleasant Hill FY 2019 budget, pg. 68.

<sup>13</sup> *ibid*, Pleasant Hill FY 2019 budget, pg. v.

<sup>14</sup> City of Pleasant Hill Long-Term Financial Plan for Fiscal Year 2018/19 through Fiscal Year 2022/23 Proposed June 2018.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	3.9	7.9	2.9
Business-type Activities	46.7	14.8	13.4

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 16.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio equaled 2.9 indicating that short-term resources exceeded current liabilities (see Attachment C).<sup>15</sup> As of FY 2019, the City has no debt.

### 16.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The City has maintained a positive net position for governmental activities, although its net position declined slightly from FY 2015 to FY 2017. The unrestricted portion of the governmental activities net position was negative (\$20.1 million) in FY 2017, slightly worse than FY 2015 and partly the result of unfunded pension liabilities. The net positive position of the City's enterprise activity increased from FY 2015 to FY 2017 (see Attachment C).

### 16.3.4 LOCAL REVENUE MEASURES

Measure K, a 2016 voter-approved one-half-cent sales tax, is projected to generate about \$4.3 million in FY 2019. Landscape and Lighting Assessment District revenues from areas of the City help pay for maintenance services.

### 16.3.5 ENTERPRISE ACTIVITIES

The only City enterprise is the Diablo Vista Water System, which provides irrigation water an area with 474 homes within the City. The Diablo Vista County Water System was formed in 1950 to provide untreated canal water for irrigation to 475 homes in the area bounded roughly by Oak Park Boulevard, the Contra Costa canal, Boyd Road, and Patterson Boulevard. The system is funded by

<sup>15</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

assessments and property tax from the area served. The City has monitored and revised fees and charges, including creation of a capital improvements fee, to maintain a fiscally solvent enterprise.<sup>16</sup>

### **16.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the City may pass that expense on to taxpayers.

The City's unfunded pension liability totaled \$34.7 million at the end of FY 2017 (see Attachment C). The City is reviewing options for addressing this liability in addition to making the annual required payments to eventually pay it off. The City does not provide retirement health benefits and has no other post-employment benefit obligations.

### **16.3.7 CAPITAL ASSETS AND DEPRECIATION**

FY 2016 through FY 2017 generally show declines in the net value of governmental assets (see Attachment C). However, the City indicates that its buildings have a fair amount of useful life remaining but need to plan for their eventual replacement for example through creation of reserves for this purpose.<sup>17</sup> The City is in the process of preparing a 20-year infrastructure needs assessment and capital improvement plan to address future capital needs.

### **16.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

## **16.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Pleasant Hill.

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<sup>16</sup> City of Pleasant Hill FY 2017 CAFR.

<sup>17</sup> *ibid*, City of Pleasant Hill Long-Term Financial Plan, pg. 31.

### 16.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Pleasant Hill serves 35,068 residents.

#### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Pleasant Hill are depicted in **Figure 16.2**.

ABAG projects that the City of Pleasant Hill will grow at an annual rate of approximately 0.3% to a population of 35,925 between 2010 and 2040.<sup>18</sup> The City is also projected to experience an approximate 0.6% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

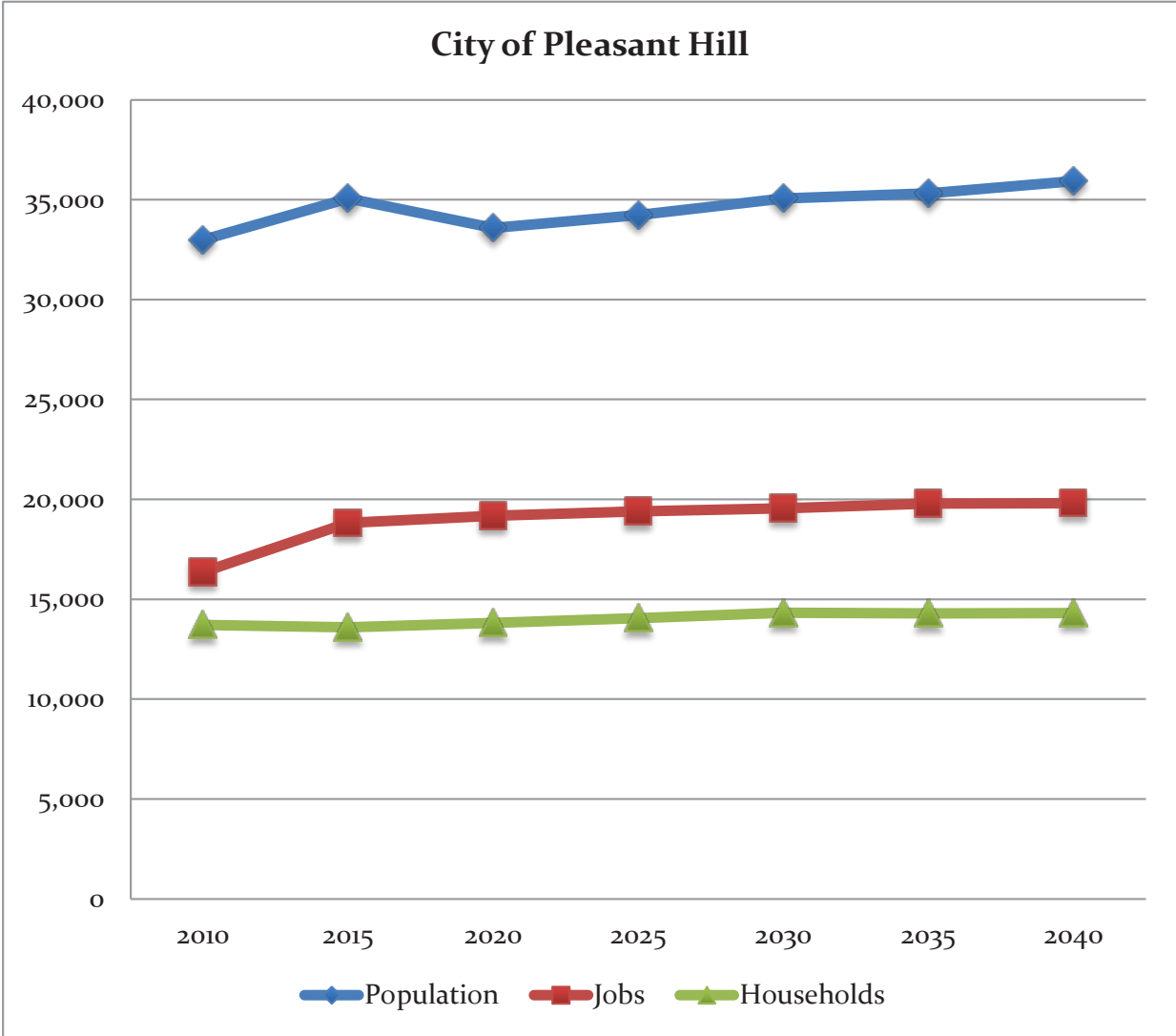
#### **JOBS AND HOUSING**

According to the Bay Area Census data<sup>19</sup> for 2010, the City of Pleasant Hill has 16,870 employed residents. The ABAG Projections data<sup>20</sup> for 2010 estimated 16,360 jobs in the City, with approximately 0.97 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Pleasant Hill has 14,321 housing units, which results in a job and housing balance of 1.19. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 16.5**), indicating that the rate of homeownership exceeds the rental household rate.

<sup>18</sup> ABAG. Projections 2017.

<sup>19</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>20</sup> ABAG. Projections 2017.



**Figure 16.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Pleasant Hill**  
*May 2019*

**TABLE 16.5  
CITY OF PLEASANT HILL  
HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	8,470
Renter-occupied housing units	5,238
Vacant housing units	613
<b>Total existing housing units</b>	<b>14,321</b>
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	118
Low	69
Moderate	84
Above Moderate	177
<b>Total Regional Housing Need Allocation</b>	<b>448</b>

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>21</sup> The City of Pleasant Hill was assigned a RHNA of 448 units, as shown in Table 16.5.

The City adopted its General Plan in 2003 and its Housing Element in 2015. The City’s 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 938 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Pleasant Hill 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

**PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>22</sup>

The programs and services provided by the City for adults age 50 and older were not reported or were unavailable at the time of this MSR update.

<sup>21</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022.*

<sup>22</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.



## **ANTICIPATED GROWTH PATTERNS**

The City of Pleasant Hill reported approximately 48.6 undeveloped entitled residential acres in FY 2017. Several new projects have been identified as part of the projected growth for the City including approximately 17 residential projects and 16 commercial projects.

PDA's help form the implementing framework for Plan Bay Area. Two PDA's have been identified by the City of Pleasant Hill and included in Plan Bay Area 2040.<sup>23</sup> The Diablo Valley College and Buskirk Avenue Corridor PDA's are anticipated to accommodate approximately 23% of the projected growth in households and 35% of the projected growth in employment.<sup>24</sup> The Diablo Valley College PDA, which includes selected areas within a one-quarter-mile radius of the Diablo Valley College Transit Station, is characterized as a Transit Neighborhood. The Buskirk Avenue Corridor PDA, which includes areas surrounding Buskirk Corridor, extending to the east and west (not include single family residential) is characterized as a Mixed Use Corridor.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Pleasant Hill has not identified any Priority Conservation Areas, nor are any included in Plan Bay Area 2040.<sup>25</sup>

The City of Pleasant Hill does not report that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

### **16.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Pleasant Hill's SOI extends beyond the municipal boundary to the north and to the west, with a small extension to the south (see Figure 16.1). The City of Pleasant Hill contains the following three unincorporated islands, all of which are under 150 acres and can be annexed through an expedited process:

- An approximately 5-acre area located off Alhambra Avenue (eastside of the road) surrounded by the cities of Martinez and Pleasant Hill and within Pleasant Hill's SOI
- An approximately 51-acre area located north of Chilpancong Parkway, surrounded by the cities of Martinez and Pleasant Hill, and within Pleasant Hill's SOI
- An approximately 37-acre area adjacent to and east of the Contra Costa Country Club that is surrounded by the City of Pleasant Hill and within Pleasant Hill's SOI.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

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<sup>23</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>24</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>25</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

## ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified disadvantaged communities both within and contiguous to the City’s SOI; the area east of Pacheco Boulevard and north of Concord Avenue is within the City of Concord’s SOI.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

### **16.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Pleasant Hill reports that it adequately serves all areas within its municipal boundary and anticipates it will continue to do so in the foreseeable future.

The disadvantaged communities within and contiguous to the City’s SOI receive sewer, water, and fire protection services.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 66, which is below the target of 75 MTC has established and which indicates a potential future need for pavement rehabilitation funding.

When accounting for the projected growth and population increases over the next five years, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City of Pleasant Hill has identified measures to reduce deferred maintenance and make capital improvements. The City is also preparing a 20-year infrastructure needs assessment and capital improvement plan.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

#### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, stormwater, and streets. Services related to animal control, broadband, library, lighting, parks and recreation, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City does not share facilities or services. Based on available information, no areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

#### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

#### **16.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

The City of Pleasant Hill is experiencing some fiscal challenges that may affect its ability to provide services, particularly in the event of unexpected funding needs. The City projects ongoing General Fund deficits, which may affect its ability to provide services. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, and despite these fiscal challenges, the City of Pleasant Hill appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Pleasant Hill has been operating with an overall deficit trend in their General Fund and anticipates this trend to continue through FY 2023.

The City's reserve goal is \$8.9 million; however, it is unknown whether it meets this goal.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 2.9, which indicates the City has the means available to cover its existing obligations in the short run.

The City has no outstanding debt.

The City's unfunded pension and OPEB liabilities continue to grow. The City is considering funding options for the increasing pension liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

## **16.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

### ***ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION***

The City of Pleasant Hill website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City also livestreams Planning Commission and City Council meetings. The City therefore adequately provides accountability with regard to governance and municipal operations.

### ***ONLINE AVAILABILITY OF CITY PLANNING INFORMATION***

The City of Pleasant Hill website provides access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

### ***PUBLIC INVOLVEMENT***

The City of Pleasant Hill website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City also uses social media and distributes newsletters to its residents. The City therefore adequately provides accountability with regard to citizen participation.

## **16.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **16.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Pleasant Hill extends beyond the municipal boundary to the north and to the west, with a small extension to the south, as shown in Figure 16.1. The City of Pleasant Hill is bound by the City of Martinez to the north, the City of Concord to the east, the City of Walnut Creek to the south, the City of Lafayette to the southwest, and County lands to the south and west.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Pleasant Hill.

## **16.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF PLEASANT HILL**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Pleasant Hill MSR profile.

### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Pleasant Hill plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including industrial, residential, institutional, commercial, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (2003).

### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Pleasant Hill. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Pleasant Hill appears adequate. The City of Pleasant Hill anticipates it will continue to have adequate capacity during the next five years.

### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

Contra Costa LAFCO has identified three islands within the City's SOI that potentially represent communities of interest and encourages the City to consider annexing these areas. No additional specific social or economic communities of interest relevant to the City of Pleasant Hill have been identified.

### ***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified disadvantaged communities both within and contiguous to the City's SOI; the area east of Pacheco Boulevard and north of Concord Avenue is within the City of Concord's SOI. These areas receive sewer, water, and fire protection services.

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# CHAPTER 17

## CITY OF RICHMOND

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### 17.1 AGENCY OVERVIEW

The City of Richmond, incorporated in 1905, covers an area of approximately 52.6 square miles. With an estimated population of 119,067, the City has a population density of approximately 2,246 persons per square mile.<sup>1</sup>

The City of Richmond lies in western Contra Costa County and surrounds the City of San Pablo. The City of Pinole lies to the north, San Pablo Bay lies to the west, the City of El Cerrito and the San Francisco Bay lie to the south, and County lands lie to the east. The Sphere of Influence (SOI) for the City of Richmond is mostly coterminous with the municipal boundary, with the exception of areas to the east (the unincorporated community of El Sobrante) and to the north (the unincorporated community of North Richmond), as shown in **Figure 17.1**. The City adopted the countywide Urban Limit Line in 2008. A portion of East Richmond Heights (within Wildcat Canyon Regional Park) and a portion of North Richmond (adjacent to San Pablo Bay) lie outside the adopted Urban Limit Line.

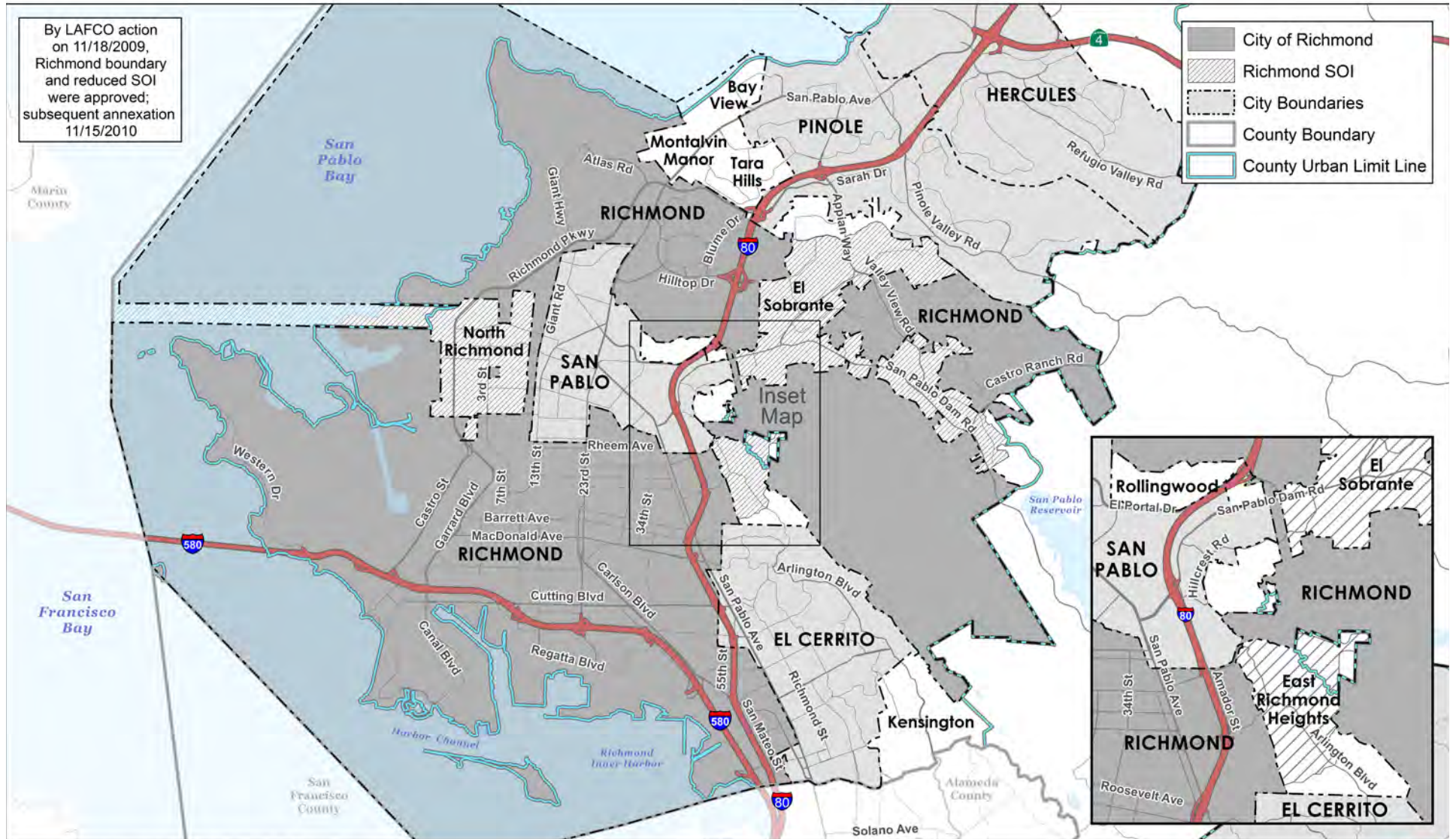
Land uses in the City include a mix of industrial, residential, research and development, commercial, agricultural, and open space. Agricultural uses include grazing, crop production, farming, community gardens, and ancillary residential uses.

#### 17.1.1 FORM OF GOVERNMENT

The City of Richmond is a charter city operating under a council-manager form of government. The publicly elected City Council consists of seven members, including the directly elected Mayor. Council members, including the Mayor, serve four-year terms.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 05/13/2013  
 by Contra Costa County Department of Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 97.58x1.791x 122.07.03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalizers' tax sale areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



Figure 17.1. City of Richmond Municipal Boundary and Sphere of Influence  
 May 2019

### 17.1.2 CITY STAFFING

Total City staffing for fiscal year (FY) 2017 included 722.7 full-time equivalent (FTE) employees. **Table 17.1** shows the four service areas with the highest staffing levels.

**TABLE 17.1**  
CITY OF RICHMOND  
HIGHEST STAFFING LEVELS BY SERVICE AREA

SERVICE AREA	FY 2017 FTE
Police	244.5
Public Works	83.0
Finance and Administrative Services	21.0
Community Development	15.0

Source: City of Richmond

Similar to other cities in Contra Costa County, the police service function had the highest staffing level in the City of Richmond, with 244.5 FTE employees.

### 17.1.3 JOINT POWERS AUTHORITIES

The City of Richmond is a member of various joint powers authorities (JPAs), which are listed in **Table 17.2**.

**TABLE 17.2**  
CITY OF RICHMOND  
JOINT POWERS AUTHORITY MEMBERSHIP

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
California Association of Counties – Excess Insurance Authority	Provide commercial insurance coverage
California Joint Powers Risk Management Authority	Provide commercial insurance coverage
Contra Costa Transit Authority Congestion Management Agency	—
East Bay Regional Communications System Authority Operating Agreement	—
Gilman Sports Field	Develop, maintain, and operate sports fields at Eastbay State Park (Gilman Sports Field) to benefit youth and adult sports.

JOINT POWERS AUTHORITY	SERVICE
Joint Powers Financing Authority	Assist the City, the Community Redevelopment Agency, and other local public agencies in financing and refinancing capital improvements and working capital pursuant to the Marks-Roos Local Bond Pooling Act of 1985.
Marin Clean Energy Program	Procure renewable electric energy on behalf of electricity customers to reduce greenhouse gas emissions.
North Richmond Pump Station (JEPA)	Established to set limits of the County’s and City’s responsibility for maintenance and operation.
Richmond Housing Authority Properties	Maintain and increase the long-term supply of affordable and/or publicly owned housing within the jurisdictions of the member entities
West Contra Costa Integrated Waste Management Authority	Responsible for ensuring compliance with state-mandated solid waste and recycling laws and overseeing the region’s post-collection agreement, include recyclables, processing, composting, operation of a Household Hazardous Waste facility, and the transfer, transportation, and disposal of solid waste.
West Contra Costa Transportation Advisory Committee	Guide transportation project and programs and aim to improve the transportation system in West Contra Costa through the development and coordination of transportation plans, projects, program, and policies for the West Contra Costa area.
West County Agency (JEPA)	Established for the purpose of providing more efficient disposal of wastewater produced in the Richmond Municipal Sewer District and the West County Wastewater District.

*Source: City of Richmond*

#### 17.1.4 AWARDS AND RECOGNITION

**Table 17.3** lists the awards the City of Richmond has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 17.3**  
**CITY OF RICHMOND**  
**AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Excellent IT Practices Award	Municipal Information Systems Association of California	2018
Peak Performance – Gold Award (for complete and consistent treatment plant permit compliance for calendar year 2017)	National Association of Clean Water Agencies	2018
Organizational Excellence for the Sewer Lateral Grant Program	California Association of Sanitation Agencies	2017
North Richmond Pump Station Stormwater Diversion Project	American Public Works Association, Northern CA Chapter	2016
State of our Schools Award – Partner of the Year	West Contra Costa Unified School District	2016
Quality IT Practices Award	Municipal Information Systems Association of California	2014 – 2018
Distinguished Budget Presentation Award	Government Finance Officers Association	FY2013-15 – FY2018-19
Operating Budget Excellence Award	California Society of Municipal Finance Officers	FY2013-15 – FY2018-19
Capital Budget Excellence Award	California Society of Municipal Finance Officers	FY2013-15 – FY2018-19

*Source: City of Richmond*

## 17.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 17.4**, municipal services for the City of Richmond are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.



**TABLE 17.4**  
**CITY OF RICHMOND**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of Richmond
Law Enforcement	City of Richmond
Library	City of Richmond
Lighting	City of Richmond
Parks and Recreation	City of Richmond
Solid Waste	Richmond Sanitary Services
Stormwater	City of Richmond
Streets	City of Richmond
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: City of Richmond*

The City of Richmond reports the following challenges related to its provision of municipal services:

- Aging capital infrastructure (primarily related to roadway network assets)
- Potential annexation of North Richmond unincorporated island
- Pension obligations

A summary of the available municipal service level statistics for FY 2017 is provided for the City in **Attachment B**.

### **17.2.1 ANIMAL CONTROL**

Contra Costa County Animal Services (CCAS) is the animal control service provider for the City of Richmond and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$616,166 in FY 2017, up from \$560,534 in FY 2015.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **17.2.2 BROADBAND**

The City of Richmond does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Richmond did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Richmond received a grade of C, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City is aware that service providers are limited in the Point Richmond area and along the shoreline. As funding permits, this area can be covered by the Community Wi-Fi. The City of Richmond did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **17.2.3 BUILDING/PLANNING**

The City of Richmond Department of Building and Planning Services provides building and planning services. Department expenditures for FY 2017 were approximately \$7.8 million, up from \$7.25 million in FY 2015.

The City of Richmond issued 2,783 residential and 1,513 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$355 million.

Planning city-wide has been captured in the General Plan and the Five-year Strategic Plan.

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).



#### 17.2.4 LAW ENFORCEMENT

The City of Richmond Police Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$62.7 million, reflecting an upward trend from approximately \$59.6 million in FY 2015.

The City of Richmond has 1.49 FTE sworn personnel per 1,000 population, which represents a decrease from 1.8 FTE in 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 31.81 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 3.2% in 2017, and the violent crime clearance rate was 17.5%.<sup>6</sup>

#### 17.2.5 LIBRARY

The City of Richmond provides library services at its Main Branch, Bayview Branch, and West Side Branch locations. City library expenditures were \$43.99 per capita for FY 2017, up slightly from \$45.14 per capita in FY 2013.

The Richmond Public Library operates the Literacy for Every Adult Program, which provides one-on-one, self-directed online, and classroom instruction for basic literacy, GED preparation, high school diploma, English as a second language, digital literacy, health literacy, and workforce development. Program operating expenditures for FY 2017 were \$1,022,564, or approximately 20% of total library expenditures.

Average circulation per capita was 1.66 in FY 2017, down from 2.69 in FY 2013. The City library had 2.63 visits per capita in in FY 2013; no data were available for FY 2017. The Richmond library system had 0.3715 FTE staff per 1,000 population in FY 2017.

The Richmond Public Library participates in a statewide public library E-Rate consortium through the Corporations for Education Network Initiatives in California (CENIC), which provides high-speed broadband services to connect libraries to the California Research and education Network. The 1-gigabit CENIC broadband connection is available for staff and the public at all three Richmond library locations.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a

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<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017.

### **17.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the City of Richmond Engineering and Capital Improvement Projects Department. City expenditures for light and signal maintenance for FY 2017 were not reported or were unavailable at the time of this MSR update. The City maintains approximately 9,000 street lights. The numbers for signalized intersections and traffic lights maintained by the City were not reported or were unavailable at the time of this MSR update.

### **17.2.7 PARKS AND RECREATION**

The City of Richmond Community Services Department manages the City's parks and recreation facilities and is the service provider for recreation programs. The Parks and Landscaping Division maintains the City's parks, public landscapes and natural open spaces. FY 2017 expenditures for parks were approximately \$4.4 million, reflecting an upward trend from approximately \$3.9 million in FY 2015.

The City provides various programs and activities for all ages including summer camps, aquatics, sports, senior services, community festivals and special events.

The City provides and maintains 7.1 park acres per 1,000 residents, 1.68 recreation centers per 20,000 residents, and 35 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 3 acres per 1,000 residents.

### **17.2.8 SOLID WASTE**

Solid waste services are provided to the City of Richmond via contract with Richmond Sanitary Services. The City of Richmond reports that it has no direct expenditures for solid waste services.

The City reported approximately 0.89 tons of waste disposed per capita for FY 2017. The FY 2017 per resident disposal rate was 3.9 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **17.2.9 STORMWATER/DRAINAGE**

The City of Richmond Water Resource Recovery Department provides and maintains the City's stormwater drainage system. The City reports that they have 165.4 miles of closed storm drain lines

and that 4.8% of their 5,215 storm drain inlets are equipped with trash capture. The City of Richmond also reports compliance with National Pollution Discharge Elimination System standards. Stormwater expenditures were \$2.3 million in FY 2017, down from \$3.3 million in FY 2015.

### **17.2.10 STREETS/ROADS**

The City of Richmond Engineering and Capital Improvement Projects Department provides and maintains 280 street miles and approximately 35.3 Class 1 and 2 bike lane miles. FY 2017 expenditures for streets were not reported or were unavailable at the time of this MSR update.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Richmond was 62 (fair) in 2017, down from 63 in 2015, and remains below the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement at the low end of the 60-69 (fair) range is significantly distressed and may require a combination of rehabilitation and preventive maintenance.

### **17.2.11 UTILITIES**

The City of Richmond is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Richmond.

The City of Richmond did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## **17.3 FINANCIAL OVERVIEW**

This section provides an overview of the City of Richmond's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

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<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

### 17.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 budget, the City's General Fund revenue of \$168 million is equal to General Fund expenditures.<sup>9</sup> **Table 17.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

The budget projects an ending FY 2019 General Fund balance of \$16.8 million, or about 11 percent of annual expenditures.<sup>10</sup> The City's fund balance policy requires the City to maintain a year-end contingency reserve balance of a minimum of 7% of the next year's budgeted General Fund expenditures.<sup>11</sup>

At the end of FY 2017, the City's cash reserve component represented \$11.2 million of the General Fund's \$19.7 million unassigned fund balance.<sup>12</sup>

**TABLE 17.5**  
**CITY OF RICHMOND**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$30,905,000	\$33,232,000	\$36,970,000
Sales Tax	\$33,131,000	\$40,877,000	\$41,620,000
Other Revenues (including Transfers)	\$80,494,000	\$72,466,000	\$85,815,000
<i>Total General Fund Revenues</i>	<i>\$144,529,612</i>	<i>\$146,575,079</i>	<i>\$164,405,410</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>1.4%</i>	<i>12.2%</i>
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$21,242,000	\$22,372,000	\$25,517,000
Public Safety	\$83,960,000	\$86,860,000	\$92,617,000
Other (includes Transfers Out)	\$38,188,000	\$36,627,420	\$40,251,915
<i>Total Expenditures</i>	<i>\$143,389,704</i>	<i>\$145,859,420</i>	<i>\$158,385,915</i>

<sup>9</sup> City of Richmond Agenda Report, Proposed Fiscal Year 2018-19 Operating Budget and Proposed Fiscal Years 2018-19 to 2022-23 Capital Improvement Plan, June 26, 2018, pg. 2.

<sup>10</sup> City of Richmond FY 2018-19 Operating Budget, Adopted June 26, 2018. FY 2018-19 Adopted Budget Summary, pg. 42-44.

<sup>11</sup> City of Richmond FY 2017 CAFR, Note 9C, Contingency Reserve Policy, pg. 96.

<sup>12</sup> *ibid*, Richmond FY 2017 CAFR, Note 9C.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<i>Change from Prior Year</i>	<i>n/a</i>	1.7%	8.6%
<i>Expenditures per capita</i>	\$1,309	\$1,316	\$1,438
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	0.3	0.4	0.7
Business-type Activities	1.3	0.4	0.9

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 17.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2015 through FY 2017 the City's governmental activities' liquidity ratios were less than 1.0 indicating that short-term resources were less than current liabilities (see Attachment C).<sup>13</sup> The City's enterprise funds' liquidity ratios were also less than 1.0 with the exception of FY 2015 (1.3). Debt totaled \$397.5 million, or about \$3,600 per capita.

### 17.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The total net position of governmental activities improved slightly from FY 2015 to FY 2017, but remained negative at \$194.2 million. The governmental activities' unrestricted net position at the end of FY 2017 declined to a negative (\$504.6 million) from FY 2015, largely the result of significant and worsening net pension and other post-employment benefit (OPEB) liabilities.

### 17.3.4 LOCAL REVENUE MEASURES

Measure Q, a voter-approved local one-half-cent sales tax was approved by Richmond voters in November 2004; the measure generates approximately \$15 million annually.<sup>14</sup> In 2014 Measure U was approved, providing an additional one-half-cent sales tax for general purposes.

<sup>13</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>14</sup> Measure Q revenues are not separately listed in the budget; assuming total General Fund sales tax of \$46 million represents 1.5 cent sales tax rate, Measure Q would equal about one-third.

An election to approve an increase in the City's transfer tax was defeated in November, 2016;<sup>15</sup> Measure H, a tax increase placed on the November 2018 ballot by the City Council, was subsequently approved by voters.<sup>16</sup> On the same November 2018 ballot, a vacant property tax to fund services to the homeless failed.

### **17.3.5 ENTERPRISE ACTIVITIES**

The City provides a range of enterprise services, including the Richmond Housing Authority, Port of Richmond, municipal sanitary and storm sewer, cable television, and marina.

### **17.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the City may pass that expense on to taxpayers.

The City's unfunded pension liability totaled \$312 million at the end of FY 2017 (see Attachment C). The City established the Secured Pension Override Special Revenue Fund to which proceeds of a special incremental property tax levy voted by the citizens of the City of Richmond are credited for the payment of benefits under the City's pension plans. The incremental property tax revenue received for the year ended June 30, 2017 was \$8,788,063,<sup>17</sup> which partially offset reductions in the pension plan's net assets due to pension payments.

The City's unfunded other post-employment benefit (OPEB) liability equaled \$182.1 million at the end of FY 2017 (see Attachment C). As part of its effort to address unfunded OPEB liabilities, the City Council adopted a policy in December 2014 to place into its OPEB trust an amount equal to half of any one-time, non-operating revenues, and half of any year-end surplus in excess of the City's cash reserve policy of 7% toward the unfunded liability for retired employee health costs.<sup>18</sup> The City reports that it is working to address its OPEB liability by working with unions and encouraging union contributions to OPEB.

### **17.3.7 CAPITAL ASSETS AND DEPRECIATION**

FY 2016 through FY 2017 show declines in the net value of governmental assets, generally indicating that investments in capital assets are not keeping pace with depreciation. Enterprises from FY 2015 through FY 2017 indicate a similar pattern of declining asset value (see Attachment C). One of the City's strategic goals and objectives is to "[i]mprove the aged storm drainage, sanitary sewer, and wastewater treatment systems."<sup>19</sup>

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<sup>15</sup> [https://ballotpedia.org/Richmond,\\_California,\\_Real\\_Estate\\_Transfer\\_Tax,\\_Measure\\_M\\_\(November\\_2016\)](https://ballotpedia.org/Richmond,_California,_Real_Estate_Transfer_Tax,_Measure_M_(November_2016))

<sup>16</sup> City of Richmond Resolution Number 71-18, adopted August 7, 2018.

<sup>17</sup> *ibid*, Richmond FY 2017 CAFR, Note 11, pg. 103.

<sup>18</sup> *ibid*, Richmond FY 2017 CAFR, pg. vi.

<sup>19</sup> *Ibid*, Richmond FY 2019 Budget, FY 202018-19 Adopted Budget, pg. 203.

### **17.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City prepares a long-range financial forecast to assist with budget preparation and to address future issues such as potential budget deficits. The FY 2019 budget indicates that projected FY 2019 budget shortfalls of at least \$4.6 million were eliminated in the adopted budget; however, the budget does not indicate whether projected future year shortfalls were reduced or eliminated as a result of the FY 2019 budget and service decisions.<sup>20</sup>

Preparation of the City's CAFR required more than 6 months following the end of the prior fiscal year.

## **17.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Richmond.

### **17.4.1 GROWTH AND POPULATION PROJECTIONS**

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Richmond serves 119,067 residents.

### ***PROJECTED GROWTH AND DEMOGRAPHIC CHANGES***

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent

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<sup>20</sup> *ibid*, Richmond FY 2019 Budget, FY 2018-19 Adopted Budget Summary, pg. 28.

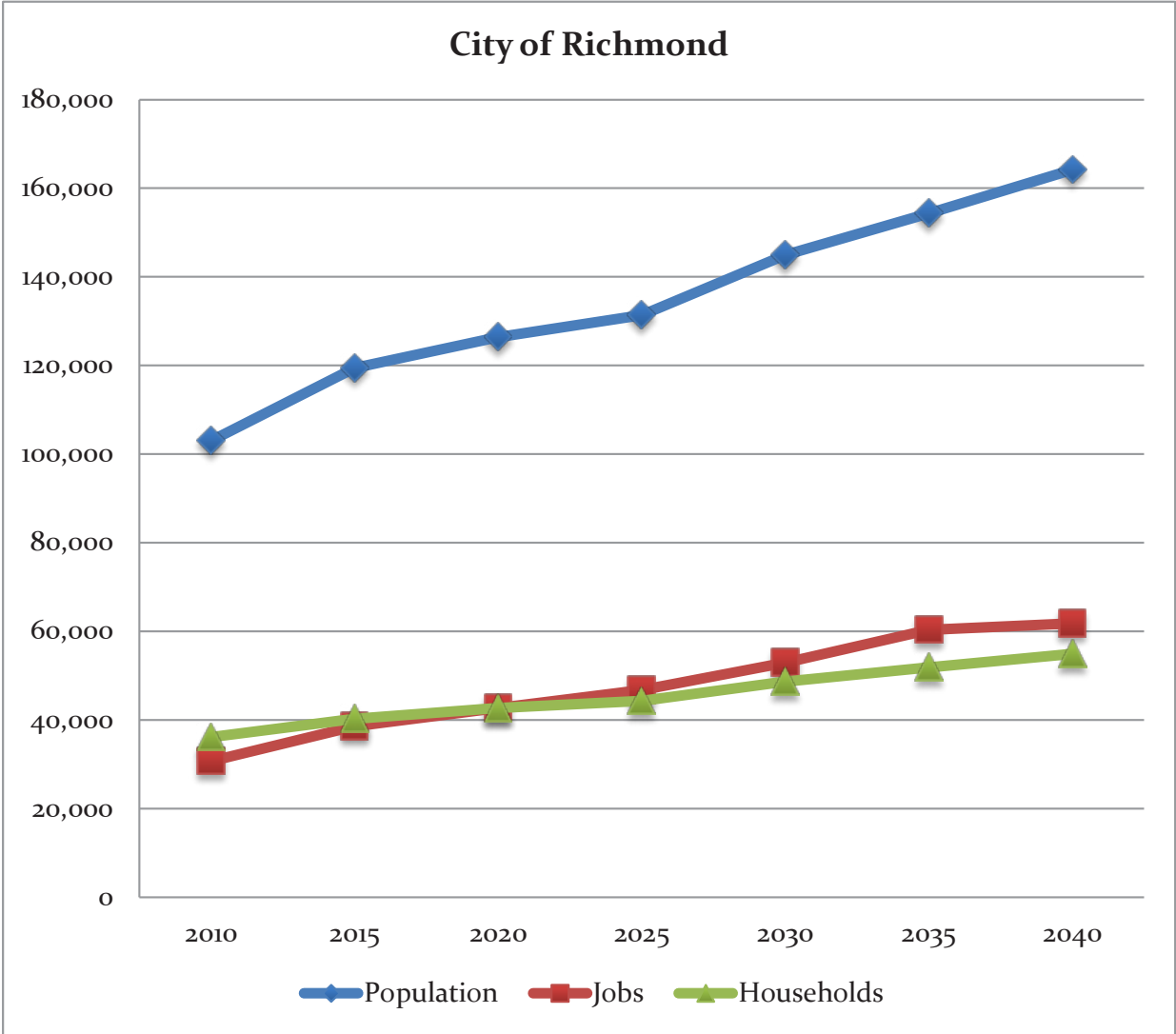


with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Richmond are depicted in **Figure 17.2**.

ABAG projects that the City of Richmond will grow at an annual rate of approximately 1.6% to a population of 164,220 between 2010 and 2040.<sup>21</sup> The City is also projected to experience an approximate 2.3% annual growth rate in jobs between 2010 and 2040. Overall, the City’s planning is expected to accommodate the growth projected by ABAG.

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<sup>21</sup> ABAG. Projections 2017.



**Figure 17.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Richmond**  
*May 2019*

## JOBS AND HOUSING

According to the Bay Area Census data<sup>22</sup> for 2010, the City of Richmond has 45,638 employed residents. The ABAG Projections data<sup>23</sup> for 2010 estimated 30,685 jobs in the City, with approximately 0.67 job for every employed resident. Bay Area Census data for 2010 indicate that the City of Richmond has 39,328 housing units, which results in a job and housing balance of 0.85. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 17.6**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 17.6**  
**CITY OF RICHMOND**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	18,659
Renter-occupied housing units	17,434
Vacant housing units	3,235
Total existing housing units	39,328
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	438
Low	305
Moderate	410
Above Moderate	1,282
Total Regional Housing Need Allocation	2,435

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>24</sup> The City of Richmond was assigned a RHNA of 2,435 units, as shown in Table 17.6.

The City adopted its General Plan in 2012 and its Housing Element in 2015. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 2,664 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Richmond 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with

<sup>22</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>23</sup> ABAG. Projections 2017.

<sup>24</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>25</sup>

The programs and services provided by the City for adults age 50 and older include the public library's literacy program and book van, as well as a variety of educational, social, recreational, nutritional, and human service programs offered by the City of Richmond Community Services Department. These programs include the Senior Community Service Employment Program, daily exercise programs, art classes, nutritional lunch program, massage therapy, ballroom dancing, tai chi, country western line dancing, bingo, tap dancing, tango, swing dance, and game room activities. Other services include Health Insurance Counseling and Advocacy Program, blood pressure screening, monthly birthday celebrations, and numerous other special events.

### **ANTICIPATED GROWTH PATTERNS**

The undeveloped entitled residential acres in FY 2017 were not reported or were unavailable at the time of this MSR update. Projects identified as part of the projected growth for the City (dwelling units and commercial space) that have been approved or are in the approval process were not reported or were unavailable at the time of this MSR update.

PDA's help form the implementing framework for Plan Bay Area. Two PDA's have been identified by the City of Richmond and included in Plan Bay Area 2040.<sup>26</sup> The Central Richmond and 23<sup>rd</sup> Street Corridor and South Richmond PDA's are anticipated to accommodate approximately 83% of the projected growth in households and 70% of the projected growth in employment.<sup>27</sup> The Central Richmond and 23<sup>rd</sup> Street Corridor PDA is characterized as a City Center and Mixed Use Corridor, and the South Richmond PDA is characterized as a Transit Neighborhood.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Richmond has not identified any Priority Conservation Areas, nor are any included in Plan Bay Area 2040.<sup>28</sup>

The City of Richmond does not report that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

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<sup>25</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>26</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>27</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>28</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

### 17.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES

The City of Richmond's SOI is mostly coterminous with the municipal boundary, with the exception of areas to the east (the unincorporated community of El Sobrante) and to the north (the unincorporated community of North Richmond; see Figure 17.1). The existing unincorporated islands are shown in Figure 17.1.

The unincorporated area of North Richmond is entirely surrounded by the municipal boundaries of the City of Richmond. The City of Richmond and Contra Costa County commissioned a jointly funded service plan and fiscal analysis study regarding the possible annexation of unincorporated North Richmond to the City of Richmond. Annexation of this service island into the City of Richmond could potentially increase the provision of services to the unincorporated area. The current City Council has determined that it will not move forward with annexing North Richmond.

The City does not request any changes to its SOI at this time and does not provide services to any areas outside its municipal boundaries or SOI.

#### *DISADVANTAGED COMMUNITIES*

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified disadvantaged communities within the City's SOI, including the unincorporated community of North Richmond. The City of Richmond is currently considering the potential annexation of the North Richmond area. North Richmond receives water services from the East Bay Municipal Utility District, fire and emergency medical service from Contra Costa County Fire Protection District, and is mostly served by the West County Wastewater District for sewer service.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

### **17.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Richmond reports that it adequately serves all areas within its municipal boundary and SOI. Based on available information, sufficient data has not been provided by the City of Richmond for this MSR Update to make an accurate determination about the City's ability to adequately serve all areas within its municipal boundary in the foreseeable future.

The disadvantaged communities within and contiguous to the City's SOI receive sewer, water, and fire protection services.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 62, which is below the target of 75 MTC has established and which indicates a potential future need for pavement rehabilitation funding. The City reports aging capital infrastructure, primarily related to roadway network assets.

When accounting for the projected growth and population increases over the next five years, as well as the available information related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

FY 2016 through FY 2017 show declines in the net value of governmental assets, generally indicating that investments in capital assets are not keeping pace with depreciation. Enterprises from FY 2015 through FY 2017 indicate a similar pattern of declining asset value.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community

Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, library, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, solid waste, stormwater in North Richmond, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City of Richmond partially owns the North Richmond Stormwater Pump Station, which is managed by Contra Costa County. The City does not share other facilities or services. Based on available information, no areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

## **17.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

### ***FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES***

The City of Richmond is experiencing some fiscal challenges that may affect its ability to provide services, particularly in the event of unexpected funding needs. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.



Overall, and despite these fiscal challenges, the City of Richmond appears to have adequate financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Richmond has been operating with a surplus in their General Fund.

The City currently exceeds their 20% reserve goal, allowing it to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City's liquidity ratio is 0.7; ratios less than 1.0 indicate that liabilities exceed short-term resources.

Total debt was approximately \$3,600 per capita for FY 2017.

The City's unfunded pension and OPEB liabilities continue to grow significantly; however, the City has implemented measures to help address increasing pension liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR approximately 9 months after fiscal year end, which is not considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **17.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Richmond website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City also broadcasts City Council and shares information about other events and meetings on KCRT, the City's cable channel, the City's website, various social media outlets, City's electronic billboard, and multiple City email listservs. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Richmond website provides access to the City's general plan as well as various development plans and projects. City staff are also active in Neighborhood Councils and participate

in multiple community meeting and events. The City therefore adequately provides accountability with regard to municipal and land use planning.

### ***PUBLIC INVOLVEMENT***

The City of Richmond website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. The City therefore adequately provides accountability with regard to citizen participation.

## **17.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **17.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Richmond is mostly coterminous with the municipal boundary, with the exception of areas where it extends and connects with the municipal boundary, as shown in Figure 17.1. The City of Richmond is bound by the City of Pinole to the north, San Pablo Bay to the west, the City of El Cerrito and the San Francisco Bay to the south, and County lands to the east.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Richmond.

This report also recommends that Contra Costa LAFCO consider the option of retaining the existing SOI with the condition that future potential annexation applications from the City require that the City provide more information<sup>29</sup> to demonstrate its capacity, adequacy, and financial ability to provide services to the area under consideration.

### **17.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF RICHMOND**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Richmond MSR profile.

### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Richmond plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including industrial, residential, research and development, commercial, agricultural, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan (2012).

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<sup>29</sup> To include undeveloped entitled residential acres, expenditures for lighting and streets/roads services, and additional detail for lighting services.

***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Richmond. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years, as well as with the potential annexation of North Richmond.

***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Richmond appears adequate. The City of Richmond anticipates it will continue to have adequate capacity during the next five years. The potential annexation of North Richmond is likely to have an effect on the City's capacity to provide public facilities and services.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of Richmond.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified disadvantaged communities within the City's SOI, including the unincorporated community of North Richmond. These areas receive sewer, water, and fire protection services. In the event the City of Richmond annexes the North Richmond community, there will be a need for the City to provide structural fire protection and other municipal facilities and services to this area.

# CHAPTER 18

## CITY OF SAN PABLO

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### 18.1 AGENCY OVERVIEW

The City of San Pablo, incorporated in 1948, covers an area of approximately 2.5 square miles. With an estimated population of 31,593, the City has a population density of approximately 10,531 persons per square mile.<sup>1</sup>

The City of San Pablo lies in western Contra Costa County and is mostly surrounded by the City of Richmond, with County lands adjacent to the northern and southeastern boundaries. The Sphere of Influence (SOI) for the City of San Pablo is mostly coterminous with the municipal boundary, with the exception of small extensions to the north and to the east, as shown in **Figure 18.1**. The City adopted the countywide Urban Limit Line in 2006.

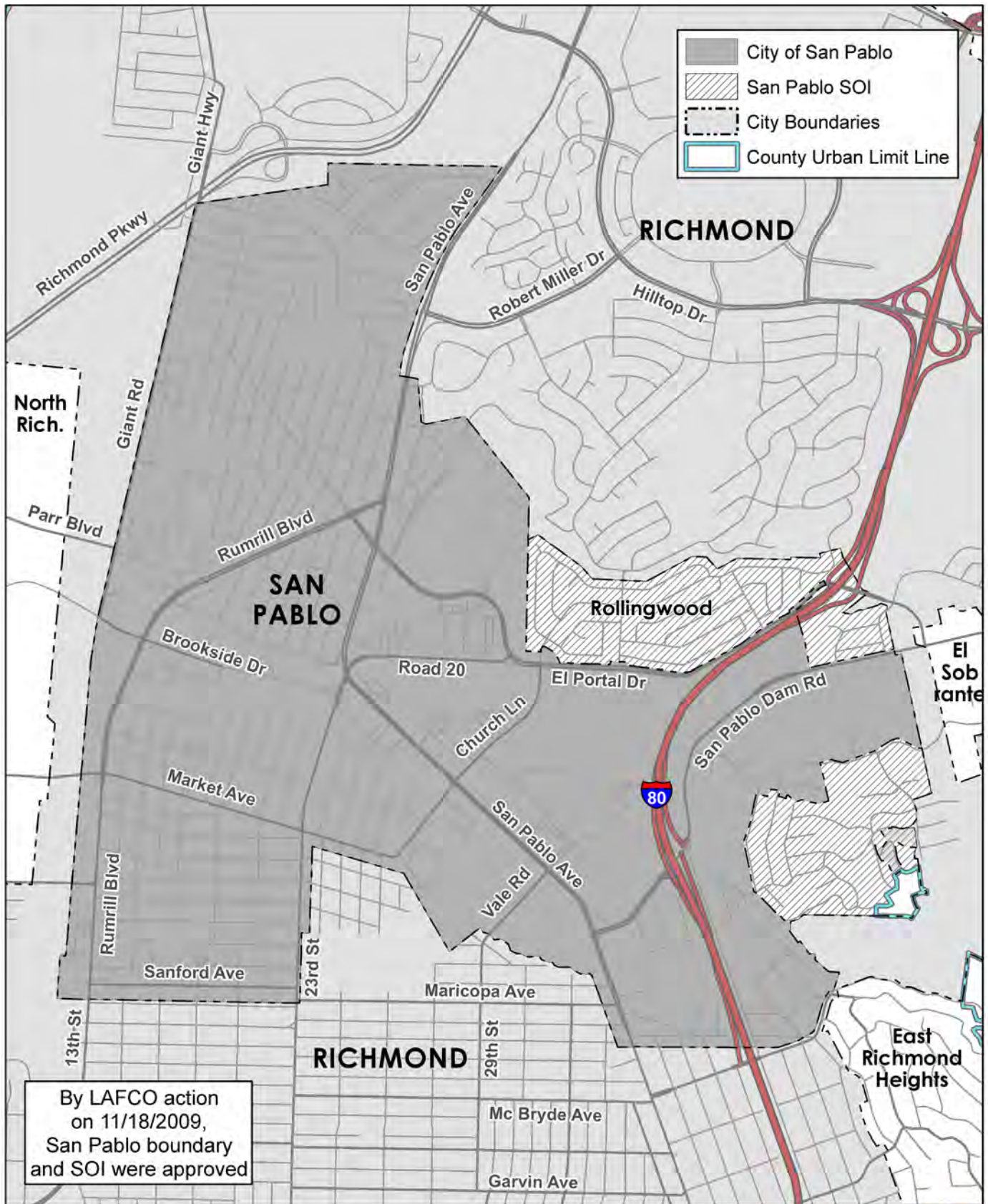
Land uses in the City include a mix of residential, residential mixed use, commercial mixed use, institutional mixed use, Specific Plan Areas (San Pablo Avenue and 23<sup>rd</sup> Street), and open space. There are no agricultural land use designations in the City of San Pablo.

#### 18.1.1 FORM OF GOVERNMENT

The City of San Pablo is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members. Council members serve four-year terms and the Mayor rotates each year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 10/05/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
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**Figure 18.1. City of San Pablo Municipal Boundary and Sphere of Influence**  
 May 2019



### 18.1.2 CITY STAFFING

Total City staffing for fiscal year (FY) 2017 included 190.3 full-time equivalent (FTE) employees. **Table 18.1** shows the four service areas with the highest staffing levels.

**TABLE 18.1**  
CITY OF SAN PABLO  
HIGHEST STAFFING LEVELS BY SERVICE AREA

SERVICE AREA	FY 2017 FTE
Police	86.0
Community Services	41.3
Public Works	26.0
Administrative Services	12.0

Source: City of San Pablo

Similar to other cities in Contra Costa County, the police service function had the highest staffing level in the City of San Pablo, with 86.0 FTE employees.

### 18.1.3 JOINT POWERS AUTHORITIES

The City of San Pablo is a member of several joint powers authorities (JPAs), which are listed in **Table 18.2**.

**TABLE 18.2**  
CITY OF SAN PABLO  
JOINT POWERS AUTHORITY MEMBERSHIP

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Contra Costa Transit Authority Congestion Management Agency	—
East Bay Regional Communications System Authority Operating Agreement	—
Marin Clean Energy JPA	—
San Pablo Joint Powers Financing Authority	—
West Contra Costa Integrated Waste Management Authority	Solid waste and recycling
West Contra Costa Transportation Advisory Committee	Regional transportation planning

Source: City of San Pablo

**18.1.4 AWARDS AND RECOGNITION**

The City of San Pablo has not reported receiving any awards since the first round Municipal Service Review (MSR).

**18.2 MUNICIPAL SERVICES OVERVIEW**

As shown in **Table 18.3**, municipal services for the City of San Pablo are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 18.3  
CITY OF SAN PABLO  
MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of San Pablo
Law Enforcement	City of San Pablo
Library	Contra Costa County
Lighting	Contra Costa County, Pacific Gas and Electric
Parks and Recreation	City of San Pablo
Solid Waste	Republic Services
Stormwater	City of San Pablo
Streets	City of San Pablo
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: City of San Pablo*



The City of San Pablo reports the following opportunities and challenges related to its provision of municipal services in the next five years:

*Opportunities*

- Facilitate regular utility coordination meeting for all agencies in the City (as well as neighboring communities) to discuss upcoming work, changes to requirements or regulations that may affect the group, pursue joint projects or contracts, and coordinate the construction activities to optimize efficiency
- Continue to pursue alternative compliance (and associated funding) to meet the stormwater regulatory requirements

*Challenges*

- Nonconforming land uses
- Aging and marginal housing stock
- Transportation issues – traffic, parking, and transit
- Increases in stormwater regulations
- Unfunded mandates (e.g., affordable housing, stormwater)
- Unfunded pension liabilities
- Solid waste reduction
- Emergency operations related to catastrophic events
- Flood control and drainage issues from adjacent County properties

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### **18.2.1 ANIMAL CONTROL**

Contra Costa County Animal Services (CCAS) is the animal control service provider for the City of San Pablo and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. City expenditures for animal control services were \$216,431 for FY 2017, up from \$157,508 in FY 2015.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

### **18.2.2 BROADBAND**

The City of San Pablo does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of San Pablo did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of San Pablo received a grade of C, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of San Pablo did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **18.2.3 BUILDING/PLANNING**

The City of San Pablo Community and Economic Development Department provides building and planning services. Department expenditures for FY 2017 were \$1.1 million, down from \$1.5 million in FY 2015.

The City of San Pablo issued 330 residential permits in 2017, reflecting an upward trend from 301 in 2015. The City issued 47 commercial building permits in 2017, up from 37 in 2015. Total building permit valuation in FY 2017 is estimated at \$14.6 million, up from \$13.8 million in FY 2015.

Planning city-wide has been captured in the General Plan, 23<sup>rd</sup> Street and San Pablo Avenue Specific Plans, and the Capital Improvement Plan.

### **18.2.4 LAW ENFORCEMENT**

The City of San Pablo Police Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$15 million, down from approximately \$16.8 million in FY 2015.

The City of San Pablo has 1.52 FTE sworn personnel per 1,000 population, which represents a slight decrease from 1.58 in 2015. The national average in 2012 was 2.39 FTE sworn personnel per

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<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

1,000 population.<sup>5</sup> There were 27 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 6.1% in 2017, and the violent crime clearance rate was 32.8%.<sup>6</sup>

### **18.2.5 LIBRARY**

Contra Costa County provides library services for the City of San Pablo at its San Pablo Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state averages for expenditure and staffing levels are nearly double the County's.

### **18.2.6 LIGHTING**

Lighting is provided and maintained by the Contra Costa County (traffic lights) and Pacific Gas and Electric (PG&E; street lights) City of San Pablo Department of Public Works. City expenditures for street light maintenance were \$465,729 in FY 2017, down from \$536,597 in FY 2015. DC Electric Group maintains the City's 29 signalized intersections and traffic lights, and PG&E maintains 1,051 street lights.

### **18.2.7 PARKS AND RECREATION**

The City of San Pablo Community Services Department is the service provider for parks and recreation facilities, as well as recreation programs. FY 2017 expenditures for parks were approximately \$3.1 million in FY 2017, up from approximately \$2.6 million in FY 2015.

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<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

The City offers various programs and classes for youth and adults, including camps, an art gallery and multiple programs and activities for seniors.

The City provides and maintains less than 3 park acres per 1,000 residents, 6 recreation centers per 20,000 residents, and 0.55 mile of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 3 acres per 1,000 residents.

### **18.2.8 SOLID WASTE**

Solid waste services are provided to the City of San Pablo via franchise agreement with Republic Services. The City of San Pablo FY 2017 expenditures for solid waste services were unavailable at the time of this MSR update.

The City reported approximately 0.38 ton of waste disposed per capita for FY 2017. The FY 2017 per resident disposal rate was 3.9 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **18.2.9 STORMWATER/DRAINAGE**

The City of San Pablo Department of Public Works provides and maintains the City's stormwater drainage system. The City reports that they have 16.4 miles of closed storm drain lines and that 14% of their 539 storm drain inlets are equipped with trash capture. The City of San Pablo also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for stormwater were \$305,303, down from \$530,215 in FY 2015.

### **18.2.10 STREETS/ROADS**

The City of San Pablo Department of Public Works provides and maintains 48 street miles and approximately 4.4 Class 1 and 2 bike lane miles as well as landscaped medians and other public landscaped areas. FY 2017 expenditures for streets were \$631,045, up from \$444,299 in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of San Pablo was 75 (good) in 2017, down from 77 in 2015, but meets the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress.

### **18.2.11 UTILITIES**

The City of San Pablo is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of San Pablo.

The City of San Pablo did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## **18.3 FINANCIAL OVERVIEW**

This section provides an overview of the City's financial health and assesses the City's financial ability to provide services. Key financial information for City municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### **18.3.1 GENERAL FUND BALANCES AND RESERVES**

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

The City of San Pablo prepares a quadrennial budget. According to the City's FY 2018-19 budget, the City's General Fund revenues of \$35.2 million are nearly equal to General Fund expenditures of \$35.3 million.<sup>9</sup> The budget projects an ending FY 2019 General Fund balance of \$21.1 million, or about 60% of annual expenditures. In addition to the General Fund balance, the City projects an additional \$38 million in its Catastrophic Reserve (\$17.8 million), Budget Stabilization Reserve (\$1.7 million), and Designated Reserves (\$18.6 million).<sup>10</sup> **Table 18.4** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

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<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>9</sup> City of San Pablo Quadrennial Operating Budget FY 2018-19, pg. 84.

<sup>10</sup> *ibid*, City of San Pablo FY 2019 Budget, pg. 85.

Approximately 60% of General Fund revenues depend on Casino Business License revenue and Casino Payment in Lieu of Taxes. The Casino Business License revenue grew an average of 9% annually over the past 10 years.<sup>11</sup>

**TABLE 18.4**  
**CITY OF SAN PABLO**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$837,000	\$720,000	\$873,000
Sales Tax	\$3,199,000	\$3,304,000	\$3,747,000
Other Revenues (including Transfers)	\$34,722,000	\$39,504,000	\$36,449,000
<i>Total General Fund Revenues</i>	\$38,757,685	\$43,527,828	\$41,068,515
<i>Change from Prior Year</i>	n/a	12.3%	-5.6%
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$5,803,000	\$9,612,000	\$9,418,000
Public Safety	\$15,436,000	\$13,735,000	\$14,928,000
Other (includes Transfers Out)	\$6,696,000	\$5,909,000	\$13,629,000
<i>Total Expenditures</i>	\$27,935,000	\$29,256,000	\$37,975,000
<i>Change from Prior Year</i>	n/a	4.7%	29.8%
<i>Expenditures per capita</i>	\$947	\$949	\$1,223
<b>LIQUIDITY RATIO<sup>1</sup></b>			
Governmental Activities	11.8	12.1	9.2
Business-type Activities	n/a	n/a	n/a

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 18.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

<sup>11</sup> *ibid*, City of San Pablo FY 2019 Budget, pg. 90.

In FY 2015 through FY 2017 the City's Governmental Activities' liquidity ratios were 9.2 or greater, indicating that short-term resources were significantly greater than current liabilities (see Attachment C).<sup>12</sup>

Total government activity debt was \$25.7 million at the end of FY 2017, or about \$830 per capita (see Attachment C).

### **18.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The City has maintained a positive net position for governmental activities that improved from FY 2015 to FY 2017; the unrestricted portion was also positive and improved over that period (see Attachment C).

### **18.3.4 LOCAL REVENUE MEASURES**

Two voter-approved local sales tax measures help to fund services. Measure Q is a one-half-cent sales tax that declines to one-quarter cent in 2017, then expires in 2022, generating about \$760,000 in FY 2019. Measure K is a one-quarter-cent sales tax authorized solely to provide emergency medical services out of San Pablo's Fire Station 70 by the Contra Costa County Fire Protection District.<sup>13</sup>

### **18.3.5 ENTERPRISE ACTIVITIES**

The City of San Pablo has no enterprise activities.

### **18.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the City may pass that expense on to taxpayers.

The City's unfunded pension liability totaled \$34.9 million at the end of FY 2017 (see Attachment C). The City's budget forecasts that its payments towards its unfunded liability will nearly double from \$1.7 million in FY 2018 to \$3.3 million in FY21. The City's other post-employment benefit (OPEB) had a net positive asset value of \$4.3 million at the start of FY 2017 as a result of the City Council's funding strategy which includes pay-as-you-go financing plus an additional amount to

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<sup>12</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>13</sup> City of San Pablo website <http://www.sanpabloca.gov/411/Taxes>



pre-fund benefits.<sup>14</sup> Approximately 10 years ago, the City made a lump-sum payment for OPEB liability, essentially eliminating the liability at the time.

### **18.3.7 CAPITAL ASSETS AND DEPRECIATION**

FY 2015 through FY 2017 show annual increases in the net value of governmental assets, generally indicating that investments in capital assets are keeping pace with depreciation (see Attachment C). The City is in the process of replacing its Civic Center buildings utilizing a combination of reserve funds and debt proceeds. A new library building and a community center were recently completed.

The City indicates that it is keeping pace with capital needs and with road resurfacing. A recently completed road condition assessment provides for funding required maintenance.<sup>15</sup>

### **18.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City prepares a Financial Trend Analysis in its four-year quadrennial budget for medium to long range forecasting.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

## **18.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of San Pablo.

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<sup>14</sup> *ibid*, City of San Pablo FY 2019 Budget, pg. 25.

<sup>15</sup> MTC P-TAP Round 18 Budget Options Report (BOR) for City of San Pablo, California, Fugro Roadware, Inc., Jan. 24, 2018.

### 18.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of San Pablo serves 31,593 residents.

#### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of San Pablo are depicted in **Figure 18.2**.

ABAG projects that the City of San Pablo will grow at an annual rate of approximately 0.5% to a population of 34,090 between 2010 and 2040.<sup>16</sup> The City is also projected to experience an approximate 0.7% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning—via the Municipal Code, General Plan, Specific Plans, and Capital Improvement Program—is expected to accommodate the growth projected by ABAG.

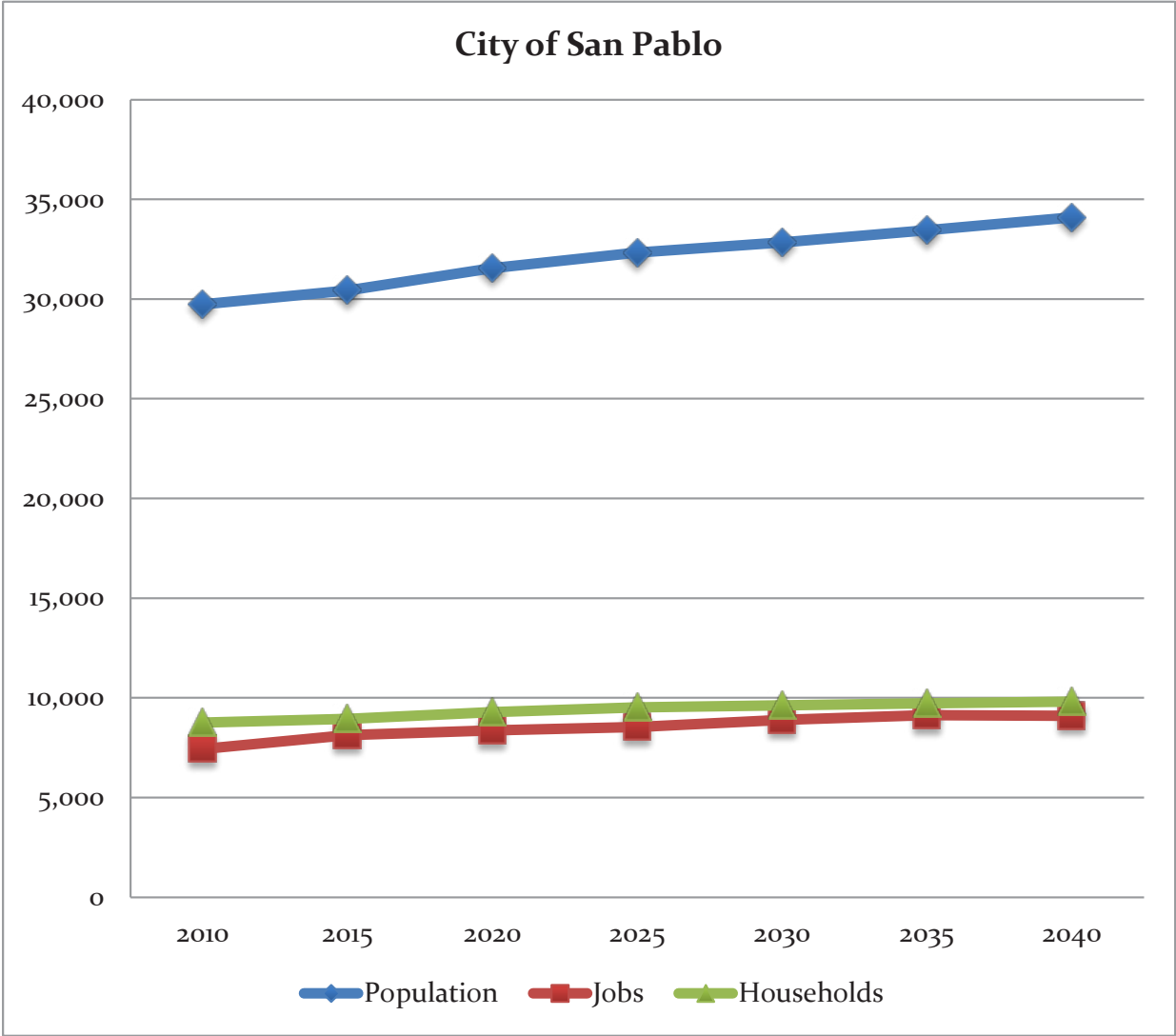
#### **JOBS AND HOUSING**

According to the Bay Area Census data<sup>17</sup> for 2010, the City of San Pablo has 12,250 employed residents. The ABAG Projections data<sup>18</sup> for 2010 estimated 7,430 jobs in the City, with approximately 0.61 job for every employed resident. Bay Area Census data for 2010 indicate that the City of San Pablo has 9,571 housing units, which results in a job and housing balance of 0.85. The number of owner-occupied units in the City is less than the number of renter-occupied housing units (**Table 18.5**), indicating that the rental household rate exceeds the rate of homeownership.

<sup>16</sup> ABAG. Projections 2017.

<sup>17</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>18</sup> ABAG. Projections 2017.



**Figure 18.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of San Pablo**  
*May 2019*

**TABLE 18.5**  
**CITY OF SAN PABLO**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	4,110
Renter-occupied housing units	4,651
Vacant housing units	810
<b>Total existing housing units</b>	<b>9,571</b>
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	56
Low	53
Moderate	75
Above Moderate	265
<b>Total Regional Housing Need Allocation</b>	<b>449</b>

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan  
for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>19</sup> The City of San Pablo was assigned a RHNA of 449 units, as shown in Table 18.5.

The City adopted its General Plan in 2011 and its Housing Element in 2015. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 858 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of San Pablo 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>20</sup>

The City of San Pablo provides a variety of programs and services in the areas of health, education, and recreation to meet the needs of adults age 50 and older, including billiards, strength and

<sup>19</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>20</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

balance, nutrition, program, movies, social dances, low impact aerobics, bingo, tai chi exercise class, social games, computer classes, social trips, and transportation services.

### ***ANTICIPATED GROWTH PATTERNS***

The FY 2017 undeveloped entitled residential acres in for the City of San Pablo were not available. Two projects (residential and mixed-use) have been identified as part of the projected growth for the City; however, the anticipated number of dwelling units and square feet of commercial space were not available.

PDA's help form the implementing framework for Plan Bay Area. One PDA has been identified by the City of San Pablo and included in Plan Bay Area 2040.<sup>21</sup> The San Pablo Avenue and 23<sup>rd</sup> Street Corridors PDA is anticipated to accommodate approximately 60% of the projected growth in households and 59% of the projected growth in employment.<sup>22</sup> The San Pablo Avenue and 23<sup>rd</sup> Street Corridors PDA is characterized as a Mixed Use Corridor.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of San Pablo has not identified any Priority Conservation Areas, nor are any included in Plan Bay Area 2040.<sup>23</sup>

The City of San Pablo does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

### **18.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of San Pablo's SOI for the City of San Pablo is mostly coterminous with the municipal boundary, with the exception of small extensions to the north and to the east (see Figure 18.1).

The City has identified two unincorporated islands—the Rollingwood neighborhood (to the north) and an area to the east bounded by Hillcrest Road and Wildcat Canyon. Additionally, the City of San Pablo has some boundary irregularities and various split parcels with the City of Richmond.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer,

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<sup>21</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>22</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>23</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified the City of San Pablo as a disadvantaged community and disadvantaged communities contiguous with its SOI that are within the municipal boundary and SOI of Richmond.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

### **18.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of San Pablo reports that it adequately serves all areas within its municipal boundary and SOI and anticipates it will continue to do so in the foreseeable future.

The disadvantaged communities within and contiguous to the City's SOI receive sewer, water, and fire protection services.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 75, which indicates the City's streets are in good condition and primarily require funding at a level to maintain the current condition.

The City has reported that its SOI northeast of I-80 and San Pablo Dam Road is likely lacking in necessary public infrastructure.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City of San Pablo has completed a roadway assessment and overall is keeping pace with capital needs.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, lighting, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The City's shared Police Dispatch and Records Management System is a shared joint function with the cities of Pinole and Hercules, and the City has joint use arrangements with the West Contra Costa Unified School District.

The City of San Pablo does not share and additional facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.



#### **18.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

##### ***FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES***

As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, the City of San Pablo appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

##### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of San Pablo has been operating with a surplus in their General Fund.

The City's reserve goal is unknown, and therefore it is unknown whether they meet their goal; however, the City currently projects a \$38 million reserve. With this reserve level, the City appears able to maintain an acceptable level of service provision and to enact changes to maintain services.

##### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 9.2, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$830 per capita for FY 2017.

The City's unfunded pension and OPEB liabilities continue to grow; however, the City Council's funding strategy includes OPEB pay-as-you-go financing. The City has not identified any other measures to address the increasing pension liabilities.

##### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

*by ensuring that the State Controller's Financial Transactions Report was filed on a timely basis and that the Comprehensive Annual Financial Report (CAFR) for most recent fiscal year received a clean opinion and was issued within six months of fiscal year end*

The City issued its CAFR more than 6 months after fiscal year end, which is not considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

## **18.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

### ***ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION***

The City of San Pablo website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.

### ***ONLINE AVAILABILITY OF CITY PLANNING INFORMATION***

The City of San Pablo website provides access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

### ***PUBLIC INVOLVEMENT***

The City of San Pablo website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. Newsletters are also distributed to City residents. The City therefore adequately provides accountability with regard to citizen participation.

## **18.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **18.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of San Pablo is mostly coterminous with the municipal boundary, with the exception of small extensions to the north and to the east, as shown in Figure 18.1. The City of San Pablo is mostly surrounded by the City of Richmond, with County lands adjacent to its northern and southeastern boundaries.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of San Pablo.

### **18.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF SAN PABLO**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of San Pablo MSR profile.

***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of San Pablo plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, commercial, institutional, retail, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (2011).

***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of San Pablo. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of San Pablo appears adequate. The City of San Pablo anticipates it will continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. The Rollingwood community is a community of interest and is a small island which can be annexed via an expedited process. This report encourages the City of San Pablo to consider annexing the Rollingwood island. Contra Costa LAFCO has not identified other social or economic communities of interest relevant to the City of San Pablo.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified the City of San Pablo as a disadvantaged community and disadvantaged communities contiguous with its SOI that are within the municipal boundary and SOI of Richmond. These areas receive sewer, water, and fire protection services.

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# CHAPTER 19

## CITY OF SAN RAMON

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### 19.1 AGENCY OVERVIEW

The City of San Ramon, incorporated in 1983, covers an area of approximately 18.7 square miles. With an estimated population of 82,643, the City has a population density of approximately 4,349 persons per square mile.<sup>1</sup>

The City of San Ramon lies in central Contra Costa County, with the City of Danville to the north, County lands to the east and west, and the Contra Costa – Alameda County boundary to the south. The Sphere of Influence (SOI) for the City of San Ramon is mostly coterminous with the municipal boundary, with extensions to the west and south, as shown in **Figure 19.1**. The City adopted its urban growth boundary in 2002, which encompasses the City limits and includes the SOI in Dougherty Valley.

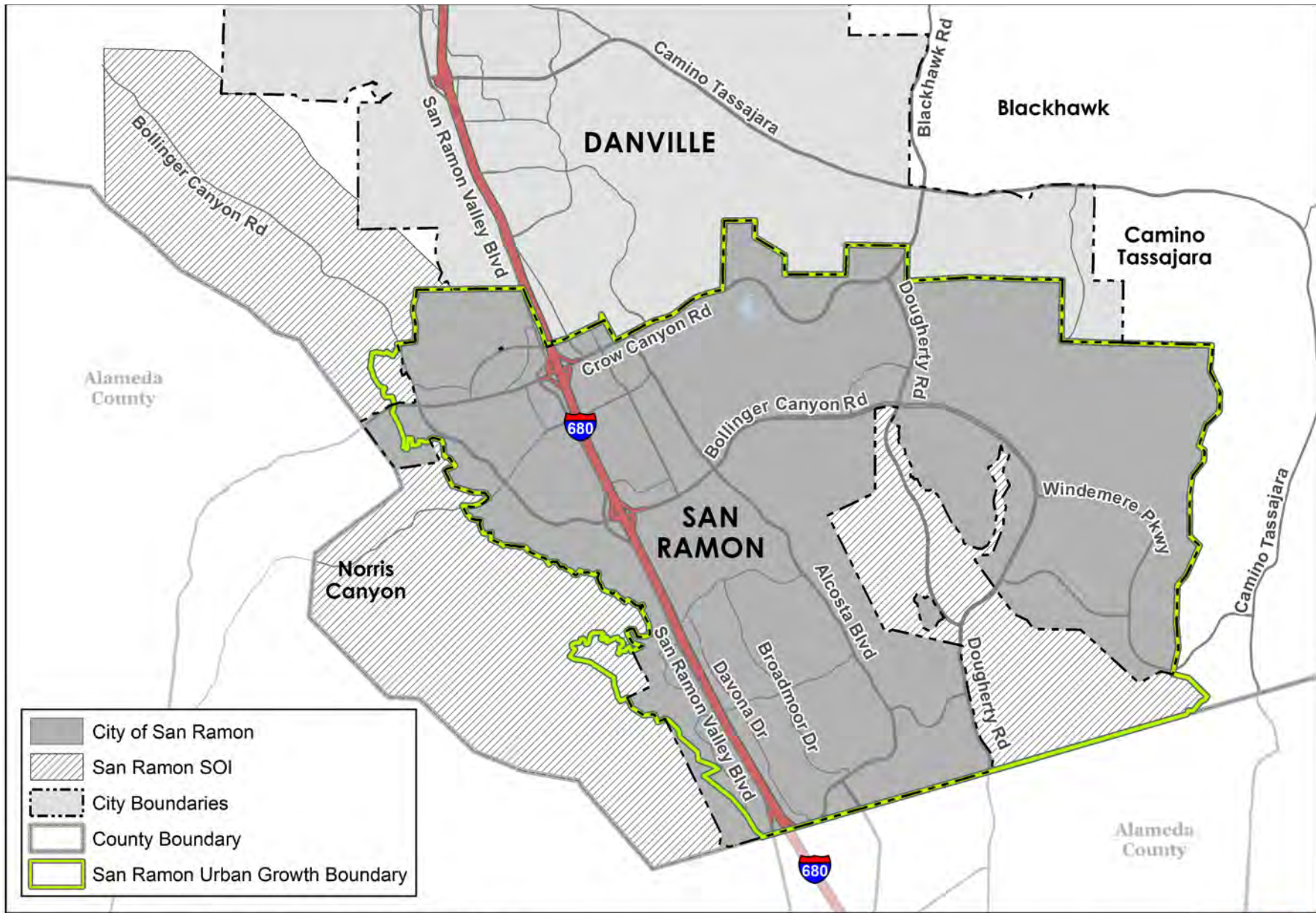
Land uses in the City include a mix of residential, office, commercial, retail, mixed use, and open space. Although there are no agricultural land use designations in the City of San Ramon, some open space areas include land privately owned and used for agricultural purposes. The Tassajara Valley, which lies outside the City's SOI but is included in the General Plan planning area, includes agricultural uses such as spring pasture and livestock grazing, with a few orchards, small horse ranches, and two to five-acre ranchettes.

#### 19.1.1 FORM OF GOVERNMENT

The City of San Ramon is a charter city operating under a council-manager form of government. The publicly elected City Council consists of five members, including the directly elected Mayor; Council members serve four-year overlapping terms and the Mayor serves a two-year term.

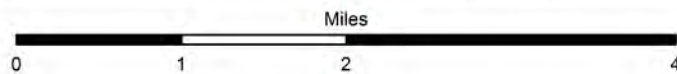
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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>



Map created 08/10/2017  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37-59-41.791N 122-07-03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 19.1. City of San Ramon Municipal Boundary and Sphere of Influence**  
 May 2019



### 19.1.2 CITY STAFFING

Total City staffing for fiscal year (FY) 2017 included 258.75 full-time equivalent (FTE) employees. **Table 19.1** shows the four service areas with the highest staffing levels.

**TABLE 19.1**  
CITY OF SAN RAMON  
HIGHEST STAFFING LEVELS BY SERVICE AREA

SERVICE AREA	FY 2017 FTE
Public Works	99.75
Police Services	83.0
Parks and Community Services	33.0
Community Development	17.0

Source: City of San Ramon

Unlike many other cities in Contra Costa County, the public works function had the highest staffing level in the City of San Ramon, with 99.75 FTE employees.

### 19.1.3 JOINT POWERS AUTHORITIES

The City of San Ramon is a member of various joint powers authorities (JPAs), which are listed in **Table 19.2**.

**TABLE 19.2**  
CITY OF SAN RAMON  
JOINT POWERS AUTHORITY MEMBERSHIP

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	ABAG's mission is to strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
California Communities Statewide Development Authority	Allow residents to participate in a Property Assessed Clean Energy (PACE) program.
California Enterprise Development Authority	Allow residents to participate in a PACE program.
California Municipal Finance Authority	Allow residents to participate in a PACE program
California State Association of Counties Excess Insurance Authority	Employee benefits program
Central Contra Costa Sanitary District	Public entity for the handling of wastewater
Central Contra Costa Transit Authority	Provides fixed routes and express bus service to partner organizations



JOINT POWERS AUTHORITY	SERVICE
Contra Costa County Flood Control and Water Conservation District	Established to appropriate project duties and cost.
Contra Costa Transit Authority Congestion Management Agency	—
Dougherty Regional Fire Authority	Formed to provide fire protection services; remains in effect for the sole purpose of winding up the affairs of the District and meeting contractual obligation for retired employees
East Bay Regional Communication System Authority	Regional radio system
Golden State Finance Authority	Allow residents to participate in a PACE program.
Municipal Pooling Authority	To arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage
San Ramon Public Financing Authority and San Ramon Redevelopment Agency Joint Exercise of Powers Agreement	Facilitate acquisition of improvements and sale of bonds
Southern Contra Costa Fees for Traffic Mitigation	Establish traffic mitigation fees for southern Contra Costa County
TRAFFIX – Measure J Traffic Congestion Relief Agency	Provides school bus service to relieve traffic congestion in the San Ramon valley
Tri-Valley Transportation Council	Planning and facilitating implementation of transportation improvement projects in the Tri-Valley area.
Tri-Valley Transportation Development Fees for Traffic Mitigation	Establish traffic mitigation development fees in the Tri-Valley area
Tri-Valley Transportation Plan	Provide for the joint preparation of a transportation plan; provide a forum for review and coordination of planning and implementation of transportation facilities in the Tri-Valley area.
Western Riverside Council of Governments	Allow residents to participate in a PACE program.

*Source: City of San Ramon*

#### 19.1.4 AWARDS AND RECOGNITION

**Table 19.3** lists the awards the City of San Ramon has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 19.3**  
**CITY OF SAN RAMON**  
**AWARDS**

AWARD	ISSUER	YEAR(S) RECEIVED
Outstanding Facility – San Ramon Library	California Parks and Recreation Society	2017
Library Journal’s 2017 Top Trends in Library Architecture	Library Journal Magazine	2017
Gold Level Learn to Swim Provider	American Red Cross	2017
Top Lifesaving and Drowning Prevention Provider	American Red Cross	2017
Marketing / Social Media Award	California Parks and Recreation Society – Aquatics Section	2017
Champion of the Community	California Parks and Recreation Society	2017 and 2016
People Love the San Ramon Olympic Pool and Aquatic Park on Yelp!	Yelp	2017 and 2016
Certificate of Achievement for Excellence in Financial Reporting	Government Finance Officers Association	2003 – 2017
International Award for Excellence in Management Practices	LERN Learning Resource Network	2016
Beauty in Age Project and Gallery Exhibit	California Parks and Recreation Society – Aging Section	2016
Creating Community through Partnerships and Collaboration	California Parks and Recreation Society – Aging Section	2015

*Source: City of San Ramon*

## 19.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 19.4**, municipal services for the City of San Ramon are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 19.4**  
**CITY OF SAN RAMON**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	City of San Ramon
Law Enforcement	City of San Ramon
Library	Contra Costa County
Lighting	City of San Ramon
Parks and Recreation	City of San Ramon
Solid Waste	Waste Management
Stormwater	City of San Ramon
Streets	City of San Ramon
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: City of San Ramon*

The City of San Ramon reports the following challenges related to its provision of municipal services:

- Meeting pension obligations
- Staffing needs related to growth
- Funding capital improvements / deferred maintenance

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 19.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) is the animal control service provider for the City of San Ramon and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were \$284,092 in FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake

<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **19.2.2 BROADBAND**

The City of San Ramon does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of San Ramon did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of San Ramon received a grade of C-, which indicates that internet service providers did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of San Ramon did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **19.2.3 BUILDING/PLANNING**

The City of San Ramon Community Development Department provides building and planning services. Department expenditures for FY 2017 were \$3.7 million.

The City of San Ramon issued 7,567 residential and 843 commercial building permits in 2017. Total building permit valuation in FY 2017 is estimated at \$1.3 billion.

In November 2018, the City Center Bishop Ranch development opened at Bollinger Canyon Road and Sunset Drive. The development is a one-acre plaza with various shopping, dining, and entertainment amenities.

Planning city-wide has been captured in the General Plan.

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<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

### 19.2.4 LAW ENFORCEMENT

The City of San Ramon Police Service Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$20.5 million, reflecting an upward trend from approximately \$17.9 million in FY 2015.

The City of San Ramon has 0.84 FTE sworn personnel per 1,000 population, which represents a slight increase from 0.79 FTE in 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 15.71 crimes per sworn FTE in 2017. The Police Department does not currently have a mechanism in place to capture property and violent clearance rates (a measure of crimes solved) as accurately as they would like; however, their best estimate for the total (violent and property crimes) 2017 clearance rate is 62%.<sup>6</sup>

### 19.2.5 LIBRARY

Contra Costa County provides library services for the City of San Ramon at two San Ramon Branch Library locations. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013. Total City of San Ramon library expenditures were \$135,148 in FY 2017, reflecting a downward trend from \$202,983 in FY 2015.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state averages for expenditures and staffing are nearly double the County's.

### 19.2.6 LIGHTING

Lighting (street and traffic) is provided and maintained by the City of San Ramon Public Works Department. City expenditures for light and signal maintenance were \$929,969 in FY 2017, up

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<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

from \$835,519 in FY 2015. The City maintains 99 signalized intersections and 7,300 street lights. The City does not track traffic light maintenance separate from signalized intersections.

### **19.2.7 PARKS AND RECREATION**

The City of San Ramon Parks and Community Services Department is the service provider for parks and recreation facilities, as well as recreation programs. The Public Services Division maintains City park and recreation facilities. Expenditures for parks vary year to year, at \$8 million in FY 2017, down from \$8.5 million in FY 2016, and up from \$7.8 million in FY 2015.

The City's Parks and Community Services Department provides a variety of cultural, sporting, performing arts, educational events, and programs for all segments of the community.

The City provides and maintains 4.7 park acres per 1,000 residents, 1.08 recreation centers per 20,000 residents, and 57.1 miles of recreation trails.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 6.5 acres per 1,000 residents, which is higher than most cities in Contra Costa County.

### **19.2.8 SOLID WASTE**

Solid waste services are provided to the City of San Ramon via franchise agreement with Valley Waste Management. The City of San Ramon FY 2017 expenditures for solid waste services were \$354,393, representing a substantial increase from \$202,804 in FY 2015. The increase resulted from implementing new commercial business recycling programs in 2016, for which the City compensates Waste Management directly.

The City reported approximately 0.57 tons of waste disposed per capita for FY 2017. The FY 2017 per resident disposal rate was 3.1 pounds/resident/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **19.2.9 STORMWATER/DRAINAGE**

The City of San Ramon Public Works Department provides and maintains the City's stormwater drainage system. The City reports that they have 152 miles of closed storm drain lines and that less than 1% of their 4,400 storm drain inlets are equipped with trash capture. The City of San Ramon also reports compliance with National Pollution Discharge Elimination System standards. Total FY 2017 expenditures for stormwater were \$1,053,070, representing an upward trend from \$940,999 in FY 2015.

### 19.2.10 STREETS/ROADS

The City of San Ramon Public Works Department provides and maintains 498 street miles and approximately 43 Class 1 and 2 bike lane miles, as well as landscaped medians and other public landscaped areas. FY 2017 expenditures for streets were \$1.6 million, up from 1.4 million in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of San Ramon was 80 (very good to excellent) in 2017, which is unchanged from 2015, and which remains above the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement in this range (80-100) is newly reconstructed or resurfaced with few signs of distress.

### 19.2.11 UTILITIES

The City of San Ramon is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Ramon.

The City of San Ramon did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

## 19.3 FINANCIAL OVERVIEW

This section provides an overview of the City of San Ramon's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 19.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 budget, the City's General Fund revenues of \$51.5 million slightly exceed General Fund expenditures of \$48.5 million.<sup>9</sup> The budget projects an ending FY

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<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>9</sup> City of San Ramon Adopted FY 202018-2019 Operating Budget, Budget Message pg. 6.



2019 General Reserve balance of \$19.4 million, or about 40% of annual expenditures, which includes General Fund, Dougherty Valley Fund, and Debt Service Fund unrestricted reserves, consistent with the City Council General Reserve Policy.<sup>10</sup> **Table 19.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year. The City indicates that continued growth will affect staffing needs and related budget costs.

The City tracks its expenditures to the Dougherty Valley area separately from its other services. The City provides services to the areas of Dougherty Valley that are annexed to the City as development occurs. The City services and capital projects in the area are largely reimbursed by assessments collected by the County Service Area (CSA) in Dougherty Valley. Projected FY 2019 expenditures of \$20.2 million will be funded by \$20.5 million of total sources including \$18.1 million of CSA revenue, \$0.1 million from the City's Infrastructure Maintenance Fund, and the remaining \$2.3 million from the General Fund. The City's Special Revenue Funds indicate Dougherty Valley accounts receivable growing from \$6.5 million in FY 2015 to \$8 million in FY 2017.<sup>11</sup>

**TABLE 19.5**  
**CITY OF SAN RAMON**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$16,092,000	\$17,241,000	\$18,479,000
Sales Tax	\$9,143,000	\$10,485,000	\$9,329,000
Other Revenues (including Transfers)	\$20,614,000	\$23,300,000	\$22,516,000
<i>Total General Fund Revenues</i>	<i>\$45,849,000</i>	<i>\$51,026,000</i>	<i>\$50,324,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>11.3%</i>	<i>-1.4%</i>
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$4,807,000	\$5,587,000	\$5,944,000
Public Safety	\$11,381,000	\$12,041,000	\$12,579,000
Other (includes Transfers Out)	\$30,723,000	\$31,187,000	\$35,038,000
<i>Total Expenditures</i>	<i>\$46,911,000</i>	<i>\$48,815,000</i>	<i>\$53,561,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>4.1%</i>	<i>9.7%</i>
<i>Expenditures per capita</i>	<i>\$597</i>	<i>\$623</i>	<i>\$665</i>

<sup>10</sup> ibid, San Ramon FY 2019 Budget Message, pg. 8.

<sup>11</sup> City of San Ramon CAFRs, Governmental Funds Balance Sheet, pg. 20.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	5.1	3.9	5.4
Business-type Activities	n/a	n/a	n/a

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 19.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio was 5.4, indicating that short-term resources were greater than current liabilities (see Attachment C).<sup>12</sup>

Total debt was \$25.7 million at the end of FY 2017, or about \$319 per capita. Governmental activities' debt totaled \$25.7 million at the end of FY 2017 (see Attachment C).

### 19.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The City has maintained a positive net position for governmental activities, improving from FY 2015 to FY 2017. The unrestricted portion of the governmental activities net position was a negative (\$11.6 million) in FY 2017, slightly improved compared to FY 2015 as a result of combined debt and unfunded pension liabilities (see Attachment C).

### 19.3.4 LOCAL REVENUE MEASURES

The City has no voter-approved local sales tax measures. Various special assessments totaling \$6.9 million are restricted to funding specific services to benefitting areas paying the assessments.<sup>13</sup>

### 19.3.5 ENTERPRISE ACTIVITIES

The City of San Ramon operates no enterprises or business type activities.

<sup>12</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>13</sup> *ibid*, San Ramon FY 2019 Budget, pg. 26.

### 19.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the City may pass that expense on to taxpayers.

The City's unfunded pension liability at FY 2016 totaled \$23.4 million (see Attachment C).<sup>14</sup> In 2017 the City began participating in a Section 115 Trust; in FY 2019 the City anticipates contributing \$1 million into the trust. The City is in negotiations with employees and is proposing that employees fund a share of the employer's obligation in addition to the full share of employee contributions. City employees currently pay the full employee share of pension cost. City management negotiated with its employee groups to begin contributing towards the employer's share of the pension. Effective July 1, 2018, the employees contribute 1%. Effective July 1, 2019, employees will contribute 2%, which will increase to 3% effective July 1, 2020.

The City established an other post-employment benefit trust several years ago which is currently 100% funded. According to the FY 2019 budget, cumulative contributions and assets more than covered a total estimated liability of \$25.1 million.<sup>15</sup>

### 19.3.7 CAPITAL ASSETS AND DEPRECIATION

FY 2015 through FY 2017 show annual increases in the net value of governmental assets, generally indicating that investments in capital assets are keeping pace with depreciation (see Attachment C). The City established an infrastructure maintenance fund several years ago to fund improvements to City-owned buildings. The City maintains an Equipment Replacement Fund that provides adequate funds for needed replacement of vehicles and equipment; internal service charges fund the Replacement Fund.<sup>16</sup>

### 19.3.8 FINANCIAL PLANNING AND REPORTING

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

<sup>14</sup> Note: City FY 2019 budget reports FY 2016 liability of \$28.3 million (Budget Message, pg. 9). The budget amount is prior to GASB adjustments made in the FY16 CAFR.

<sup>15</sup> *ibid*, San Ramon FY 2019 Budget Message, pg. 9.

<sup>16</sup> *ibid*, San Ramon FY 2019 Budget Message, pg. 9.

The City tracks capital needs and funding through a pavement management program, Capital Improvement Plan, and Renovation and Replacement Plans for parks, facilities, landscape, and aquatics.

## 19.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of San Ramon.

### 19.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of San Ramon serves 82,643 residents.

### ***PROJECTED GROWTH AND DEMOGRAPHIC CHANGES***

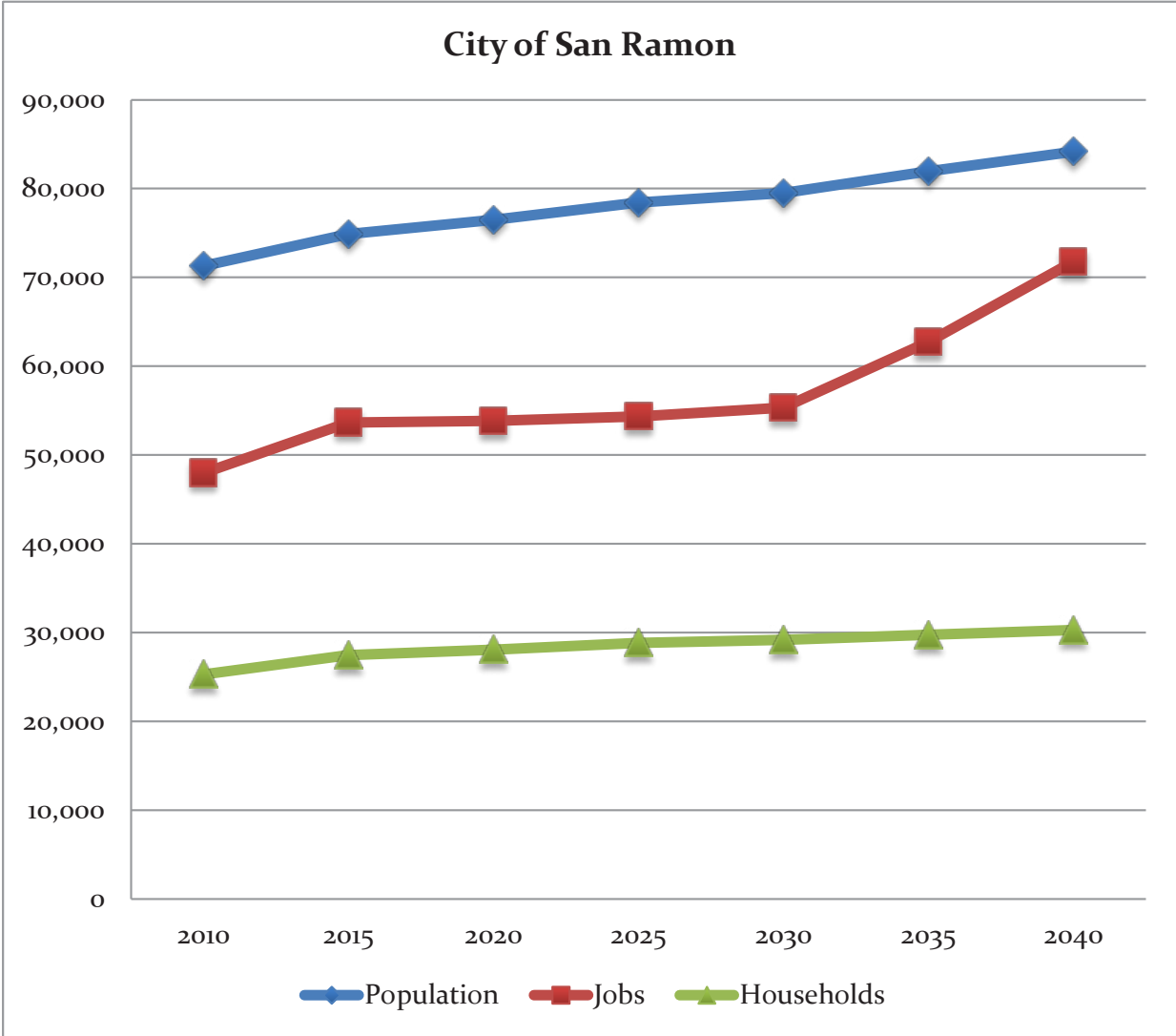
As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region.

Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of San Ramon are depicted in **Figure 19.2**.

ABAG projects that the City of San Ramon will grow at an annual rate of approximately 0.6% to a population of 84,165 between 2010 and 2040.<sup>17</sup> The City is also projected to experience an approximate 1.3% annual growth rate in jobs between 2010 and 2040. Overall, the City's planning is expected to accommodate the growth projected by ABAG.

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<sup>17</sup> ABAG. Projections 2017.



**Figure 19.2. Population, Job, and Household Growth Projections (2010-2040)**  
**City of San Ramon**  
*May 2019*

## JOBS AND HOUSING

According to the Bay Area Census data<sup>18</sup> for 2010, the City of San Ramon has 34,570 employed residents. The ABAG Projections data<sup>19</sup> for 2010 estimated 47,950 jobs in the City, with approximately 1.39 jobs for every employed resident. Bay Area Census data for 2010 indicate that the City of San Ramon has 26,222 housing units, which results in a job and housing balance of 1.9. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 19.6**), indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 19.6**  
CITY OF SAN RAMON  
HOUSING OVERVIEW

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	18,056
Renter-occupied housing units	7,228
Vacant housing units	938
Total existing housing units	26,222
REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022	
Very low	516
Low	279
Moderate	282
Above Moderate	340
Total Regional Housing Need Allocation	1,417

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>20</sup> The City of San Ramon was assigned a RHNA of 1,417 units, as shown in Table 19.6.

The City adopted its General Plan and its Housing Element in 2015. The City's 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 3,865 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of San Ramon 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with

<sup>18</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>19</sup> ABAG. Projections 2017.

<sup>20</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>21</sup>

The City of San Ramon provides a number of classes, trips, and events for adults age 55 and older.

#### **ANTICIPATED GROWTH PATTERNS**

The City reported approximately 26 undeveloped entitled residential acres in FY 2017, which includes Phases 4 and 5 of The Preserve (formerly Faria Preserve) development. The City reports approximately 1,943 dwelling units and 2.2 million square feet of commercial space as either approved or in the approval process.

PDA's help form the implementing framework for Plan Bay Area. Two PDA's have been identified by the City of San Ramon and included in Plan Bay Area 2040.<sup>22</sup> The City Center and North Camino Ramon PDA's are anticipated to accommodate approximately 36% of the projected growth in households and 82% of the projected growth in employment.<sup>23</sup> The City Center PDA is characterized as a Suburban Center and the North Camino Ramon PDA is characterized as a Transit Town Center.

Priority Conservation Areas (PCAs), which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of San Ramon has identified one PCA—the Big Canyon Preserve—within its SOI. The Big Canyon Preserve PCA has a natural landscape designation in the PCA program. This PCA is included in Plan Bay Area 2040.<sup>24</sup>

The City of San Ramon does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

#### **19.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of San Ramon's SOI is mostly coterminous with the municipal boundary, with extensions to the west and south (see Figure 19.1).

One unincorporated island has been identified in the City of San Ramon—a 0.13-acre open space area adjacent to Deerwood Road and an East Bay Municipal Utility District water tank site. The island is a remnant from the Faria Preserve annexation.

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<sup>21</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

<sup>22</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>23</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>24</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)



The City anticipates two potential annexations, to include the Chang Residential Development (66.92 acres) and an area of development within Dougherty Valley. The City also will propose to modify the City Urban Growth Boundary for the Labor's Property.

The City does not request any changes to its SOI and indicates that it does not provide services to any areas outside its municipal boundaries or SOI.

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

There are no disadvantaged communities within or contiguous to the SOI for the City of San Ramon and therefore, no disadvantaged communities are relevant to this analysis.

### **19.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of San Ramon reports that it adequately serves all areas within its municipal boundary and SOI and anticipates it will continue to do so in the foreseeable future.

There are no disadvantaged communities within or contiguous to the City's SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 80, which indicates the City's streets are in very good condition and primarily require funding at a level to maintain the current condition.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

FY 2015 through FY 2017 show annual increases in the net value of governmental assets, generally indicating that investments in capital assets are keeping pace with depreciation.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

The San Ramon Police Department participates in the Central County SWAT Team with Martinez, Walnut Creek, Pleasant Hill, and Bay Area Rapid Transit Police to safety resolve critical incidents. The Police Department also uses a joint-use 911 Communications Center for all emergency and non-emergency calls for service.

The City shares capital facilities with San Ramon Unified School District for school parks, the aquatic center, and the Dougherty Valley Performing Arts Center. Additionally, the two San Ramon libraries are shared with the County library system.

The City does not share other facilities or services. No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

#### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

### **19.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

As the City of San Ramon continues to grow and experience General Fund deficits in the future, the City's ability to provide services may be affected. As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, the City of San Ramon appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of San Ramon has been operating with a deficit trend in their General Fund.

The City currently meets its 40% reserve goal, allowing it to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 5.4, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$319 per capita for FY 2017 and has been declining.

The City's unfunded pension liabilities continue to grow; however, its other post-employment benefit trust is fully funded. The City is considering funding options for the increasing pension liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

Overall, the CAFRs are clearly presented; however, the City could incorporate changes to improve the transparency of its financials. For example, certain tables in the CAFR extend over multiple pages; however, the left-most column does not carry over to multiple pages, affecting the readability of the tables.

#### **19.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of San Ramon website provides access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of San Ramon website provides access to the City's general plan as well as various development plans and projects. City Council and Planning Commission meetings are videotaped and posted on the City's website and are shown on the local cable networks; minutes of these meetings are also posted on the website. The City therefore adequately provides accountability with regard to municipal and land use planning.

#### **PUBLIC INVOLVEMENT**

The City of San Ramon website provides access to public notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. Newsletters are also distributed to City residents. The City therefore adequately provides accountability with regard to citizen participation.

### **19.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

#### **19.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of San Ramon is mostly coterminous with the municipal boundary, with extensions to the west and south, as shown in Figure 19.1. The City of San Ramon is bound by the City of Danville to the north, County lands to the east and west, and the Contra Costa – Alameda County boundary to the south.

In conjunction with the first round MSR in 2009, LAFCO deferred action on the City's SOI due to concerns between the Town of Danville and the City of San Ramon regarding future development

and competing interests in the Tassajara Valley. Representatives and officials from Danville, San Ramon, and Contra Costa County subsequently discussed these concerns and agreed that any future Danville and San Ramon SOI requests would not conflict with or overlap boundaries.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of San Ramon.

### **19.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF SAN RAMON**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of San Ramon MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of San Ramon plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, office, commercial, retail, mixed use, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan (2015).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of San Ramon. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years, and in conjunction with recent annexations (Dougherty Valley, Chang).

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of San Ramon appears adequate. The City of San Ramon anticipates it will continue to have adequate capacity during the next five years.

#### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

All communities of interest within the City's municipal boundary are included within the SOI. Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the City of San Ramon.

#### ***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There are no disadvantaged communities within or contiguous to the SOI for the City of San Ramon and therefore no present or probable need for the City to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities.

# CHAPTER 20

## CITY OF WALNUT CREEK

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### 20.1 AGENCY OVERVIEW

The City of Walnut Creek, incorporated in 1914, covers an area of approximately 19.5 square miles. With an estimated population of 70,667, the City has a population density of approximately 3,533 persons per square mile.<sup>1</sup>

The City of Walnut Creek lies in central Contra Costa County, with the cities of Concord and Pleasant Hill to the north, Lafayette to the west, and County lands to the south and east. The Sphere of Influence (SOI) for the City of Walnut Creek is mostly coterminous with the municipal boundary, with numerous islands and pockets as shown in **Figure 20.1**. The City adopted the countywide Urban Limit Line in 2008.

Land uses in the City include a mix of residential, commercial, community, agricultural, and open space. Agricultural uses include grazing, equestrian, or agricultural pursuits.

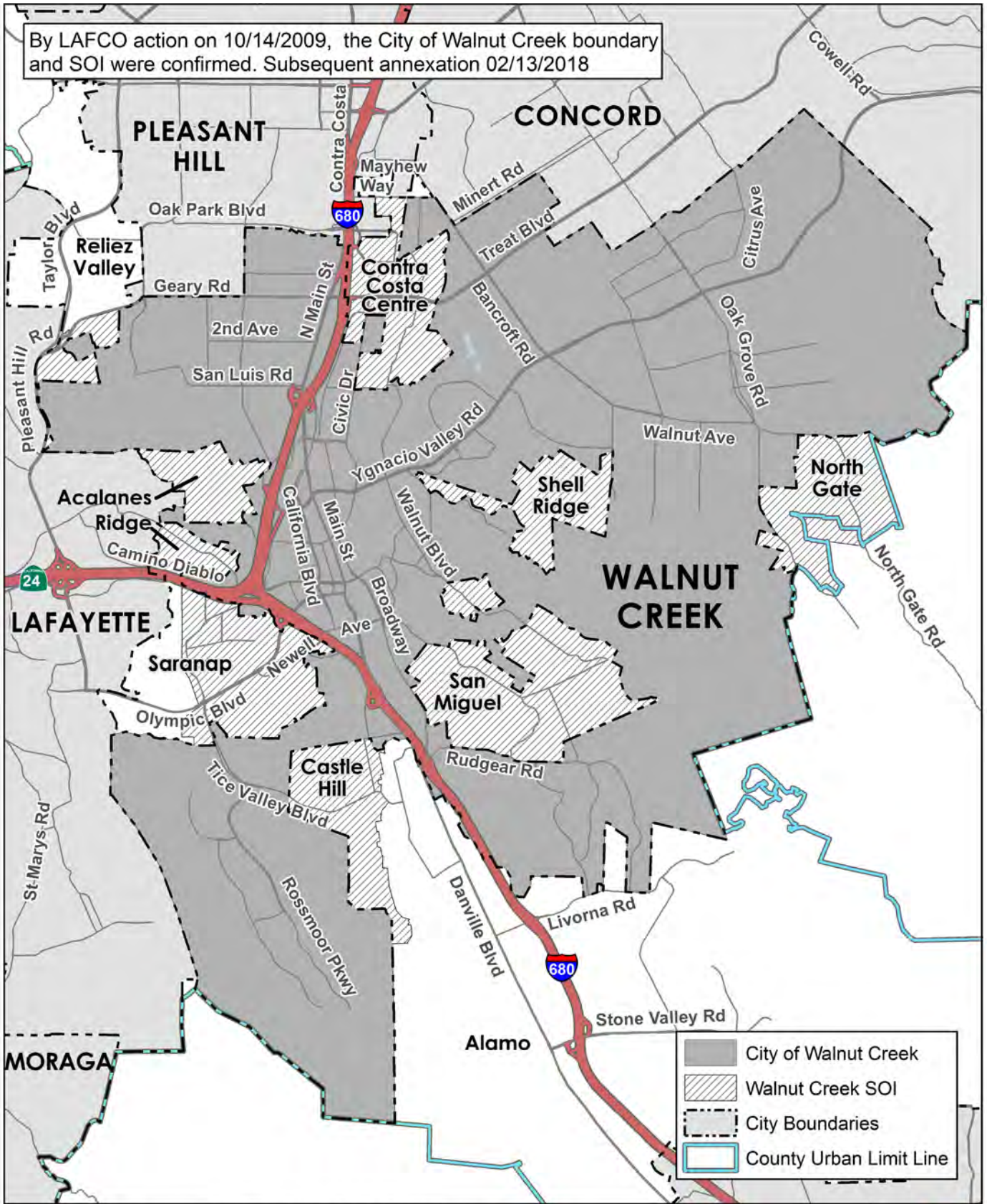
#### 20.1.1 FORM OF GOVERNMENT

The City of Walnut Creek is a general law city operating under a council-manager form of government. The publicly elected City Council consists of five members. Council members serve four-year terms and the Mayor rotates each year.

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<sup>1</sup> California Department of Finance, January 1, 2018 estimate. Available at: <http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>





Map created 06/11/2018  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37.59:41.791N 122:07:03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 20.1. City of Walnut Creek Municipal Boundary and Sphere of Influence**  
 May 2019



**20.1.2 CITY STAFFING**

Total City staffing for fiscal year (FY) 2017 included 363 full-time equivalent (FTE) employees. **Table 20.1** shows the four service areas with the highest staffing levels.

**TABLE 20.1  
CITY OF WALNUT CREEK  
HIGHEST STAFFING LEVELS BY SERVICE AREA**

SERVICE AREA	FY 2017 FTE
Police	117.0
Public Works	107.0
Arts and Recreation	54.0
Community and Economic Development	37.5

*Source: City of Walnut Creek*

Similar to other cities in Contra Costa County, the police function had the highest staffing level in the City of Walnut Creek, with 117.0 FTE employees.

**20.1.3 JOINT POWERS AUTHORITIES**

The City of Walnut Creek is a member of various joint powers authorities (JPAs), which are listed in **Table 20.2**.

**TABLE 20.2  
CITY OF WALNUT CREEK  
JOINT POWERS AUTHORITY MEMBERSHIP**

JOINT POWERS AUTHORITY	SERVICE
Association of Bay Area Governments	Strengthen cooperation and collaboration among local governments to provide innovative and cost effective solutions to common problems that they face.
Central Contra Costa Solid Waste Authority	Provides solid waste services for Central Contra Costa County residents and businesses. Contracts for solid waste and recycling services, and provides member agencies economies of scale for solid waste services. Allows the agency to report its members' disposal and diversion quantities together in a single report. Reduce the time and expense of creating multiple reports. Opportunity to facilitate the implementation of other shared programs in the future, and may have additional benefits.

JOINT POWERS AUTHORITY	SERVICE
Central Contra Costa Transit Authority	Provides fixed route and paratransit bus service throughout central Contra Costa County; manages the county's transportation sales tax program and oversees countywide transportation planning efforts
CSAC – Excess Insurance Authority	Provides risk coverage programs and risk management services
East Bay Regional Communications Systems	Provides risk coverage programs and risk management services
East/Central County Wastewater Management Authority	—
Marin Clean Energy JPA	Achieving greater local involvement over the provision of electric services and promoting competitive and renewable energy
Municipal Pooling Authority	To manage risks and pooling or purchasing coverage for losses
PACE Program JPA 2014	—
Regional Government Services	Provide certain management, administrative, special, or general services for members and other public agencies
TRANSPAC	Responsible for the development of transportation plans, projects and programs for the Central County areas as well as the appointment of two representatives to the Contra Costa Transportation Authority who serve alternating two-year terms
Western Riverside Council of Governments	To permit the provision of property assessed clean energy (PACE) program services

Source: City of Walnut Creek

#### 20.1.4 AWARDS AND RECOGNITION

**Table 20.3** lists the awards the City of Walnut Creek has reported receiving since the first round Municipal Service Review (MSR).

**TABLE 20.3  
CITY OF WALNUT CREEK  
AWARDS**

<b>AWARD</b>	<b>ISSUER</b>	<b>YEAR(S) RECEIVED</b>
Agency of the Excellence Award	Northern California Chapter of the International Public Management Association – Human Resources	2018
Agency of the Excellence Award	Western Region of the International Public Management Association – Human Resources	2018
Award of Merit – Implementation Award, Small Jurisdiction – Walnut Creek Shadelands Gateway Specific Plan	American Planning Association – California Chapter, Northern Section	2018
Award of Merit – Economic Development Partnerships – Walnut Creek Development Services Forum	California Association of Local Economic Development	2018
Award of Merit – Economic Development Programs – Walnut Creek Blueprint for Success	California Association of Local Economic Development	2018
Ceramic Workshops at the Oaks	Clay Glass and Art Foundation	2018
Ceramic Workshops at YVHS	Clay Glass and Art Foundation	2018
Extension Grant (After School)	California Arts Council	2018
Professional Development	California Arts Council	2018
Art Afternoons at the Trinity Center	Walnut Creek Civic Pride Foundation	2018
Best Art Gallery of the East Bay	Diablo Magazine	2018
Best Golf Course of the East Bay	Diablo Magazine	2018
Certificate of Achievement in Financial Reporting	Government Finance Officers Association	2013 – 2018

Source: City of Walnut Creek

## 20.2 MUNICIPAL SERVICES OVERVIEW

As shown in **Table 20.4**, municipal services for the City of Walnut Creek are provided by City staff and under contract with other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 20.4**  
**CITY OF WALNUT CREEK**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast, Wave
Building / Planning	City of Walnut Creek
Law Enforcement	City of Walnut Creek
Library	Contra Costa County
Lighting	City of Walnut Creek
Parks and Recreation	City of Walnut Creek
Solid Waste	Republic Services
Stormwater	City of Walnut Creek
Streets	City of Walnut Creek
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: City of Walnut Creek*

The City of Walnut Creek reports the following challenges related to its provision of municipal services:

- Managing growth to address the need for housing and economic development while limiting impact related to growth (e.g., provision of municipal services)
- Funding capital improvements
- CalPERS pension costs

A summary of the City's municipal service level statistics for FY 2017 is provided in **Attachment B**.

### 20.2.1 ANIMAL CONTROL

Contra Costa County Animal Services is the animal control service provider for the City of Walnut Creek and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. City expenditures for animal control services were \$415,907 for FY 2017.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **20.2.2 BROADBAND**

The City of Walnut Creek does not provide public broadband service. XFINITY from Comcast, AT&T Internet, and Wave Broadband are the main internet providers in the City.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The City of Walnut Creek did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. The City of Walnut Creek received a grade of B+, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The City of Walnut Creek did not indicate concerns about the ability of broadband providers to serve the City's existing or growing population.

### **20.2.3 BUILDING/PLANNING**

The City of Walnut Creek Community and Economic Development Department provides building and planning services. Department expenditures for FY 2017 were \$4,037,111, representing an upward trend from \$3,272,633 in FY 2015.

The City of Walnut Creek issued 3,171 residential and 1,585 commercial building permits in 2017, which is down from 2016. Total building permit valuation in FY 2017 is estimated at \$281.4 million, up from \$197.3 million in 2015.

Planning city-wide has been captured in numerous plans, which include the following: General Plan 2025, Master Plan - Public Facilities, Master Services Plan, Pedestrian Master Plan, Public Art Master Plan, 2016-2026 Ten-Year Capital Investment Program, Creeks Restoration and Trails Master Plan; Specific Plans for Montego Way & La Casa Via, Shadelands Business Park, La Casa Via (2 different areas), Walnut Boulevard and Whitecliff Way, Bridle Lane, South Newell Avenue, Geary

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

Road/Hall Lane/First Avenue, Alma Avenue, North Gate, East Mt. Diablo, North Main Street and Ygnacio Valley Road, Locust Street and Mt. Diablo Boulevard, Shadelands Gateway, Walnut Creek BART Transit Village, West Downtown, and North Downtown (not final); Redevelopment Plans for South Broadway and Mt. Diablo Boulevard; and the Geary Road/North Main Street Area Wide Plan.

#### **20.2.4 LAW ENFORCEMENT**

The City of Walnut Creek Police Department provides law enforcement and dispatch services. FY 2017 expenditures were approximately \$25.3 million, up from approximately \$23.2 million in FY 2015.

The City of Walnut Creek has 1.1 FTE sworn personnel per 1,000 population, which represents no change from FY 2015. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 3.9 crimes per sworn FTE in 2017. The property crime and violent crime clearance rates (a measure of crimes solved) are not tracked by the City.<sup>6</sup>

#### **20.2.5 LIBRARY**

Contra Costa County provides library services for the City of Walnut Creek at its Walnut Creek Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The Walnut Creek Downtown Library and Ygnacio Valley Library are located in the City of Walnut Creek; Walnut Creek Downtown Library is owned by the City. The City funds 21 extra hours at both libraries, supports maintenance at the Ygnacio Valley Library, and pays for utilities, maintenance, capital improvements, and other building related costs at the Walnut Creek Downtown Library. In FY 2017, the City's library expenditures were \$1,096,800.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a

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<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

### **20.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the City of Walnut Creek Public Works Department. City expenditures for light and signal maintenance were \$1.5 million in FY 2017. The City maintains 99 signalized intersections, 99 traffic lights, and 1,650 street lights. Pacific Gas and Electric maintains approximately 3,000 streetlights within the City of Walnut Creek.

### **20.2.7 PARKS AND RECREATION**

The City of Walnut Creek Public Works Department is the service provider for parks and recreation facilities, and the Arts and Recreation Department is the service provider for recreation programs. FY 2017 expenditures for parks were approximately \$6.4 million, up from approximately \$5.2 million in FY 2015.

The City offers arts and recreation programs and activities for all ages.

The City provides and maintains 44 park acres per 1,000 residents, 2 recreation centers per 20,000 residents, and 52 miles of recreation trails.

The City of Walnut Creek has developed several master plans to guide park planning; these include plans for the following: Alma Park, Arbolado Park, Civic Park, Diablo Shadows Park, El Divisadero Neighborhood Park, Heather Farm Park, Howe Homestead Park, Old Oak Park, Rudgear Park, San Miguel Park, Tice Valley Park, Valle Verde Park, Walden Park, and Creekwalk at Civic Park.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The City's level of service standard is 5 acres per 1,000 residents.

### **20.2.8 SOLID WASTE**

Solid waste services are provided to the City of Walnut Creek by RecycleSmart via franchise agreement with Republic Services.<sup>8</sup> RecycleSmart handles all of the City's solid waste services and contracts. The City does not have any direct solid waste expenditures.

The City-specific data for tons of waste disposed per capita and per resident disposal rate was not available. The City does not report the tons of waste disposed per capita. RecycleSmart reports this information for the entire JPA service area, and does not break it out by jurisdiction when reporting

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<sup>8</sup> RecycleSmart is a dba of Central Contra Costa Solid Waste Authority



it to CalRecycle. In 2017, the tons of waste disposed per capita and per resident for the RecycleSmart service area was 3.7 pounds/person/day.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **20.2.9 STORMWATER/DRAINAGE**

The City of Walnut Creek Public Works Department provides and maintains the City's stormwater drainage system. The City reports that they have 100 miles of closed storm drain lines and that 4% of their 4,010 storm drain inlets are equipped with trash capture. The City of Walnut Creek also reports compliance with National Pollution Discharge Elimination System standards. FY 2017 expenditures for streets were \$1.2 million.

### **20.2.10 STREETS/ROADS**

The City of Walnut Creek Public Works Department provides and maintains 213 street miles and approximately 32 Class 1 and 2 bike lane miles, as well as landscaped medians and other public landscaped areas. FY 2017 expenditures for streets were \$10.8 million, representing a downward trend from \$12.8 million in FY 2015.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in the City of Walnut Creek was 73 (good) in 2017, up from 71 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>9</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress.

### **20.2.11 UTILITIES**

The City of Walnut Creek is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides PG&E customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and Pacific Gas & Electric provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the City of Walnut Creek.

The City of Walnut Creek did not indicate concerns about the ability of utility service providers to serve the City's existing or growing population.

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<sup>9</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

## 20.3 FINANCIAL OVERVIEW

This section provides an overview of the City of Walnut Creek's financial health and assesses the City's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and City staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 20.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the City.

According to the City's FY 2018-19 budget, the City's General Fund revenues of \$88.8 million slightly exceed General Fund expenditures of \$88 million.<sup>10</sup> The projected FY 2019 General Fund budget allocates \$300,000 to reserves. The budget projects ending FY 2019 General Fund reserve balances totaling \$42.6 million, or about 48% of annual expenditures. Reserves include, for example, Catastrophic Emergency reserves (\$8.8 million), Fiscal Emergency reserves (\$4.6 million), and Capital Projects - General Fund portion (\$16 million).<sup>11</sup> The City's FY 2019 budget indicates that "the budget ensures the City has adequate funding available during this budget cycle to maintain services, infrastructure and facilities, and meet all reserve policy requirements."<sup>12</sup> **Table 20.5** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

The City's 10-year Long-Term Financial Forecast projects General Fund deficits beginning in FY 2019, largely attributable to increasing California Public Employees Retirement System pension costs.<sup>13</sup> The shortfalls are exacerbated by a predicted flattening of sales tax growth and delay in an anticipated new hotel. The City's FY 2019 budget indicates that service levels and reserves have been maintained through short-term actions, but does not identify specific longer-term strategies.

<sup>10</sup> City of Walnut Creek Adopted Biennial Budget Fiscal Year 2018 - 2020, pg. A-3.

<sup>11</sup> *ibid*, Walnut Creek Budget FY 202018-20, pg. D-15-16.

<sup>12</sup> *ibid*, Walnut Creek Budget FY 202018-20, pg. A-2

<sup>13</sup> *ibid*.

**TABLE 20.5**  
**CITY OF WALNUT CREEK**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Sales Tax	\$22,261,000	\$24,923,000	\$24,022,000
Property Tax	\$18,492,000	\$19,961,000	\$21,596,000
Other Revenues (including Transfers)	\$45,387,000	\$44,086,000	\$42,699,000
<i>Total General Fund Revenues</i>	\$86,140,000	\$88,970,000	\$88,317,000
<i>Change from Prior Year</i>	n/a	3.3%	-0.7%
GENERAL FUND EXPENDITURES			
General Government and Administration	\$4,950,000	\$4,733,000	\$5,602,000
Public Safety	\$23,250,000	\$24,385,000	\$25,338,000
Other (includes Transfers Out)	\$49,340,000	\$52,689,000	\$54,136,000
<i>Total Expenditures</i>	\$77,540,000	\$81,807,000	\$85,076,000
<i>Change from Prior Year</i>	n/a	5.5%	4.0%
<i>Expenditures per capita</i>	\$1,169	\$1,168	\$1,199
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	6.8	8.3	6.9
Business-type Activities	7.5	5.2	4.7

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 20.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the City's governmental activities' liquidity ratio was 6.9, indicating that short-term resources were greater than current liabilities (see Attachment C).<sup>14</sup> Enterprise Fund liquidity ratios declined from FY 2015 through FY 2017 and were 4.7 in FY 2017.

<sup>14</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

The City's total outstanding debt has been declining over time. Total outstanding debt was approximately \$52 per capita in FY 2017, indicating slight reductions compared to the \$55 per capita reported for FY 2015 (see Attachment C).

### **20.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The City has maintained a positive net position for governmental activities, improving from FY 2015 to FY 2017; the negative unrestricted portion also improved over that period from \$19.9 million in FY 2015 to \$3.8 million in FY 2017 (see Attachment C).

### **20.3.4 LOCAL REVENUE MEASURES**

The City has no voter-approved local sales tax measures or other voter-approved General Fund revenue sources.

### **20.3.5 ENTERPRISE ACTIVITIES**

The City's enterprise operations include the Boundary Oaks public golf course and the Downtown Parking operation. The golf course revenues appear to be sufficient to cover City golf course administration and debt service related to recent clubhouse improvements. Revenues from the parking operation cover the Downtown Parking & Enhancement Fund operations and a portion of revenues are transferred to the Capital Program.

### **20.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the City may pass that expense on to taxpayers.

The City's unfunded pension liability at FY 2017 totaled \$101.8 million (see Attachment C). In February 2018, the City Council directed staff to create a Section 115 Irrevocable Pension Trust to assist in smoothing future cost increases; the City Council approved approximately \$14 million to deposit in the trust to pay for future pension costs. The City does not provide post-retirement benefits and therefore has no other post-employment benefit liability.

### **20.3.7 CAPITAL ASSETS AND DEPRECIATION**

FY 2015 through FY 2017 show annual declines in the net value of governmental assets, generally indicating that investments in capital assets are not keeping pace with depreciation (see Attachment C). The City reports that SB-1 gas tax revenues enable the City to keep up with pavement maintenance; however, it does not have sufficient funds to provide upgrades to modernize facilities or replace facilities that have reached or exceeded the end of their useful life.

The City's Capital Improvement Program (CIP) includes several very large replacement projects such as replacement of the Clarke Swim Center; however, "there are not adequate funds to replace facilities or build new ones."<sup>15</sup> The City Council has directed staff to complete a facility needs assessment to identify current and future facility needs and update Master Plans associated with key community facilities.

### **20.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The City's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website.

The City prepares a Long-Term Financial Forecast and a Municipal Maintenance Master Plan that is used for facility management. The Master Plan includes 10-year budget forecasting, asset management plan and condition assessment by facility.

## **20.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the City of Walnut Creek.

### **20.4.1 GROWTH AND POPULATION PROJECTIONS**

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2018 California Department of Finance estimates, the City of Walnut Creek serves 70,667 residents.

### ***PROJECTED GROWTH AND DEMOGRAPHIC CHANGES***

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that

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<sup>15</sup> City of Walnut Creek Response to MSR Fiscal Questions.

considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs. Year 2010–2040 ABAG projections for the City of Walnut Creek are depicted in **Figure 20.2**.

ABAG projects that the City of Walnut Creek will grow at an annual rate of approximately 0.7% to a population of 81,265 between 2010 and 2040.<sup>16</sup> The City is also projected to experience an approximate 0.4% annual growth rate in jobs between 2010 and 2040. Overall, the City’s planning is expected to accommodate the growth projected by ABAG.

### **JOBS AND HOUSING**

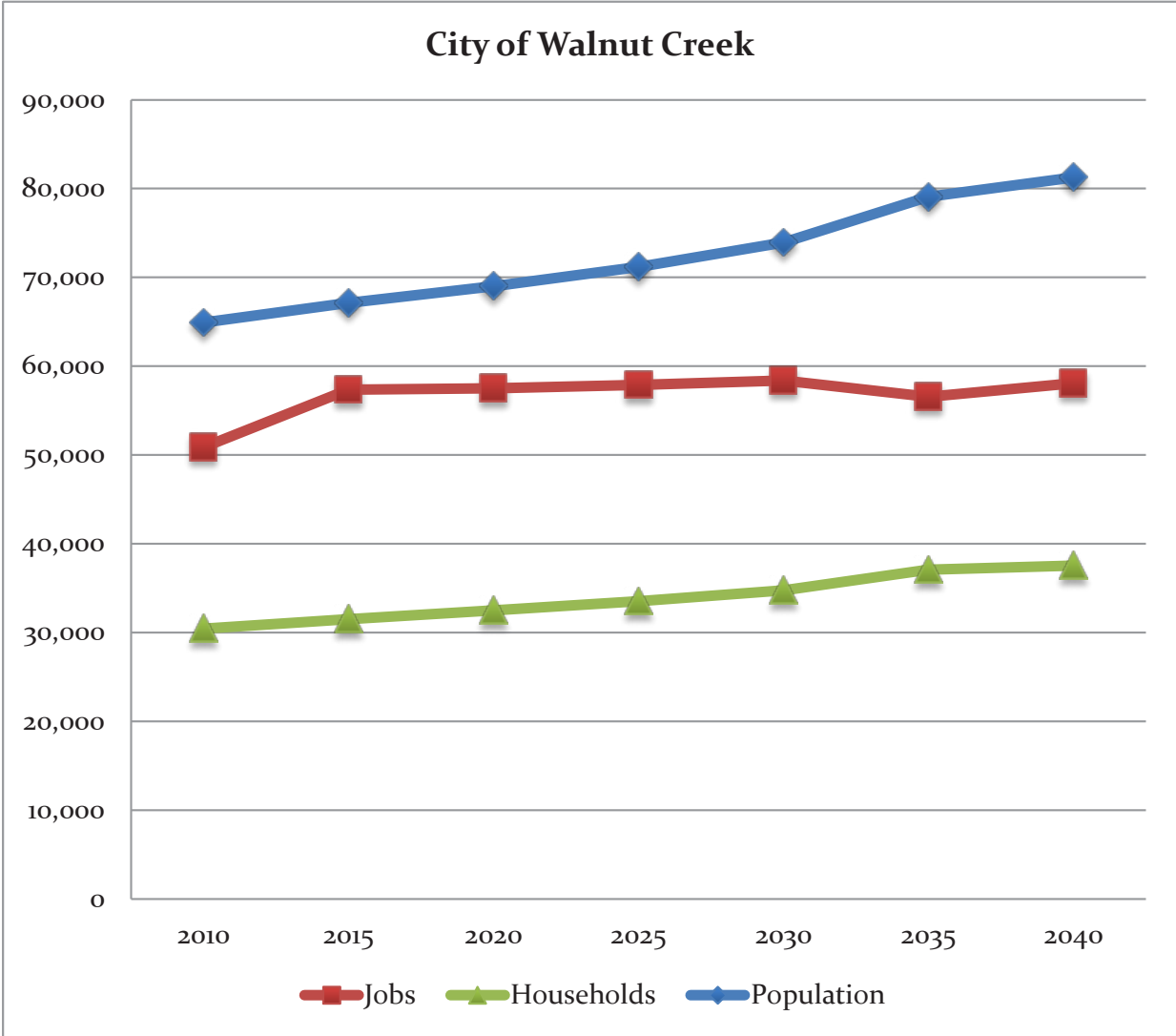
According to the Bay Area Census data<sup>17</sup> for 2010, the City of Walnut Creek has 30,499 employed residents. The ABAG Projections data<sup>18</sup> for 2010 estimated 50,855 jobs in the City, with approximately 1.67 jobs for every employed resident. Bay Area Census data for 2010 indicate that the City of Walnut Creek has 32,681 housing units, which results in a job and housing balance of 1.67. The number of owner-occupied units in the City is greater than the number of renter-occupied housing units (**Table 20.6**), indicating that the rate of homeownership exceeds the rental household rate.

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<sup>16</sup> ABAG. Projections 2017.

<sup>17</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>18</sup> ABAG. Projections 2017.



**Figure 2.20. Population, Job, and Household Growth Projections (2010-2040)**  
**City of Walnut Creek**  
*May 2019*



**TABLE 20.6**  
**CITY OF WALNUT CREEK**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	20,262
Renter-occupied housing units	10,181
Vacant housing units	2,238
<b>Total existing housing units</b>	<b>32,681</b>
<b>REGIONAL HOUSING NEED ALLOCATION BY INCOME CATEGORY, 2014–2022</b>	
Very low	604
Low	355
Moderate	381
Above Moderate	985
<b>Total Regional Housing Need Allocation</b>	<b>2,235</b>

*Sources: ABAG, Bay Area Census and Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>19</sup> The City of Walnut Creek was assigned a RHNA of 2,235 units, as shown in Table 20.6.

The City adopted its General Plan in 2006 and its Housing Element in 2014. The City’s 2015–2023 Housing Element identifies adequate sites, anticipated to yield approximately 3,186 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA. The City of Walnut Creek 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>20</sup>

The City of Walnut Creek’s Winter 2018 “Directory of Aging and Adult Resources” lists the numerous programs and services in the areas of health, education, and recreation to meet the needs of adults age 50 and older, as provided by Walnut Creek and other cities and agencies in Contra

<sup>19</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>20</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

Costa County. This directory is available on the City's website at: <http://www.walnut-creek.org/departments/arts-and-recreation/recreation-parks/adults-50/directory-of-aging-adult-resources>.

### ***ANTICIPATED GROWTH PATTERNS***

The City of Walnut Creek reports that they are a “built-out” city (only a nominal amount of vacant residential land), and new development will be in the form of redevelopment. The City reports approximately 1,843 dwelling units and 534,620 square feet of commercial space as either approved or in the approval process.

PDAs help form the implementing framework for Plan Bay Area. One PDA has been identified by the City of Walnut Creek and included in Plan Bay Area 2040.<sup>21</sup> The West Downtown (or Core Area) PDA, characterized as a City Center, is anticipated to accommodate approximately 78% of the projected growth in households and 25% of the projected growth in employment.<sup>22</sup>

Priority Conservation Areas (PCAs), which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The City of Walnut Creek has identified Acalanes Ridge Open Space PCA. This PCA is included in Plan Bay Area 2040.<sup>23</sup>

The City of Walnut Creek, which is mostly built out, does not anticipate that current or projected growth patterns will expand beyond its existing municipal boundary and SOI.

### **20.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The City of Walnut Creek's SOI is mostly coterminous with the municipal boundary, with multiple islands and pockets (see Figure 20.1). There are four unincorporated islands in the City of Walnut Creek, as shown in Figure 20.1. These islands include an approximate 55-acre island bounded by Pleasant Hill Road to the west and adjacent to Acalanes Open Space to the south; an approximate 104-acre island (Springbrook Road), generally bounded by Highway 24 and Acalanes Open Space; an approximate 10-acre area bounded by Bancroft Road and Mayhew Way; and an approximate 54-acre area at the intersection of Walnut Blvd and Shady Glen Road. The total population of the unincorporated islands within the SOI is approximately 16,500, which is nearly a quarter of the City's population.

Over the years, residents in these areas have expressed interest in annexing to the City. The City has indicated that due to deferred maintenance of County roads, drainage, and other infrastructure in these areas, the City is unable to annex these areas without significant cost to the affected residents. The City has no plans to annex these areas, but will support annexation requests made by residents.

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<sup>21</sup> <http://opendata.mtc.ca.gov/datasets/priority-development-areas-plan-bay-area-2040>

<sup>22</sup> MTC and ABAG. *Plan Bay Area 2040: Final Land Use Modeling Report*. July 2017

<sup>23</sup> [http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e\\_0](http://opendata.mtc.ca.gov/datasets/a16ad6d33e8544f79916f236db43715e_0)

The City does not request any changes to its SOI and indicates that it does not provide services to any unincorporated areas outside its municipal boundaries or SOI. The City does, however, provide service by contract to the City of Lafayette (street sweeping), the City of Concord (open space management and maintenance of Lime Ridge Open Space), and Contra Costa County (signal maintenance of intersections at City borders).

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified disadvantaged communities within the City’s SOI.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

### **20.4.3 CITY SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The City of Walnut Creek reports that it adequately serves all areas within its municipal boundary and SOI and anticipates it will continue to do so in the foreseeable future.

The disadvantaged communities within and contiguous to the City’s SOI receive sewer, water, and fire protection services.

### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

The PCI for City streets is 73, which indicates the City's streets are in good condition and primarily require funding at a level to maintain the current condition.

When accounting for the projected growth and population increases over the next five years, as well as the identified challenges related to its provision of municipal services, the City may experience funding obstacles to maintaining existing service levels or meeting overall infrastructure needs.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The City reports that it funds high priority projects that keep the basic functions of its facilities intact; however, they are not currently able fully fund facility upgrade or replacement.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The City is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the City's General Plan. The City's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The City provides an array of municipal services, including those related to building/planning, law enforcement, lighting, parks and recreation, stormwater, and streets. Services related to animal control, broadband, library, solid waste, and utilities are provided via contract with Contra Costa County, public vendors, or private vendors.

With the exception of the library, the City does not share services. The City owns several facilities which are leased by other agencies, including:

- Lindsay Wildlife Experience
- Gardens at Heather Farm
- UC Master Gardeners
- Walnut Creek Historical Society
- Assistance League of Diablo Valley
- Heather Farm Equestrian Center
- Walnut Creek Model Railroad Society
- Walnut Creek Downtown
- Walnut Creek Library

No areas of overlapping responsibilities or additional opportunities to share services or facilities were identified as a part of this review.

#### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

#### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

### **20.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

#### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

As with other cities in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

Overall, the City of Walnut Creek appears to have sufficient financial resources to continue providing services; however, it has reported that there are not adequate funds to replace facilities or build new ones. The City's ability to accommodate infrastructure expansion, improvements, or replacement over the next five years may be compromised absent the identification of additional funding opportunities.

#### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The City of Walnut Creek has been operating with a surplus in their General Fund.

The City's reserve goal is unknown, and therefore it is unknown whether they meet their goal; however, the City projects a General Fund reserve of 48% for FY 2019. With this reserve level, the

City appears able to maintain an acceptable level of service provision and to enact changes to maintain services.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The City reported a liquidity ratio of 6.9, which indicates the City has the means available to cover its existing obligations in the short run.

Total debt was approximately \$52 per capita for FY 2017 and has been declining.

The City's unfunded pension and OPEB liabilities continue to grow; however, the City has established a trust to help address the increasing pension liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The City issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

Overall, the CAFRs are clearly presented; however, the City could incorporate changes to improve the transparency of its financials. For example, certain tables in the CAFR extend over multiple pages; however, the left-most column does not carry over to multiple pages, affecting the readability of the tables.

### **20.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CITY GOVERNANCE INFORMATION**

The City of Walnut Creek website provides public access to the agendas and minutes for the City Council and its various boards and commissions; the City's budgets; and the City's CAFRs. City Council meetings are streamed on the City's website and are broadcast and captioned on cable television. Access to electronic subscriptions is made available for updates on a variety of topics concerning the City, including a monthly City Manager's update. The City therefore adequately provides accountability with regard to governance and municipal operations.

#### **ONLINE AVAILABILITY OF CITY PLANNING INFORMATION**

The City of Walnut Creek website provides public access to the City's general plan as well as various development plans and projects. The City therefore adequately provides accountability with regard to municipal and land use planning.

## ***PUBLIC INVOLVEMENT***

The City of Walnut Creek website provides public access to public hearing notices, including the time and place at which City residents may provide input, as well as other opportunities for public involvement in the City decision-making process. Public hearing notices are posted near the project site and the City Hall bulletin board. Newsletters are also distributed to City residents. The City therefore adequately provides accountability with regard to citizen participation.

## **20.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **20.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the City of Walnut Creek is mostly coterminous with the municipal boundary, with several small extensions, as shown in Figure 20.1. The City of Walnut Creek is bound by the cities of Concord and Pleasant Hill to the north, Lafayette to the west, and County lands to the south and east.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the City of Walnut Creek.

### **20.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CITY OF WALNUT CREEK**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this City of Walnut Creek MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

The City of Walnut Creek plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses, including residential, business park, commercial, retail, mixed use, agricultural, and open space. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan (2006).

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the City of Walnut Creek. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years, particularly as higher-density development replaces older lower-density development.



***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the City of Walnut Creek appears adequate. The City of Walnut Creek anticipates it will continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

There are several communities of interest within the City's SOI. Residents in these areas have Walnut Creek addresses, travel City streets, attend City schools, and are surrounded by the City of Walnut Creek. This report recommends that the City consider annexing these island and pocket areas. Contra Costa LAFCO has not identified other social or economic communities of interest relevant to the City of Walnut Creek.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified disadvantaged communities within the City's SOI. These areas receive sewer, water, and fire protection services.

# CHAPTER 21

## CROCKETT COMMUNITY SERVICES DISTRICT

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### 21.1 AGENCY OVERVIEW

The Crockett Community Services District (CSD), formed in 2006, covers an area of approximately 1.3 square miles and includes the unincorporated towns of Crockett and Port Costa, located in two separate and distinct areas. With an estimated combined population of 3,331, the CSD has a population density of approximately 2,562 persons per square mile.<sup>1</sup>

The Crockett CSD lies in western Contra Costa County with the Carquinez Strait to the north, and County and East Bay Regional Park lands to the south, east, and west. The Sphere of Influence (SOI) for the Crockett CSD is coterminous with the service area boundary, with the exception of one parcel located west of Canyon Lake Drive (Port Costa area), as shown in **Figure 21.1**.

Land uses in the CSD are almost entirely residential and include parks and recreation, open space, and some agricultural land uses as designated in the Contra Costa County General Plan for grazing livestock or dry grain farming.

#### 21.1.1 FORM OF GOVERNMENT

The publicly elected CSD Board of Directors consists of five members; members serve staggered four-year terms.

#### 21.1.2 AGENCY STAFFING

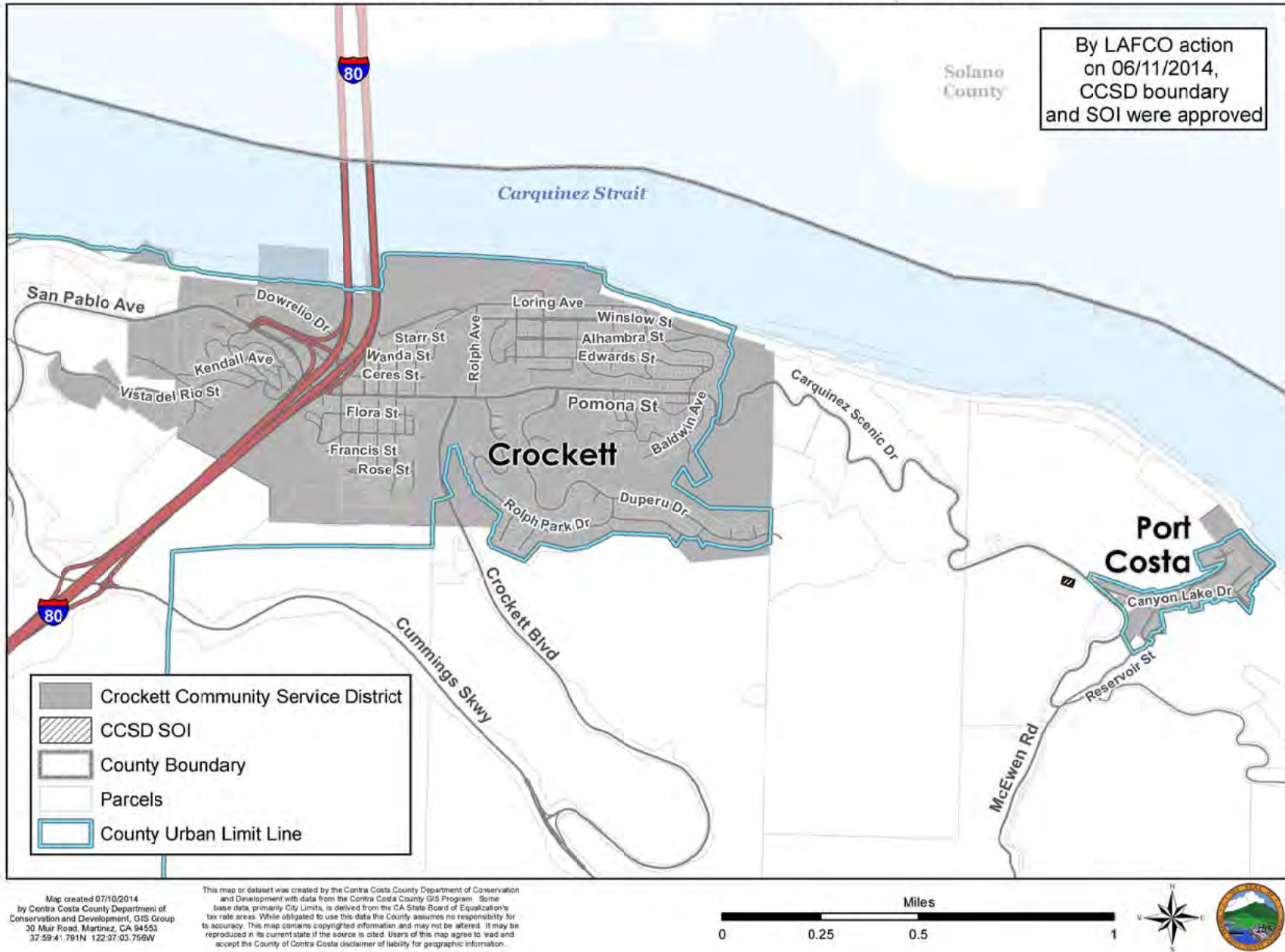
The CSD has eight year-round employees with various levels of regular hours. The four staffing functions with the highest FTE include the General Manager, Sanitary Department Manager, Recreation Facilities Manager, and Recreation Event Supervisor. In addition, the CSD operates a summer aquatics center from Memorial Day through Labor Day with 24 to 27 part-time employees. For FY 2017 seasonal staffing included an additional 6.57 FTE employees.

#### 21.1.3 JOINT POWERS AUTHORITIES

The Crockett CSD is a not member of any joint powers authorities.

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<sup>1</sup> American Community Survey, 2016 estimate. Available at: <https://censusreporter.org>



**Figure 21.1. Crockett Community Services District Boundary and Sphere of Influence**  
 May 2019

### 21.1.4 AWARDS AND RECOGNITION

The Crockett CSD reports that it has not received any awards since the 2009 Municipal Service Review (MSR).

## 21.2 MUNICIPAL SERVICES OVERVIEW

The Crockett CSD primarily provides recreation and sewer services within its service area. As shown in **Table 21.1**, other municipal services for the Crockett CSD are provided by other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 21.1**  
**CROCKETT CSD**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	Contra Costa County
Law Enforcement	Contra Costa County
Library	Contra Costa County
Lighting	Contra Costa County
Parks and Recreation	Crockett CSD
Solid Waste	Richmond Sanitary Service dba Crockett Garbage Company
Stormwater	Contra Costa County
Streets	Contra Costa County
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	n/a

*Source: Crockett CSD*

The Crockett CSD reports the following challenges related to its provision of services:

- The community of Port Costa is very small and is required to maintain its own wastewater collection system and treatment plant. The financial burden to the community is great with

such a small population supporting the service. The average property owner income thresholds limit grant opportunities and taking on extra debt burden may be required to maintain services. Long-term solutions are being investigated to provide alternatives to the existing method of wastewater treatment.

- Majority of residential lots in older neighborhoods of Crockett and Port Costa are smaller lots of 5,000 square feet or less, were designed with narrow streets, and have limited off-street parking options. The state continues to work to address the housing shortages and recent legislation allowing Accessory Dwelling Units to be added to single-family residential units will impact the community as more duplexes and in-law apartments are added. The smaller lot size is below the County minimum standard lot size square feet and therefore property owners must regularly apply for variances with the County building and planning departments which causes an undue burden on property owners in Crockett and Port Costa. Parking solutions will need to be considered by the County, with input from the community, for some neighborhoods in Crockett and Port Costa as Accessory Dwelling Units are added. The Crockett CSD no longer collects capacity charge revenue when Accessory Dwelling Units are added. The fiscal impact to the Crockett CSD is minimal with the estimated annual loss of revenue at \$3,234.

### **21.2.1 ANIMAL CONTROL**

Contra Costa County Animal Services (CCAS) is the animal control service provider for the Crockett CSD and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were not reported or were unavailable at the time of this MSR update.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **21.2.2 BROADBAND**

The Crockett CSD does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers for the CSD.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The Crockett CSD did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. Contra Costa County received a grade of C+, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The Crockett CSD did not indicate concerns about the ability of broadband providers to serve the CSD's existing or growing population.

### **21.2.3 BUILDING/PLANNING**

The Contra Costa County Department of Conservation and Development provides building and planning services for the County, including the Crockett CSD. Department expenditures for FY 2017 were not reported or were unavailable at the time of this MSR update.

The County issued 121 residential and 6 commercial building permits for the Crockett CSD in 2017. Total building permit valuation in FY 2017 is estimated at approximately \$2.4 million.

### **21.2.4 LAW ENFORCEMENT**

The Contra Costa County Sheriff's Office provides law enforcement and dispatch services for the County, including the Crockett CSD. FY 2017 expenditures for the Sheriff's Office were approximately \$229.3 million, up from approximately \$217.8 million in FY 2015.

The Sheriff's Office reported 677 FTE for FY 2017, up from 664 FTE in FY 2016, with an average of 1.02 sworn staff per 1,000 population. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> Crime clearance rates are a measure of crimes solved.<sup>6</sup> Total property crime clearances were reported at 125 and total violent crime clearances were reported at 340 for FY 2017.

The CSD is assigned one Resident Deputy who works only in the Town of Crockett. This position is funded from the Crockett Cogeneration power plant Return-to-Source property tax revenue. Additionally, one of the Bay Station beats, staffed by one Deputy, covers Crockett. The property crime closure rate was reported as 59% and the violent crime closure rate was reported as 100% for FY 2017, up from 47% and 80% respectively in FY 2016.

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<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.



### **21.2.5 LIBRARY**

Contra Costa County provides library services for the Crockett CSD at its Crockett Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

### **21.2.6 LIGHTING**

Lighting (street and traffic) is provided and maintained by the Contra Costa County Public Works Department. FY 2017 expenditures for light and signal maintenance were not reported or were unavailable at the time of this MSR update. The signalized intersections, traffic lights, and street lights maintained by the County were not reported or were unavailable at the time of this MSR update.

The Crockett CSD owns 29 decorative streetlamps that are located throughout the downtown area. As part of an agreement for taking ownership of the decorative streetlamps, funding for the continuing operation of the streetlamps is considered annually by the Crockett Community Foundation and ongoing maintenance is managed by a local non-profit group, Crockett Public Services, at no cost to the Crockett CSD.

### **21.2.7 PARKS AND RECREATION**

The Crockett Recreation Department is the service provider for parks and recreation facilities and recreation programs for Crockett and Port Costa residents. FY 2017 expenditures for recreation facilities were approximately \$549,292 in FY 2017, up from approximately \$488,667 in FY 2015. These amounts include capital replacement and capital improvement projects which can fluctuate annually as projects are completed. Actual Operating & Maintenance expenditures were \$493,467 in FY 2017, up from \$463,504 in FY 2015. Minimum wage increases in recent years have affected

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<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>



the seasonal aquatics payroll expense as pay scales for instructor and lifeguard positions have been increased along with minimum wage increases.

The CSD provides various classes and programs including swim lessons, dance and exercise classes, bocce, and special events.

The CSD provides and maintains 1.8 park acres per 1,000 residents and 0.33 recreation centers per 20,000 residents. The facilities include the Crockett Community Center, Crockett Aquatics Center, Alexander Park, and adjacent hillside. The Community Center auditorium is rented out and is primarily funded through rental fees.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The County's General Plan identifies the neighborhood park standard as 2.5 acres per 1,000 population and the community park standard as 1.5 acres per 1,000 population, with the goal of achieving a level of park and recreational facilities at 4 acres per 1,000 population.

#### **21.2.8 SOLID WASTE**

Solid waste services are provided to the Crockett CSD via franchise agreement between Contra Costa County and Richmond Sanitary Service, doing business as Crockett Garbage Service. As such, there are no expenditures for solid waste.

The CSD-specific data for tons of waste disposed per capita and per resident disposal rate for FY 2017 were not available.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

#### **21.2.9 STORMWATER/DRAINAGE**

The Contra Costa County Public Works Department maintains the Crockett CSD stormwater drainage system. FY 2017 expenditures for streets were not reported or were unavailable at the time of this MSR update.

#### **21.2.10 STREETS/ROADS**

The miles of public roads in the Crockett CSD provided and maintained by the Contra Costa County Public Works Department were not reported or were unavailable at the time of this MSR update. FY 2017 expenditures for streets were not reported or were unavailable at the time of this MSR update.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect the pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in Contra Costa County was 70 (good) in 2017, up from 69 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress.

### 21.2.11 UTILITIES

Pacific Gas & Electric provides electricity and gas service to the Crockett CSD. The Crockett CSD did not indicate concerns about the ability of utility service providers to serve its existing or growing population.

## 21.3 FINANCIAL OVERVIEW

This section provides an overview of the Crockett CSD's financial health and assesses the CSD's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and CSD staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 21.3.1 FUND BALANCES AND RESERVES

Crockett CSD services are funded via several funds, including the Community Services / Administration,<sup>9</sup> Recreation, and Maintenance funds. Funds categorized under Sanitary Department include the Port Costa Operating Fund, Crockett Operating Fund, and Crockett Construction Fund. The CSD also maintains a separate Crockett Sanitary Reserve Fund. For purposes of this MSR, governmental activities include the Community Services/Administration, Recreation, and Maintenance funds.

The Community Services District/Administration fund is used to receive property tax revenue and tax adjustments from the County. The funds are allocated and transferred to the respective operating funds of the Crockett Sanitary Department and Recreation Department based on the historical tax rate allocation in place prior to the CSD's formation in 2006.

The CSD prepares an annual budget. According to the CSD's FY 2018-19 budget for governmental activities including administration, recreation and (non-sanitary fund) maintenance, total revenues of \$1.11 million are less than total expenditures of \$1.23 million.<sup>10</sup> One primary factor for the shortfall in the budget is an underfunded expenditure for improvements to the Memorial Hall.<sup>11</sup> The Recreation Fund nearly covers its operating expenditures through charges for services, property taxes, and a recreation tax; its FY 2019 budget shows a shortfall of \$34,000. FY 2019 budget shortfalls also appear in the sanitation funds. Combined reserves for the CSD totaled \$3.88 million

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<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>9</sup> The Crockett CSD's budget and CAFRs alternately use the terms "Community Services" and "Administration."

<sup>10</sup> Crockett Community Services District FY 2018/19 Budget, Adopted 6/27/2018.

<sup>11</sup> FY 18/19 Maintenance Department Adopted Budget (6/27/2018) - Fund 3242.

for all funds, representing an increase over the prior year \$3.4 million total; however, Port Costa reserves appear to be low.<sup>12</sup>

Governmental activities fund revenues generally exceed expenditures for the combination of administration, recreation, and (non-sanitary fund) maintenance activities.<sup>13</sup> **Table 21.2** summarizes prior year changes in governmental activities expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

**TABLE 21.2**  
**CROCKETT CSD**  
**SUMMARY OF GOVERNMENTAL ACTIVITIES FUNDS AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GOVERNMENTAL ACTIVITIES FUND REVENUES			
Property Tax <sup>1</sup>	\$419,000	\$437,000	\$461,000
Other Revenues (including Transfers In)	\$538,000	\$586,000	\$560,000
<i>Total Revenues</i>	\$957,000	\$1,023,000	\$1,002,000
<i>Change from Prior Year</i>	n/a	6.9%	-0.2%
GOVERNMENTAL ACTIVITIES FUND EXPENDITURES			
Administration, Recreation, and Maintenance Operations (non-sanitary)	\$455,000	\$464,000	\$521,000
Other (includes Cash Transfers Out)	\$398,000	\$416,000	\$487,000
<i>Total Expenditures</i>	\$853,000	\$880,000	\$1,008,000
<i>Change from Prior Year</i>	n/a	3.2%	14.5%
<i>Expenditures per capita</i>	\$375	\$387	\$443
LIQUIDITY RATIO <sup>2</sup>			
Business-type Activities	7.9	4.7	5.6

Source: Attachment C

<sup>1</sup> FY 2016 property taxes partially allocated to Sanitary/Crockett Operating Fund. The total tax for FY16 is shown here before allocations for comparison purposes.

<sup>2</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

<sup>12</sup> FY17 CAFR, Note 2, pg. 10.

<sup>13</sup> Crockett CSD FY 2018/19 Budget.

### 21.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

The CSD's governmental activities current obligations are nominal; therefore, its cash and investments provide significant liquidity by comparison. The FY 2017 enterprise activity liquidity ratio was a combined 5.6, indicating adequate cash and investments.<sup>14</sup> The Port Costa Operating Fund, which provides sanitary services, had only \$100,000 of cash and investments compared to \$570,000 of liabilities; the liabilities included interdepartmental loans from the Crockett Sanitary Department.<sup>15</sup> The two interdepartmental loans were made to pay off higher interest rate municipal and county loans related to treatment plant upgrades completed before the Crockett CSD took over the Port Costa treatment plant. The CSD reported debt obligations totaling \$642,000 in FY 2017 for loans that funded Crockett sewer improvements.

### 21.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The CSD's CAFRs indicate a relatively stable net position for combined business-type activities for FY 2017 compared to FY 2015.<sup>16</sup> The Port Costa Fund component shows a significant decline from \$1.3 million in FY 2015 to about \$900,000 in FY 2017, resulting from the inability of sanitary rates charged to meet Port Costa sanitary expenditures.

The ending balance for the CSD's governmental activities improved slightly for FY 2017 compared to FY 2016. Liabilities totaling \$1.14 million were reallocated from Community Services to other departments in FY 2016, resulting in an improved governmental activities balance.<sup>17</sup>

### 21.3.4 LOCAL REVENUE MEASURES

A CSD is not authorized to adopt voter-approved local tax measures or other voter-approved General Fund revenue sources, other than rates and charges for services, and assessment, e.g., for landscape and lighting maintenance.

The CSD's financial documents only report income from property taxes, which are assumed to be generated entirely from the CSD's share of the Proposition 13-related 1% property taxes. No assessments for landscape and lighting or other purposes are identified; the taxes are used in the sanitary funds.

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<sup>14</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>15</sup> The CSD's CAFRs do not provide information about the interdepartmental transfers and loans.

<sup>16</sup> Changes in FY 2016 are not clear—a decline in FY16 appears to be the result of a restatement of beginning net position that is not explained.

<sup>17</sup> The nature of the liability and means of elimination is not apparent in the CAFRs.

The FY 2019 budget reports a recreation parcel tax assessment. The recreation assessment of \$110 is assessed against every residential parcel in the district annually.

### **21.3.5 ENTERPRISE ACTIVITIES**

The Crockett Operating Fund, which provides sanitary services, is funded by property tax in addition to sewer use charges, and revenues equal expenditures (after including the use of capital reserves for capital expenditures by the Fund). However, Port Costa Operating Fund revenues, which consist only of sewer service charges, fall short of expenditures by about \$33,000 in FY 2019 and also are short in prior years.<sup>18</sup> According to the CSD, the Port Costa community "is unable to support a sizeable increase to their annual sewer use charges which are already one of the highest (if not the highest) in the greater Bay Area."<sup>19</sup> Inadequate rate revenues, in addition to the lack of property tax revenues, contribute to the ongoing Port Costa Operating Fund shortfalls. Inadequate operating and capital reserves for the Port Costa system are also a consequence. According to the CSD, Port Costa paid off its largest interdepartmental loan in 2019 which will result in \$54,000 being available annually to address operational and capital improvements projects with the collection system and treatment plant. The second interdepartmental loan is expected to be paid in off by 2025.

The Recreation Fund nearly covers its expenditures, according to the adopted FY 2019 budget. The Fund receives charges for services, property taxes, and a recreation parcel assessment tax. The Maintenance Fund relies almost entirely on grants and donations to fund services including "insurance for downtown decorative street lamps, Crockett's downtown plaza, landscaping at Crockett's bridgehead, and for Crockett's Memorial Hall renovation."<sup>20</sup> The CSD has no plans to request additional taxes from its residents to cover these expenditures.

### **21.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When an agency's General Fund revenue is insufficient to cover pension expenses, the agency may pass that expense on to taxpayers.

The CSD's FY 2017 CAFR reported its unfunded pension liability at \$99,000. No other post-employment benefit obligations were reported. The CSD has been meeting its required California Public Employees' Retirement System contributions for FY 2015 through FY 2017.<sup>21</sup>

### **21.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of Governmental Fund depreciable capital assets declined over FY 2016 and FY 2017, indicating that capital investments generally were not keeping pace with asset depreciation.

<sup>18</sup> Crockett CSD FY 2018/19 Budget.

<sup>19</sup> Crockett CSD Response to MSR Fiscal Questions.

<sup>20</sup> Crockett CSD Response to MSR Fiscal Questions.

<sup>21</sup> FY17 CAFR, Note 6, pg. 22.

As noted above, the CSD relies on grants, donations, and volunteers for maintenance and improvement of many of its recreation and community facilities.

### **21.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The CSD's budgets and audited CAFRs are prepared in a timely manner and posted on the agency's website. The CSD's CAFRs report payment of debt service; however, they do not provide any further detail about the debt. The CAFR documents were not electronically searchable.

According to the CSD, various reserve reports have been provided to its Board, most commonly in budget support documentation, but "they have not been converted to PDF or electronically archived into one centralized location."<sup>22</sup> The CSD made the same comment with respect to other reports such as financial forecasts, asset management plans, and conditions assessments. No other financial reports were provided for the purposes of this MSR Update.

## **21.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the Crockett CSD.

### **21.4.1 GROWTH AND POPULATION PROJECTIONS**

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2016 American Community Survey data, the Crockett CSD serves 3,331 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing

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<sup>22</sup> Crockett CSD Response to MSR Fiscal Questions.

regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs.

ABAG projects that unincorporated Contra Costa County will grow at an annual rate of approximately 0.7% to a population of 199,105 between 2010 and 2040.<sup>23</sup> Unincorporated Contra Costa County is also projected to experience an approximate 0.5% annual growth rate in jobs between 2010 and 2040.

## JOBS AND HOUSING

The Bay Area Census does not provide jobs and employment data for the Crockett CSD.<sup>24</sup> The ABAG Projections data<sup>25</sup> for 2010 provides jobs and employment estimates for unincorporated Contra Costa County only. For 2010, ABAG estimated 35,790 jobs and 76,035 employed residents in unincorporated areas of the County, which equates to approximately 0.47 job for every employed resident. The jobs/housing ratio is 0.62.

Bay Area Census data<sup>26</sup> estimates for 2016 indicate that the Crockett CSD has 1,759 housing units (**Table 21.3**). The number of owner-occupied units in the CSD is greater than the number of renter-occupied housing units, indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 21.3**  
**CROCKETT CSD**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	861
Renter-occupied housing units	684
Vacant housing units	214
Total existing housing units	1,759

Source: ABAG Bay Area Census. Available at:  
<http://www.bayareacensus.ca.gov/cdp/cdp.htm>

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need

<sup>23</sup> ABAG. Projections 2017.

<sup>24</sup> A Bay Area Census data are derived from US Census data specific to the Bay Area and includes mostly population and housing characteristics for Census Designated Places.

<sup>25</sup> ABAG. Projections 2017.

<sup>26</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.



Plan.<sup>27</sup> The Crockett CSD was not assigned a RHNA; therefore, Contra Costa County data is provided.

Contra Costa County adopted its General Plan in 2000 and its Housing Element in 2015. The County's 2015–2023 Housing Element identifies adequate sites, anticipated to yield over 3,590 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA of 1,367 housing units. The West County Subregion of the County, which includes the Crockett CSD, accounts for 389 of the housing unit potential. The Contra Costa County 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>28</sup>

The Crockett Sanitary and Port Costa Sanitary departments have an Access and Repair Agreement program whereby low interest loans are offered to senior citizens if their building sewer lateral is defective and it would be financial hardship to replace it otherwise.

The Recreation Department contracts with Contra Costa County to provide a senior nutrition program to seniors in Crockett and greater West Contra Costa County. Aqua Zumba is offered as a summer pool recreation program and is well attended by those who want a low impact workout.

#### **ANTICIPATED GROWTH PATTERNS**

PDA's help form the implementing framework for Plan Bay Area. No PDA's have been identified for the Crockett CSD in Plan Bay Area or the County General Plan.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The Crockett CSD has not identified any Priority Conservation Areas in Plan Bay Area or the County's General Plan.

The Crockett CSD did not report that current or projected growth patterns will expand beyond its existing service area boundary and SOI.

#### **21.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The Crockett CSD's service boundary and SOI are coterminous, with the exception of one parcel located west of Canyon Lake Drive (Port Costa area; see Figure 21.1).

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<sup>27</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>28</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

The CSD does not request any changes to its SOI. The CSD reports that it provides services to one Port Costa property that is within its SOI but outside its service area boundary.

### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

This MSR Update identified disadvantaged communities within and contiguous to the CSD’s SOI.

LAFCO is required to consider the need for sewer, municipal and industrial water, or structural fire protection services within identified disadvantaged communities as part of a SOI update for cities and special districts that provide such services. These services have been recently reviewed under the *2<sup>nd</sup> Round EMS/Fire Services Municipal Service Review/Sphere of Influence Updates and the Contra Costa County Water and Wastewater Agencies Combined Municipal Service Review and Sphere of Influence Study (2<sup>nd</sup> Round)*, adopted in 2016 and 2014 respectively, and remain unchanged.

#### **21.4.3 CSD SERVICES MSR DETERMINATIONS**

##### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The Crockett CSD reports that it adequately serves all areas within its service area and SOI and is likely to continue to do so in the foreseeable future based on available information.

The disadvantaged communities within and contiguous to the CSD’s SOI receive sewer, water, and fire protection services.

### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

When accounting for the projected growth and population increases over the next five years, as well as the available information related to its provision of services, obstacles to maintaining existing service levels or meeting infrastructure needs are not anticipated for the CSD.

### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The CSD did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The CSD is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the County's General Plan.

The County's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

### ***STATUS AND OPPORTUNITIES FOR SHARED FACILITIES***

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The CSD provides parks and recreation services within its service area. All other services for the CSD—including those related to animal control, broadband, building/planning, law enforcement, library, lighting, stormwater, streets, and utilities—are provided through Contra Costa County, public vendors, or private vendors.

The CSD does not share facilities or services covered under this review. Based on available information, no areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

**DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

**AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

**21.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

**FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

The Crockett CSD is experiencing some fiscal challenges that may affect its ability to provide services, particularly in the event of unexpected funding needs. Overall, and despite these fiscal challenges, the Crockett CSD is likely to have sufficient financial resources to continue providing services. The CSD's ability to accommodate infrastructure expansion, improvements, or replacement over the next five years may be compromised absent the identification of additional funding opportunities.

The net value of Governmental Fund depreciable capital assets declined over FY 2016 and FY 2017, indicating that capital investments generally were not keeping pace with asset depreciation. The Port Costa Operating Fund, which provides sanitary services, had only \$100,000 of cash and investments compared to \$570,000 of liabilities; the liabilities included interdepartmental loans from the Crockett Sanitary Department as reported in the FY 2017 CAFR. Port Costa Operating Fund revenues, which consist only of service charges, fall short of expenditures by about \$60,000 in FY 2019, continuing a shortfall trend in prior years.

**OPERATING GENERAL FUND AND RESERVES TRENDS**

The Crockett CSD has been operating with a surplus in their Government Activities Fund, and projects a FY 2019 deficit for the Port Costa Operating Fund.

The CSD's Port Costa reserve goal is unknown, and therefore it is unknown whether they meet their goal and whether they are able to maintain an acceptable level of service provision and to enact changes to maintain services. Combined reserves totaled \$3.88 million for all funds for FY 2017; however, Port Costa reserves appear to be low.

**LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The CSD reported a liquidity ratio of 5.6, which indicates the CSD has the means available to cover its existing obligations in the short run.

Total debt has been declining and was approximately \$283 per capita for FY 2017.

The CSD's unfunded pension and OPEB liabilities continue to grow; however, the CSD has not identified measures to address the increasing pension liabilities. As with other agencies in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The CSD issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

Overall, the CAFRs are clearly presented; however, the CSD could incorporate the following changes to improve the transparency of its financials:

- Add a label or footnote for the debt payments and link them to the detail provided in the CAFR's notes for reporting payment of debt service.
- Ensure future CAFRs are electronically searchable.
- Ensure clear documentation and explanation throughout (e.g., see GASB 68 adjustments in FY 2016 CAFR, Statements of Revenues, Expenses, and Changes in Net Position).
- Include greater narrative detail in the budgets and CAFRS to help the reader understand the activities of the District and their financial status, beyond the basic financial reports.
- Separately list debt service payments in the CAFR statements.
- Explain the purpose of all reported funds and categorize them in the CAFRs as "governmental activities" and "business type" or "enterprise" activities, for example.
- Make the cost allocations (allocation of administrative costs to individual funds) apparent.
- Provide supplemental information in the CAFRs related to historical documentation of assessed value, debt, and other expenditures and revenues, for example.
- Clearly present actual budget results and adjustments in the CAFRs to reconcile to the financial statements.
- Use common documentation in tables and notes for the source fund and destination fund of interfund transfers.
- Describe the nature or terms of the loans, including interfund loans.
- Ensure that restated beginning of the year net positions match prior year ending position and that the basis for restated amounts is explained.

## **21.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

### ***ONLINE AVAILABILITY OF CSD GOVERNANCE INFORMATION***

The Crockett CSD website provides public access to the agendas and minutes for the CSD Board meetings and its various committees and commissions; the CSD's current budget; and the CSD's annual audit report. The CSD therefore adequately provides accountability with regard to governance and operations.

### ***ONLINE AVAILABILITY OF CSD PLANNING INFORMATION***

The Crockett CSD website provides public access to the CSD's governance, including meetings, reports, and policies. Building and planning services are provided by Contra Costa County, whose website includes information on its general plan as well as various development plans and projects. The CSD therefore adequately provides accountability with regard to planning.

### ***PUBLIC INVOLVEMENT***

The Crockett CSD website provides public access to public hearing notices, including the time and place at which CSD residents may provide input, as well as other opportunities for public involvement in the CSD decision-making process. Newsletters are also distributed to residents of the CSD. The CSD therefore adequately provides accountability with regard to citizen participation.

## **21.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **21.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the Crockett CSD is coterminous with the service area boundary, with the exception of one parcel located west of Canyon Lake Drive (Port Costa area), as shown in Figure 21.1.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the Crockett CSD.

### **21.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE CROCKETT CSD**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this Crockett CSD MSR profile.

***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

Contra Costa County, of which the Crockett CSD is a part, plans for a variety of urban uses within its boundary, representing a continuation of the current mix of land uses. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan.

***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the Crockett CSD. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the Crockett CSD appears adequate. The CSD is likely to continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the Crockett CSD.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

This MSR Update identified disadvantaged communities within and contiguous to the CSD's SOI. There are no disadvantaged communities within or contiguous to the SOI for the Crockett CSD and therefore no present or probable need for the CSD to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities. These areas receive sewer, water, and fire protection services.



# CHAPTER 22

## DIABLO COMMUNITY SERVICES DISTRICT

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### 22.1 AGENCY OVERVIEW

The Diablo Community Services District (CSD), formed in 1969 as a successor to the Diablo Public Utility District, covers an area of approximately 1.4 square miles. With an estimated population of 807, the CSD has a population density of approximately 594 persons per square mile.<sup>1</sup>

The Diablo CSD lies in central Contra Costa County between the unincorporated communities of Alamo and Blackhawk/Tassajara, with the Town of Danville to the southwest. The Sphere of Influence (SOI) for the Diablo CSD is coterminous with the service area boundary, as shown in **Figure 22.1**.

Land uses in the CSD are almost entirely residential and include some agricultural land uses as designated in the Contra Costa County General Plan for grazing livestock or dry grain farming.

#### 22.1.1 FORM OF GOVERNMENT

The publicly elected CSD Board of Directors consists of five members; members serve staggered four-year terms. The CSD Board members also serve on the Diablo Municipal Advisory Council, which advises the Contra Costa County Planning Commission and Board of Supervisors in matters pertaining to planning and zoning in Diablo.

#### 22.1.2 AGENCY STAFFING

Administrative staffing for the CSD is provided by the District General Manager. The Diablo CSD has no employees; all services are provided by contract.

#### 22.1.3 JOINT POWERS AUTHORITIES

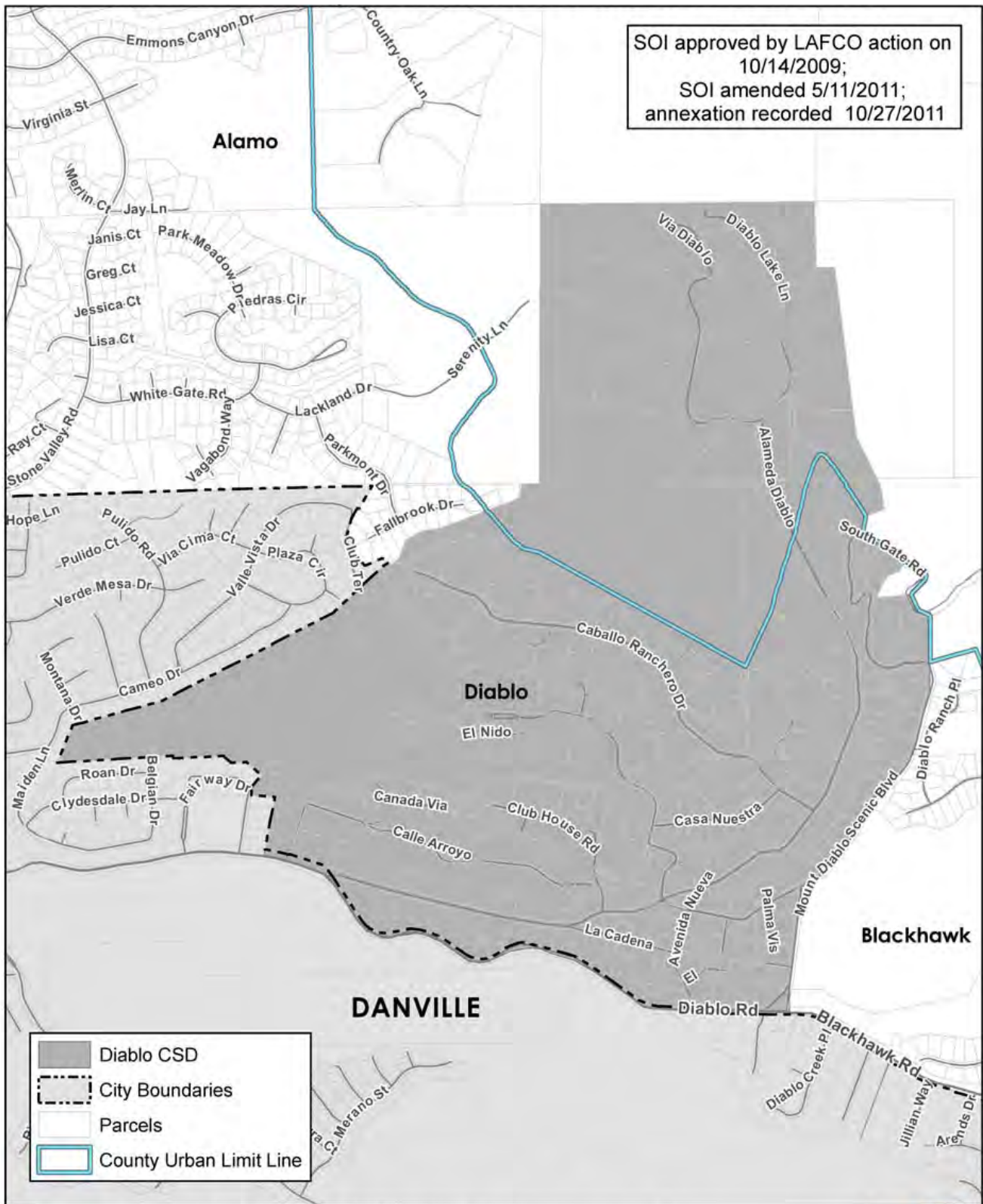
The Diablo CSD is not a member of any joint powers authorities.

#### 22.1.4 AWARDS AND RECOGNITION

The Diablo CSD has not reported receiving any awards since the 2009 Municipal Service Review (MSR).

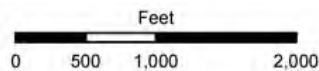
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<sup>1</sup> American Community Survey, 2016 estimate. Available at: <https://censusreporter.org>



Map created 05/13/2013  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37-59.41.791N 122-07.03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 22.1. Diablo Community Services District Boundary and Sphere of Influence**  
 May 2019

## 22.2 MUNICIPAL SERVICES OVERVIEW

The Diablo CSD primarily provides police/security; road, bridge, and culvert maintenance; and recreation services within its service area through various service contracts. As shown in **Table 22.1**, other municipal services for the Diablo community are provided by other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 22.1**  
**DIABLO CSD**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	Contra Costa County
Law Enforcement	Contra Costa County, Diablo CSD
Library	Contra Costa County
Lighting	Contra Costa County, Diablo CSD
Parks and Recreation	Diablo CSD
Solid Waste	Contra Costa County Sanitary District, Republic Services
Stormwater	Contra Costa County
Streets	Diablo CSD
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

Source: Diablo CSD

The Diablo CSD identified the following challenge related to the provision of services—although they expect to meet goals related to service provision (roads, law enforcement/security, and parks and recreation), the cost of defending the CSD against a lawsuit filed at the end of 2017 and subsequent judicial rulings may affect the CSD’s ability to meet those goals.

### 22.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) is the animal control service provider for the Diablo CSD and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a

smaller facility is in Pinole. Expenditures for animal services were not reported or were unavailable at the time of this MSR update.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **22.2.2 BROADBAND**

The Diablo CSD does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers for the CSD.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The Diablo CSD did not indicate concerns about the availability or reliability of high-speed internet services, although there have been informal complaints from residents with regard to both speed and reliability. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. Contra Costa County received a grade of C+, which indicates that internet service providers meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

At this time, the Diablo CSD is not indicating concerns about the ability of broadband providers to serve the CSD's existing or growing population.

### **22.2.3 BUILDING/PLANNING**

The Contra Costa County Department of Conservation and Development provides building and planning services for the County, including the Diablo CSD. Department expenditures for FY 2017 were not reported or were unavailable at the time of this MSR update.

The County issued 57 residential and 1 commercial building permits for the Diablo CSD in 2017. Total building permit valuation in FY 2017 is estimated at approximately \$3 million.

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

#### 22.2.4 LAW ENFORCEMENT

The Diablo CSD provides police/security services to the residents of Diablo through a contract with the Contra Costa County Sheriff's Office. The CSD has its own police vehicle and a dedicated County deputy, plus a contract with the Sheriff's Office to provide additional hours of patrol. FY 2017 expenditures for the Sheriff's Office were approximately \$229.3 million, up from approximately \$217.8 million in FY 2015.

The Sheriff's Office reported 677 FTE for FY 2017, up from 664 FTE in FY 2016, with an average of 1.02 sworn staff per 1,000 population. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> Crime clearance rates are a measure of crimes solved.<sup>6</sup> Total property crime clearances were reported at 125 and total violent crime clearances were reported at 340 for FY 2017.

Diablo CSD is staffed by 1 Resident Deputy who works 40 hours per week; the area is also covered by a larger beat that is staffed by 1 Deputy. The property crime closure rate was reported as 63% in FY 2017, down from 100% in FY 2016. There were no violent crime cases assigned to the Sheriff's Department in FY 2017 or FY 2016.

#### 22.2.5 LIBRARY

Contra Costa County provides library services for the Diablo CSD at its nearby Danville Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>



0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

### **22.2.6 LIGHTING**

The Diablo CSD has the power to provide street lighting. The CSD allows landscape lighting only. Traffic lights are provided and maintained by the Contra Costa County Public Works Department.

### **22.2.7 PARKS AND RECREATION**

The Diablo CSD provides maintenance services for the equestrian/pedestrian path (Kay's Trail) between Alameda Diablo and Mt. Diablo Scenic Boulevard, the road island on Alameda Diablo, and contributes to maintenance of Diablo's entrances. FY 2017 expenditures for parks were \$3,500.

The number of park acres per 1,000 residents, recreation centers per 20,000 residents, and miles of recreation trails for the CSD were not reported or were unavailable at the time of this MSR update.

Major park facilities in the County are owned by the federal and State governments, along with an extensive system owned and operated by East Bay Regional Park District. The State Department of Parks and Recreation owns Mt. Diablo State Park, Cowell Ranch State Historic Park, and Franks Tract State Recreation Area. The East Bay Regional Park District currently maintains numerous parks with internal trail systems in addition to regional trails within or partially within the County.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The County's General Plan identifies the neighborhood park standard as 2.5 acres per 1,000 population and the community park standard as 1.5 acres per 1,000 population, with the goal of achieving a level of park and recreational facilities at 4 acres per 1,000 population.

### **22.2.8 SOLID WASTE**

The Diablo CSD does not provide solid waste services. Contra Costa County Sanitary District has responsibility for solid waste services. Republic Services provides waste disposal and trash pick-up.

The FY 2017 waste disposal rates were not reported or were unavailable at the time of this MSR update.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **22.2.9 STORMWATER/DRAINAGE**

The Contra Costa County Public Works Department maintains the Diablo CSD stormwater drainage system.

### 22.2.10 STREETS/ROADS

According to its formation document, the Diablo CSD maintains “certain roads . . . which are subject to right-of-way by the public but have not been accepted into the county road system,” as well as the bridges and culverts in Diablo.<sup>8</sup> Routine and emergency maintenance is contracted out to the MCE Corporation and large projects are contracted out through a bidding process. The number of street miles were not reported or were unavailable at the time of this MSR update. There are no bike lanes within the CSD. FY 2017 expenditures for roads, bridges, and culverts were \$595,837.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect the pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in Contra Costa County was 70 (good) in 2017, up from 69 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>9</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress.

The Diablo CSD is part of the unincorporated area of the County, as are the roadways that run through the CSD. The County has not accepted the roads within the Diablo CSD into the County road system. And with the exception of a portion of Caballo Ranchero Drive, the County does not maintain the roads in Diablo. Thus, pursuant to the Streets and Highways Code, the County is not liable for failure to maintain these roads.

The roads within the CSD are, on occasion, used by individuals who do not live in the CSD, including guests of the residents and Diablo Country Club, individuals providing services to the residents, as well as bicycling enthusiasts and other members of the general public seeking access to Mt. Diablo State Park.

At the end of 2017, seven residents who live along Calle Arroyo sued the CSD, the Diablo Country Club and other Calle Arroyo property owners, seeking to prohibit public access to that road.<sup>10</sup> The complaint consisted of three causes of action: one action for quiet title and two causes of action requesting declaratory relief. In the quiet title action, the plaintiff-property owners sought to establish that Calle Arroyo is not burdened by an easement for general public use. The complaint claimed that Calle Arroyo is a private road owned by the homeowners on that road and the Diablo Country Club, and that there is no express or implied dedication of an easement to the public in the roadway. A motion for summary adjudication of the quiet title cause of action was heard in the Contra Costa County Superior Court on February 9, 2018. On November 19, 2018, an order was filed granting the motion and finding that there is no express or implied easement giving the general public to the right use Calle Arroyo.

<sup>8</sup> Available online at: <https://www.diablocsd.org/>

<sup>9</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>10</sup> *Tiernan, et al., v. Diablo Community Services District, et al.*, Contra Costa County Superior Court Case No. MSC 17-02529.



As of the date of this report, the remainder of the case, asking the court to declare that a portion of Calle Arroyo road is private property and determine whether Diablo CSDt is obligated to close a cut-through path from Alameda Diablo to Mt. Diablo Scenic, is still pending. The court has not been asked to decide whether limited public use of Calle Arroyo by residents, people going to the Diablo Country Club, utility workers, delivery people, landscapers and other guests is sufficient to justify the continued expenditure of public funds on that road. The resolution of that issue is beyond the scope of this report and is left to the judgment of governing body of the Diablo CSD.

There is ongoing discord in the Diablo community regarding public use on Calle Arroyo. It would be beneficial to the community for the Diablo CSD to seek a legal opinion to resolve this issue.

### 22.2.11 UTILITIES

Diablo CSD is a member of the Marin Clean Energy (MCE) Community Choice Aggregation program. MCE provides Pacific Gas & Electric (PG&E) customers the choice of having 50% to 100% of their electricity supplied from renewable sources. Both MCE and PG&E provide electricity service to the City, and customers may choose either service provider. PG&E also provides gas service to the Diablo CSD. The Diablo CSD did not indicate concerns about the ability of utility service providers to serve the CSD's existing or growing population.

## 22.3 FINANCIAL OVERVIEW

This section provides an overview of the Diablo CSD's financial health and assesses the CSD's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and CSD staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 22.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the CSD.

According to the CSD's FY 2018-19 budget, the District's General Fund revenues of \$734,000 are \$116,000 less than recurring General Fund expenditures of \$850,800.<sup>11</sup> The primary factor for the shortfall and use of reserves is a budgeted periodic \$315,000 expenditure for road maintenance. The budget projects a FY 2019 ending fund balance of \$290,000 which is approximately 43% of FY 2019 expenditures. The FY 2019 budget allocates \$102,000 of its net position to capital reserves. **Table 22.2** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

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<sup>11</sup> Diablo Community Services District (CSD) 2018-2019 Draft Budget, amended August 2018. Note: budget includes \$9,063 depreciation.

**TABLE 22.2**  
**DIABLO CSD**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax	\$364,000	\$395,000	\$424,000
Other Revenues (including Transfers)	\$230,000	\$235,000	\$254,000
<i>Total General Fund Revenues</i>	<i>\$594,000</i>	<i>\$630,000</i>	<i>\$678,000</i>
<i>Change from Prior Year</i>	<i>-10.2%</i>	<i>6.1%</i>	<i>7.6%</i>
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$76,000	\$84,000	\$86,000
Public Safety	\$333,000	\$357,000	\$361,000
Public Works	\$685,000	\$323,000	\$599,000
Capital Outlay			\$43,000
<i>Total Expenditures</i>	<i>\$1,094,000</i>	<i>\$764,000</i>	<i>\$1,089,000</i>
<i>Change from Prior Year</i>	<i>51.3%</i>	<i>-30.2%</i>	<i>42.5%</i>
<i>Expenditures per capita</i>	<i>\$1,355</i>	<i>\$946</i>	<i>\$1,350</i>
<b>LIQUIDITY RATIO<sup>1</sup></b>			
Governmental Activities	21.7	17.7	6.8
Business-type Activities	n/a	n/a	n/a

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 22.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

In FY 2017 the CSD's governmental activities' liquidity ratio was 6.8, indicating that short-term resources were greater than current liabilities.<sup>12</sup> The ratio declined significantly due to reductions in current assets; the liquidity ratio was 21.7 in FY 2015 and 17.7 in FY 2016 (see Attachment C).

<sup>12</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

The CSD's CAFRs report no outstanding debt obligations.

### **22.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The CSD's positive net position declined from \$780,000 in FY 2015 to \$271,000 in FY 2017; the unrestricted portion, which accounts for the majority of the net assets, also declined over that period (see Attachment C).

### **22.3.4 LOCAL REVENUE MEASURES**

Ad valorem taxes represent nearly two-thirds of the CSD's revenues. The balance had been composed largely of non-tax "Road and Security Fees" charged to residents. Voters approved Measure B, a special tax replacing Road Security Fees, in 2018. The funds from this tax must be used to provide security/police protection services, as well as to maintain roads, bridges, culverts, and trails within the Diablo CSD.

A CSD is not authorized to adopt voter-approved local tax measures or other voter-approved General Fund revenue sources, other than rates and charges for services, and assessment, e.g., for landscape and lighting maintenance.

### **22.3.5 ENTERPRISE ACTIVITIES**

The District has no enterprise activities.

### **22.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When an agency's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

The CSD does not provide a pension or other post-employment benefits as it has no employees, and therefore has no related obligations or unfunded liabilities. The CSD's FY 2019 budget shows two independent consultants, a General Manager and a General Counsel.

### **22.3.7 CAPITAL ASSETS AND DEPRECIATION**

The CSD's primary asset is its patrol vehicle which is replaced periodically using its allocated fund balance. With the exception of County-owned Caballo Ranchero Drive, the roads, bridges, and culverts within the CSD are owned by the adjacent property owners and are not listed as Diablo CSD assets. The CSD maintains most of the privately owned roads. For example, from FY 2015 through FY 2017 the CSD expended about \$1.3 million for road, bridge, and culvert maintenance, which explains the reduction in the CSD's fund balance over that period as noted above.

The CSD's seven-year forecast shows annual expenditures for road maintenance ranging from \$126,000 to \$401,000 annually, in addition to periodic bridge maintenance. The purchase of a new vehicle is projected to occur in FY22. The forecast estimates a growing ending fund balance through FY25.<sup>13</sup>

### **22.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the Governmental Accounting Standards Board (GASB) by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The CSD's budgets and audited CAFRs are prepared in a timely manner. The Diablo CSD prepares a 7-year forecast to assist with financial planning and budgeting. Only the most recent budget, audit and financial transactions report are posted on the agency's website.

## **22.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the Diablo CSD.

### **22.4.1 GROWTH AND POPULATION PROJECTIONS**

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2016 American Community Survey data, the Diablo CSD serves 807 residents.

### ***PROJECTED GROWTH AND DEMOGRAPHIC CHANGES***

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent

<sup>13</sup> Diablo CSD 2018-2019 Draft Budget, 7 Year Budget, 2019-2025.

with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs.

ABAG projects that unincorporated Contra Costa County will grow at an annual rate of approximately 0.7% to a population of 199,105 between 2010 and 2040.<sup>14</sup> Unincorporated Contra Costa County is also projected to experience an approximate 0.5% annual growth rate in jobs between 2010 and 2040. Projected growth data specific to the CSD is not included in the ABAG projections.

### JOBS AND HOUSING

The Bay Area Census does not provide jobs and employment data for the Diablo CSD.<sup>15</sup> The ABAG Projections data<sup>16</sup> for 2010 provides jobs and employment estimates for unincorporated Contra Costa County only. For 2010, ABAG estimated 35,790 jobs and 76,035 employed residents in unincorporated areas of the County, which equates to approximately 0.47 job for every employed resident. The jobs/housing ratio is 0.62.

Bay Area Census data<sup>17</sup> estimates for 2010 indicate that the Diablo CSD has 439 housing units (**Table 22.3**). The number of owner-occupied units in the CSD is greater than the number of renter-occupied housing units, indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 22.3**  
**DIABLO CSD**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	380
Renter-occupied housing units	32
Vacant housing units	27
Total existing housing units	439

Source: ABAG Bay Area Census. Available at:  
<http://www.bayareacensus.ca.gov/cdp/cdp.htm>

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>18</sup> The Diablo CSD was not assigned a RHNA; therefore, Contra Costa County data is provided.

<sup>14</sup> ABAG. Projections 2017.

<sup>15</sup> A Bay Area Census data are derived from US Census data specific to the Bay Area and includes mostly population and housing characteristics for Census Designated Places.

<sup>16</sup> ABAG. Projections 2017.

<sup>17</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>18</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

Contra Costa County adopted its General Plan in 2000 and its Housing Element in 2015. The County's 2015–2023 Housing Element identifies adequate sites, anticipated to yield over 3,590 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA of 1,367 housing units. The Central County Subregion of the County, which includes the Diablo CSD, accounts for 1,090 of the housing unit potential. The Contra Costa County 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>19</sup>

The Diablo CSD does not provide specific programs for adults age 50 and older.

#### ***ANTICIPATED GROWTH PATTERNS***

PDA's help form the implementing framework for Plan Bay Area. No PDA's have been identified for the Diablo CSD in Plan Bay Area or the County General Plan.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The Diablo CSD has not identified any Priority Conservation Areas in Plan Bay Area or the County's General Plan.

The Diablo CSD did not report that current or projected growth patterns will expand beyond its existing service area boundary and SOI.

#### **22.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The Diablo CSD's service boundary and SOI are coterminous (see Figure 22.1).

The CSD does not request any changes to its SOI and indicates that it does not provide services to any areas outside its service area boundary or SOI.

#### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

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<sup>19</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

There are no disadvantaged communities within or contiguous to the SOI for the Diablo CSD and therefore, no disadvantaged communities are relevant to this analysis.

### **22.4.3 CSD SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The Diablo CSD appears to adequately serve all areas within its service area and SOI and is likely to continue to do so in the foreseeable future based on available information.

There are no disadvantaged communities within or contiguous to the CSD's SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

When accounting for the projected growth and population increases over the next five years, as well as the available information related to its provision of services, obstacles to maintaining existing service levels or meeting infrastructure needs are not anticipated for the CSD.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The CSD did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The CSD is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the County's General Plan.

The County's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.



## **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The CSD provides police/security, street lighting parks and recreation, and streets services through various contracts. All other services for the CSD—including those related to animal control, broadband, building/planning, law enforcement, library, traffic lighting, solid waste, stormwater, and utilities—are provided through Contra Costa County, public vendors, or private vendors.

The CSD does not share facilities or services. Based on available information, no areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review.

## **22.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

Overall, the Diablo CSD appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The Diablo CSD has been operating with a deficit in their General Fund, and the FY 2019 budget shows that expenditures exceed revenues.

The CSD's reserve goal is unknown, and therefore it is unknown whether they meet their goal. The FY 2019 ending fund balance is projected to be approximately 30% of expenditures.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether an agency has the means available to cover its existing obligations in the short run. The CSD reported a liquidity ratio of 6.8, which indicates the CSD has the means available to cover its existing obligations in the short run.

The CSD has no outstanding debt obligations.

The CSD does not provide a pension or other post-employment retirement benefits and has no related liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The CSD issued its CAFR approximately 6 months after fiscal year end, which is considered timely. The CAFR was audited by an independent CPA and received a clean opinion.

### **22.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CSD GOVERNANCE INFORMATION**

The Diablo CSD website provides public access to the agendas and minutes for the CSD Board meetings as well as for the Diablo Municipal Advisory Council meetings; the CSD's current budget; and the CSD's annual audit report. The CSD therefore adequately provides accountability with regard to governance and operations.

#### **ONLINE AVAILABILITY OF CSD PLANNING INFORMATION**

The Diablo CSD website provides public access to the CSD's governance, including meetings, reports, and policies. Building and planning services are provided by Contra Costa County, whose website includes information on its general plan as well as various development plans and projects. The CSD therefore adequately provides accountability with regard to planning.

#### **PUBLIC INVOLVEMENT**

The Diablo CSD website provides public access to public hearing notices, including the time and place at which CSD residents may provide input, as well as other opportunities for public involvement in the CSD decision-making process. The CSD therefore adequately provides accountability with regard to citizen participation.

## **22.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **22.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the Diablo CSD is coterminous with the service area boundary, as shown in Figure 22.1.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the Diablo CSD.

### **22.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE DIABLO CSD**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this Diablo CSD MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

Contra Costa County, of which the Diablo CSD is a part, plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan.

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the Diablo CSD. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the Diablo CSD appears adequate. The CSD is likely to continue to have adequate capacity during the next five years.

#### ***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the Diablo CSD.

#### ***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There are no disadvantaged communities within or contiguous to the SOI for the Diablo CSD and therefore no present or probable need for the CSD to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities.

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# CHAPTER 23

## DISCOVERY BAY COMMUNITY SERVICES DISTRICT

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### 23.1 AGENCY OVERVIEW

The Discovery Bay Community Services District (CSD), formed in 1998, covers an area of approximately 9 square miles. With an estimated population of 14,765, the CSD has a population density of approximately 1,641 persons per square mile.<sup>1</sup>

The Discovery Bay CSD lies in eastern Contra Costa County with the City of Brentwood to the west, and County lands to the north, south, and east. The Sphere of Influence (SOI) for the Discovery Bay CSD extends beyond its service boundary to the north (Learning Lane area), as shown in **Figure 23.1**.

Land uses in the CSD include a mix of residential, commercial, recreation, open space, as well as some agricultural land uses as designated in the Contra Costa County General Plan for grazing livestock or dry grain farming. The agricultural uses are within the SOI for the CSD, but not in the service boundary.

#### 23.1.1 FORM OF GOVERNMENT

The publicly elected CSD Board of Directors consists of five members; members serve staggered four-year terms.

The Discovery Bay CSD meets twice monthly on the first and third Wednesday of each month at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard in Discovery Bay.

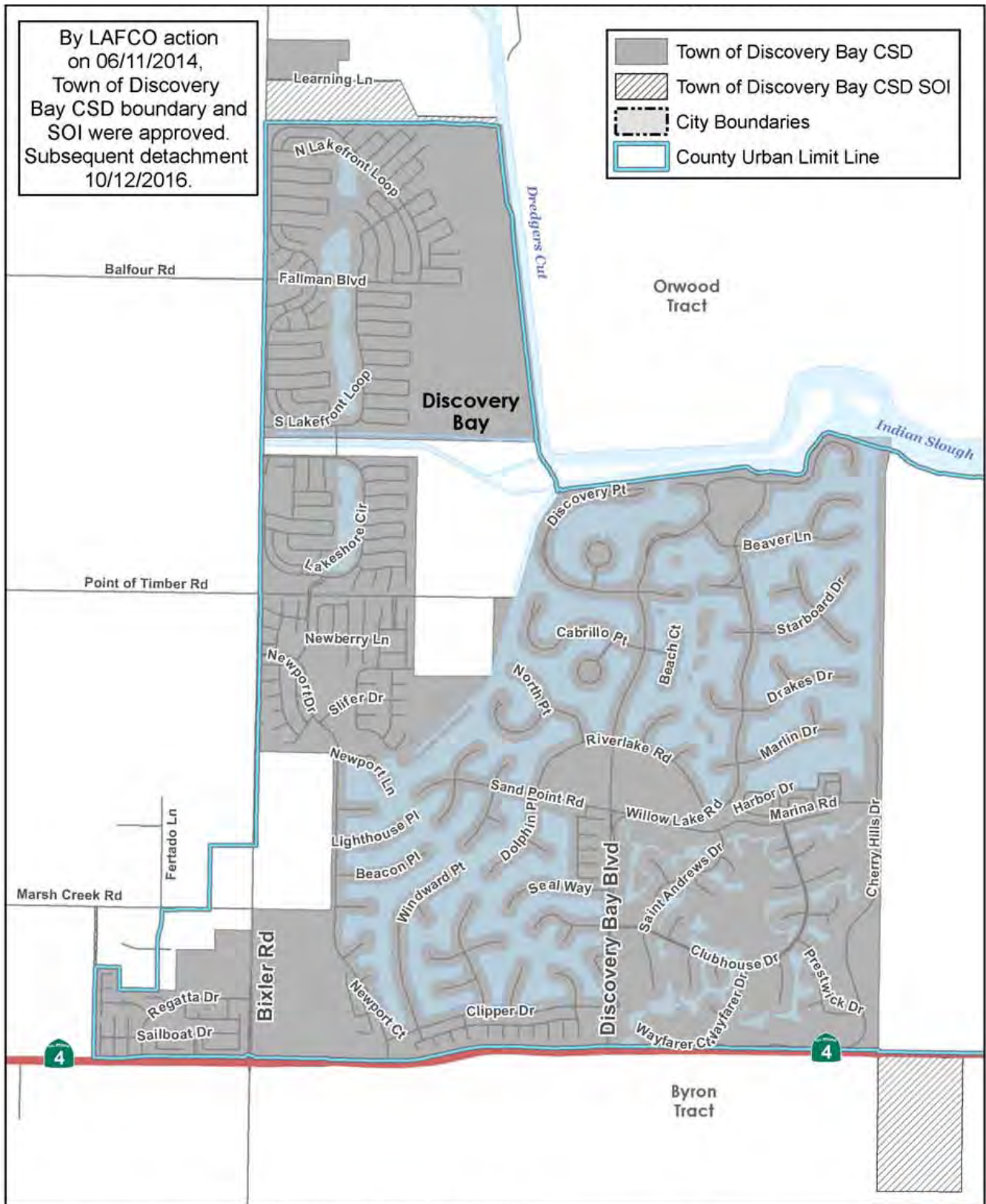
#### 23.1.2 AGENCY STAFFING

Total CSD staffing for fiscal year (FY) 2017 included 18 full-time equivalent (FTE) employees.

The administrative function and parks and landscape function had the highest staffing levels in the Discovery Bay CSD, with 7.0 FTE employees each.

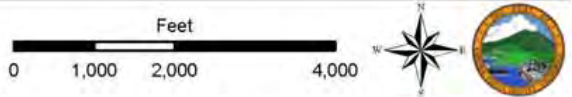
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<sup>1</sup> American Community Survey, 2016 estimate. Available at: <https://censusreporter.org>



Map created 08/10/2017  
 by Contra Costa County Department of  
 Conservation and Development, GIS Group  
 30 Muir Road, Martinez, CA 94553  
 37.59-41.791N 122.07-03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**Figure 23.1. Discovery Bay Community Services District Boundary and Sphere of Influence**  
 May 2019



### 23.1.3 JOINT POWERS AUTHORITIES

The Discovery Bay CSD is a member of one joint powers authority—Discovery Bay Public Financing Authority.

The Discovery Bay CSD formed a local Groundwater Sustainability Agency (GSA) for the purpose of preparing a Groundwater Sustainability Plan pursuant to the Sustainable Groundwater Management Act. The Discovery Bay GSA has entered into a Memorandum of Understanding with seven local GSAs to work together in the development of a Groundwater Sustainability Plan.

### 23.1.4 AWARDS AND RECOGNITION

The awards the Discovery Bay CSD has reported receiving since the 2009 Municipal Service Review (MSR) include the Gold-Level *District of Distinction* and the *District of Transparency Certificate of Excellence*.

## 23.2 MUNICIPAL SERVICES OVERVIEW

The Discovery Bay CSD is authorized to provide water, wastewater, flood control/levee services<sup>2</sup>, lighting, landscape maintenance, and park and recreation services within its service area. As shown in **Table 23.1**, other municipal services for the Discovery Bay CSD are provided by other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 23.1**  
**DISCOVERY BAY CSD**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast
Building / Planning	Contra Costa County
Law Enforcement	Contra Costa County
Library	Contra Costa County
Lighting	Contra Costa County
Parks and Recreation	Discovery Bay CSD
Solid Waste	Mt. Diablo Resource Recovery
Stormwater	Contra Costa County

<sup>2</sup> Specifically to Discovery Bay West Village II, III, and IV.



SERVICE	SERVICE PROVIDER
Streets	Contra Costa County
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	n/a

Source: Discovery Bay CSD

The Discovery Bay CSD did not report specific challenges or opportunities related to its provision of services.

### 23.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) is the animal control service provider for the Discovery Bay CSD and most all of Contra Costa County. Animal licensing services are provided via CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were not reported or were unavailable at the time of this MSR update.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>3</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### 23.2.2 BROADBAND

The Discovery Bay CSD does not provide public broadband service. XFINITY from Comcast and AT&T Internet are the main internet providers for the CSD.<sup>4</sup> These providers use a variety of wired technologies including cable and DSL. The Discovery Bay CSD did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. Contra Costa County received a grade of C+, which indicates that internet service providers

<sup>3</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>4</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>5</sup>

While broadband services are available to the CSD, no specific data exist regarding whether service providers for the CSD meet the CPUC's minimum download and upload standards. The Discovery Bay CSD did not indicate concerns about the ability of broadband providers to serve the CSD's existing or growing population.

### **23.2.3 BUILDING/PLANNING**

The Contra Costa County Department of Conservation and Development provides building and planning services for the County, including the Discovery Bay CSD. Although the CSD has no land use or zoning authority, the CSD does advise the County on decisions related to residential and commercial development.

The County issued 821 residential and 13 commercial building permits for the Discovery Bay CSD in 2017. Total building permit valuation in FY 2017 is estimated at approximately \$52.3 million.

Planning for the CSD has been captured in their mission statement, and five-year master plans, and other water and wastewater services plans and studies. Discovery Bay CSD reports that it will be developing a recreation master plan.

Two projects (Newport Pointe and Pantages Bay) have been approved by the County and will require annexation to the Discovery Bay CSD.

### **23.2.4 LAW ENFORCEMENT**

The Contra Costa County Office of the Sheriff provides law enforcement and dispatch services for the County, including the Discovery Bay CSD. Although the CSD has no land use or zoning authority, a police advisory committee (P-6) does advise the County on decisions related to police services. FY 2017 expenditures for the Sheriff's Department were approximately \$229.3 million, up from approximately \$217.8 million in FY 2015.

The Sheriff's Office reported 677 FTE for FY 2017, up from 664 FTE in FY 2016, with an average of 1.02 sworn staff per 1,000 population. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>6</sup> Crime clearance rates are a measure of crimes solved.<sup>7</sup> Total property crime clearances were reported at 125 and total violent crime clearances were reported at 340 for FY 2017.

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<sup>5</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).

<sup>6</sup> National Sources of Law Enforcement Employment Data. April 2016.  
<http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>7</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

The CSD is staffed by 2 Resident Deputies, each of whom works 40 hours per week. Discovery Bay CSD is also part of a larger regular beat that is staffed by one Deputy. The property crime closure rate was reported as 80% in FY 2017, up from 75% in FY 2016; the violent crime closure rate was reported as 47% for FY 2017, down from 49% in FY 2016.

### **23.2.5 LIBRARY**

Contra Costa County provides library services for the Discovery Bay CSD via its Discovery Bay Library Connection, which is a free library service that gives residents the opportunity to request items online and pick them up at the Discovery Bay Community Center. The nearby Brentwood Branch Library location also provides services for the CSD. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>8</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

### **23.2.6 LIGHTING**

Lighting is provided and maintained by the CSD, Contra Costa County Public Works Department, and homeowners associations. The CSD owns and maintains eight street poles and lights in the Cove Lane area. Throughout its boundaries, the CSD owns and maintains 692 light poles; Pacific Gas and Electric owns and maintains the luminaire, control facilities, and internal pole wiring. Remaining lighting is owned and maintained by Contra Costa County Public Works (street and traffic) and by private homeowners associations (street lighting).

### **23.2.7 PARKS AND RECREATION**

The Discovery Bay CSD is the service provider for parks and recreation facilities and programs, as well as public landscaping. FY 2017 expenditures for parks were approximately \$1.3 million in FY 2017, down slightly from approximately \$1.4 million in FY 2015.

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<sup>8</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

In 2003, the CSD took on the responsibility of maintaining the “Common” landscape areas/parks within a portion of the community that is known as the “Discovery Bay Proper Area-Service Area M-8,” which is now called Discovery Bay Lighting & Landscaping Zone #8. The landscape zone #8 encompasses Cornell Park, Roberta Fuss Tot Lot, all common landscape streetscapes, levees, and islands on the east side of Discovery Bay. In 2006, the CSD formed the Discovery Bay Lighting & Landscaping Zone #9 in the Ravenswood Housing Development area, located off of Newport Drive and Slifer Drive, consisting of common landscape areas and a park.

The Discovery Bay CSD provides contract services through a maintenance agreement with Contra Costa County to provide maintenance and landscape services to County Zones 35, 57, and 61, which are located within the geographic boundaries of the CSD. These independently funded zones are as follows:

- Zone 35: Trail/pathway between Newport Drive and Safeway & the median landscaping on Bixler Road.
- Zone 57: Common landscape areas, parking areas & Regatta Park in the Discovery Bay Southwest (Centex) Development. Porthole Drive, Bixler Road – From Regatta Drive South to Highway 4, Pedestrian Walk
- Zone 61: Common landscape areas & Slifer Park in the area of the Discovery Bay West housing development from Slifer Park on Newport Drive to the Lakes Home Development on Bixler Road. Park and Ride – Bixler Road Westside to The Lakes Northern most exit (Doesn't include entries or exits). Point of Timber both sides, Preston Drive, Slifer Drive, Sussex Court, Plymouth Court, Sterling Court, Dorchester Court, Coronado Court, Cambridge Court, Birmingham Court, Berkshire Lane, Sheffield Court, Amesbury Court, and Emerson Court.

The CSD provides and maintains 6 park acres per 1,000 residents and 1 recreation center per 20,000 residents.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The County's General Plan identifies the neighborhood park standard as 2.5 acres per 1,000 population and the community park standard as 1.5 acres per 1,000 population, with the goal of achieving a level of park and recreational facilities at 4 acres per 1,000 population.

### **23.2.8 SOLID WASTE**

Solid waste services are provided to the Discovery Bay CSD via franchise agreement with Mt. Diablo Resource Recovery (formerly Discovery Bay Disposal Service). The Discovery Bay CSD FY 2017 expenditures for solid waste services were not reported or were unavailable at the time of this MSR update.

The CSD waste disposal rates for 2017 were not reported or were unavailable at the time of this MSR update.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **23.2.9 STORMWATER/DRAINAGE**

The Contra Costa County Public Works Department maintains the Discovery Bay CSD stormwater drainage system.

### **23.2.10 STREETS/ROADS**

The Contra Costa County Public Works Department maintains public roads in the Discovery Bay CSD.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in Contra Costa County was 70 (good) in 2017, up from 69 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>9</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress.

### **23.2.11 UTILITIES**

Pacific Gas & Electric provides electricity and gas service to the Discovery Bay CSD. The Discovery Bay CSD did not indicate concerns about the ability of utility service providers to serve the CSD's existing or growing population.

## **23.3 FINANCIAL OVERVIEW**

This section provides an overview of the Discovery Bay CSD's financial health and assesses the CSD's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and CSD staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### **23.3.1 GENERAL FUND BALANCES AND RESERVES**

Municipal services are funded via the General Fund, which is the primary operating fund for the CSD.

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<sup>9</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

According to the CSD's FY 2018-19 budget, the total revenues of \$11.3 million are equal to total expenditures which include operations and debt service of \$7.5 million, capital improvements of \$3.3 million and funding of infrastructure replacement at \$525,000.<sup>10</sup> The projected FY 2019 ending operations and contingency reserve balances total \$2.9 million or about 39% of total operations and debt service. The FY 2019 budget does not allocate additional funds to reserves pending the finalization of actual FY 2018 ending balances, but proposes a \$1.7 million allocation for Capital Improvement Program (CIP) projects (above the total \$11.3 million budget noted above).<sup>11</sup> **Table 23.2** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

Governmental activities include administration and operation of Lighting and Landscaping Zones, largely funded by property taxes and assessments. The CSD did not identify any significant financing issues in light of the "slight" increase in reimbursement revenues from the County's assessment collections.<sup>12</sup>

In addition to user charges for enterprise services, the CSD collects connection charges from new development; these revenues are dedicated to capital improvements.

**TABLE 23.2**  
**DISCOVERY BAY CSD**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 - 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
<b>GENERAL FUND REVENUES</b>			
Property Tax <sup>1</sup>	\$0	\$0	\$0
Other Revenues (excluding Transfers In)	\$629,000	\$473,000	\$272,000
<i>Total General Fund Revenues</i>	<i>\$629,000</i>	<i>\$473,000</i>	<i>\$272,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>24.8%</i>	<i>-42.5%</i>
<b>GENERAL FUND EXPENDITURES</b>			
General Government and Administration	\$396,000	\$349,000	\$147,000
Other (includes Transfers Out)	\$93,000	\$39,000	\$391,000
<i>Total Expenditures</i>	<i>\$489,000</i>	<i>\$388,000</i>	<i>\$538,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>-20.7%</i>	<i>38.7%</i>
<i>Expenditures per capita</i>	<i>\$33</i>	<i>\$26</i>	<i>\$36</i>

<sup>10</sup> Discovery Bay Community Services District (CSD) Adopted Operating, Capital Improvement, and revenue budgets for Fiscal Year 2018-19 (Reso. 2018-08), pg. 17.

<sup>11</sup> Note: the FY19 Budget summary table on pg. 17 does not show any "Contributions to Reserves"; "Proposed Financing/Reserves for CIP projects" is listed at \$1.7 million but not added into the \$11.3 million total.

<sup>12</sup> *ibid*, Discovery Bay CSD FY19 budget, pg. 30.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	10.5	10.7	11.1
Business-type Activities	7.2	11.4	9.6

Source: Attachment C

<sup>1</sup> Property Taxes in the CSD's financial statements are assessments collected by the County and are deposited to Lighting and Landscape Zone special revenue funds.

<sup>2</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 23.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

The District's Governmental Activities current obligations are nominal; therefore, its cash and investments provide significant liquidity by comparison. The FY 2017 Enterprise Activity liquidity ratio was 9.6, indicating adequate cash and investments (see Attachment C).<sup>13</sup>

The CSD reported \$22.3 million total outstanding debt in FY 2017; no outstanding debt was reported in the prior 2 fiscal years.

### 23.3.3 NET POSITION

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

Information about the CSD's net position was not available at the time of the MSR Update.

### 23.3.4 LOCAL REVENUE MEASURES

A CSD is not authorized to adopt voter-approved local tax measures or other voter-approved General Fund revenue sources, other than rates and charges for services, and assessment, e.g., for landscape and lighting maintenance.

### 23.3.5 ENTERPRISE ACTIVITIES

Enterprise facilities, including water and wastewater, show net increases in value cumulatively from FY 2015 through FY 2017 (see Attachment C).

<sup>13</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.



### **23.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When an agency's General Fund revenue is insufficient to cover pension expenses, the agency may pass that expense on to taxpayers.

The CSD has no pension or other post-employment benefit plans or related liabilities.

### **23.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of Governmental Fund depreciable capital assets declined over FY 2016 and FY 2017, indicating that capital investments generally were not keeping pace with asset depreciation (see Attachment C). The FY 2019 budget indicates that pool renovation will be occurring in FY 2019. Other governmental facilities include a community center and tennis courts. Parks and play structures are funded by the Lighting and Landscaping Zones.

The CSD FY 2019 anticipates ending balances in its Infrastructure Replacement Fund of \$3.9 million, and Developer Fee Funds also totaling \$3.9 million.

### **23.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the GASB by the users of state and local government financial reports. According to the GASB, financial report information retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The CSD prepares budgets in a timely manner. Its CAFR was not completed within 6 months of the fiscal year-end. The budgets and audits are available on the Financial Services Division page of the website.

The budget does not provide a summary showing department revenues and expenditures, and starting and ending balances. A summary table shows proposed allocations to capital reserves, but apparently these are not added into the totals at the bottom of the table. The sources and uses of funds from the capital accounts (e.g., developer fees received each year, and fee transfers into other funds) are not clear.

## **23.4 SERVICE REVIEW DETERMINATIONS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the Discovery Bay CSD.

### 23.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2016 American Community Survey data, the Discovery Bay CSD serves 14,765 residents.

#### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs.

ABAG projects that unincorporated Contra Costa County will grow at an annual rate of approximately 0.7% to a population of 199,105 between 2010 and 2040.<sup>14</sup> Unincorporated Contra Costa County is also projected to experience an approximate 0.5% annual growth rate in jobs between 2010 and 2040. Overall, the CSD is expected to accommodate its share of the County growth projected by ABAG.

#### **JOBS AND HOUSING**

The Bay Area Census does not provide jobs and employment data for the Discovery Bay CSD.<sup>15</sup> The ABAG Projections data<sup>16</sup> for 2010 provides jobs and employment estimates for unincorporated Contra Costa County only. For 2010, ABAG estimated 35,790 jobs and 76,035 employed residents in unincorporated areas of the County, which equates to approximately 0.47 job for every employed resident. The jobs/housing ratio is 0.62.

Bay Area Census data<sup>17</sup> estimates for 2010 indicate that the Discovery Bay CSD has 5,403 housing units (**Table 23.3**). The number of owner-occupied units in the CSD is greater than the number of renter-occupied housing units, indicating that the rate of homeownership exceeds the rental household rate.

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<sup>14</sup> ABAG. Projections 2017.

<sup>15</sup> A Bay Area Census data are derived from US Census data specific to the Bay Area and includes mostly population and housing characteristics for Census Designated Places.

<sup>16</sup> ABAG. Projections 2017.

<sup>17</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

**TABLE 23.3**  
**DISCOVERY BAY CSD**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	3,873
Renter-occupied housing units	829
Vacant housing units	701
Total existing housing units	5,403

Source: ABAG Bay Area Census. Available at:  
<http://www.bayareacensus.ca.gov/cdp/cdp.htm>

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>18</sup> The Discovery Bay CSD was not assigned a RHNA; therefore, Contra Costa County data is provided.

Contra Costa County adopted its General Plan in 2000 and its Housing Element in 2015. The County's 2015–2023 Housing Element identifies adequate sites, anticipated to yield over 3,590 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA of 1,367 housing units. The East County Subregion of the County, which includes the Discovery Bay CSD, accounts for 2,011 of the housing unit potential. The Contra Costa County 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

#### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>19</sup>

The Discovery Bay CSD provides some activities and resource information programs for adults age 50 and older, as described in the CSD's activity guide.

#### **ANTICIPATED GROWTH PATTERNS**

The future development of the Pantages Bay residential waterfront homes project will be in an area surrounded by Discovery Bay and the Newport Pointe residential homes project will be in an area adjoining Discovery Bay. These development projects have been approved by Contra Costa County and the Discovery Bay CSD anticipates these areas will be brought into the Town's SOI and service

<sup>18</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.

<sup>19</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

boundary. The CSD also recognizes the potential for future residential and commercial development surrounding the SOI and Town boundary, which may necessitate future expansion and annexation.

PDA's help form the implementing framework for Plan Bay Area. No PDA's have been identified for the Discovery Bay CSD in Plan Bay Area or the County General Plan.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The Discovery Bay CSD has not identified any Priority Conservation Areas in Plan Bay Area or the County's General Plan.

### **23.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The Discovery Bay CSD's SOI extends beyond its service boundary to the north (Learning Lane area; see Figure 23.1).

The CSD does not request any changes to its SOI at this time. Discovery Bay CSD reports that it has one out of boundary service agreement for sewer services only and one out of boundary service agreement for water and sewer services.

#### ***DISADVANTAGED COMMUNITIES***

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

There are no disadvantaged communities within or contiguous to the SOI for the Discovery Bay CSD and therefore, no disadvantaged communities are relevant to this analysis.

### **23.4.3 CSD SERVICES MSR DETERMINATIONS**

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency’s ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term “infrastructure needs and deficiencies” refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The Discovery Bay CSD reports that it adequately serves all areas within its service area boundary and SOI and anticipates it will continue to do so in the foreseeable future.

There are no disadvantaged communities within or contiguous to the CSD’s SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

When accounting for the projected growth and population increases over the next five years, as well as the available information related to its provision of services, obstacles to maintaining existing service levels or meeting infrastructure needs are not anticipated for the CSD.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A CIP sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The CSD’s CIP provides a five-year outlook and is anticipated to be sufficient to maintain and expand facilities and infrastructure consistent with projected needs in conjunction with the wastewater master plan currently in process.

As noted above in Section 23.3.7, the net value of Governmental Fund depreciable capital assets declined over FY 2016 and FY 2017, indicating that capital investments generally were not keeping pace with asset depreciation (see Attachment C).

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The CSD is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the County’s General Plan.

The County’s 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

## **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

Of the services reviewed in this MSR, the CSD is authorized to provide park and recreation services, landscaping, and lighting. Other services within the CSD are provided via contract with Contra Costa County, public vendors, or private vendors.

The CSD does not share facilities or services. They do lease an old fire house station from East Contra Costa Fire Protection District for landscaping services (i.e., crew and equipment). No areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities.

### **AVAILABILITY OF EXCESS CAPACITY**

No excess service or facility capacity was identified as part of this review.

## **23.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

### **FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

Overall, the Discovery Bay CSD appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The Discovery Bay CSD has been operating with a surplus in their General Fund until the deficit in FY 2017.

The CSD's reserve goal is unknown, and therefore it is unknown whether they meet their goal; however, the projected FY 2019 reserve balances are 39% of total operations and debt service.

#### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The CSD reported a liquidity ratio of 11.1, which indicates the CSD has the means available to cover its existing obligations in the short run.

Total debt has been increasing and was approximately \$1,514 per capita for FY 2017.

The CSD does not provide a pension or other post-employment retirement benefits and has no related liabilities.

#### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The CSD did not issue its financial statements in a timely manner (within 6 months of fiscal year end); , however, this is due to the time required by the County, which serves as the CSD's treasurer, to provide financial reports – the District then prepares its Financial Reports within 30 days. The CSD has always submitted financial transactions data to the State Controller by January 31 as required.

Overall, the financial reports are clearly presented. The financial statements were audited by an independent CPA and received a clean opinion.

### **23.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### **ONLINE AVAILABILITY OF CSD GOVERNANCE INFORMATION**

The Discovery Bay CSD website provides public access to the agendas and minutes for the CSD Board and its various committees; the CSD's budgets; and the CSD's annual audit. The CSD therefore adequately provides accountability with regard to governance and municipal operations.

#### **ONLINE AVAILABILITY OF CSD PLANNING INFORMATION**

The Discovery Bay CSD website provides public access to various plans, studies, and projects. The CSD therefore adequately provides accountability with regard to planning within and for the district.



## ***PUBLIC INVOLVEMENT***

The Discovery Bay CSD website provides public access to public hearing notices, including the time and place at which CSD residents may provide input, as well as other opportunities for public involvement in the CSD decision-making process. The CSD sponsors open houses and town halls and distributes newsletters to its residents. The CSD therefore adequately provides accountability with regard to citizen participation.

## **23.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

### **23.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the Discovery Bay CSD extends beyond its service boundary to the north (Learning Lane area, as shown in Figure 23.1). The Discovery Bay CSD is surrounded by the City of Brentwood to the west, and County lands to the north, south, and east.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the Discovery Bay CSD.

### **23.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE DISCOVERY BAY CSD**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this Discovery Bay CSD MSR profile.

#### ***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

Contra Costa County, of which the Discovery Bay CSD is a part, plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with agricultural and open space uses, as demonstrated in the General Plan.

#### ***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

Specific to the services provided by the Discovery Bay CSD, there are no anticipated changes in the type of public services and facilities required within the SOI. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

#### ***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

Specific to the services provided by the Discovery Bay CSD, the present capacity of public facilities appears adequate. The Discovery Bay CSD anticipates it will continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the Discovery Bay CSD.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

The Discovery Bay CSD does not provide structural fire protection facilities and services within its SOI; it does provide sewer and water facilities and services. There are no disadvantaged communities within or contiguous to the SOI for the Discovery Bay CSD and therefore no present or probable need for these facilities and services for disadvantaged communities.

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# CHAPTER 24

## KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

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### 24.1 AGENCY OVERVIEW

The Kensington Police Protection and Community Services District (CSD), formed in 1946 and reorganized in 1953, covers an area of approximately 0.9 square mile. With an estimated combined population of 5,602, the CSD has a population density of approximately 5,913 persons per square mile.<sup>1</sup>

The Kensington CSD lies in western Contra Costa County and is bounded by the City of El Cerrito to the northwest, City of Richmond to the north, the Alameda County cities of Berkeley and Albany to the south, and unincorporated lands to the east. The Sphere of Influence (SOI) for the Kensington CSD is coterminous with the service area boundary, as shown in **Figure 24.1**.

Land uses in the CSD are almost entirely residential, with some open space and commercial uses. There are no agricultural land uses in the Kensington CSD.

#### 24.1.1 FORM OF GOVERNMENT

The publicly elected CSD Board of Directors consists of five members; members serve staggered four-year terms. The CSD district has several committees including finance, park planning and recreation, and solid waste. These committees are composed of board members and members of the public. The CSD reports that, in the current draft revision of the Policies and Procedures manual, the Board is proposing to retain only the Finance Committee.

#### 24.1.2 AGENCY STAFFING

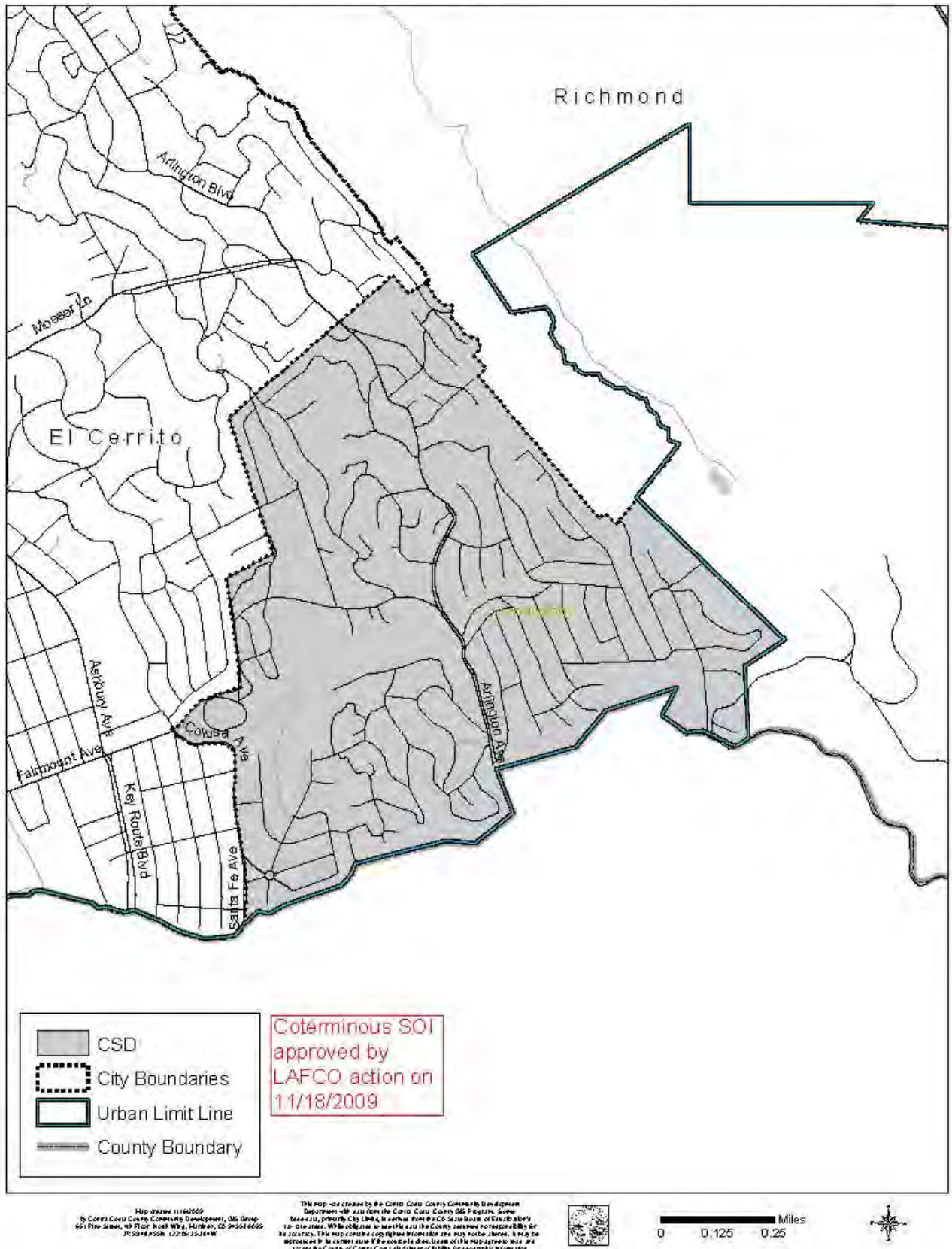
Total CSD staffing for fiscal year (FY) 2017 was 12 employees and included 9 full-time officers, 1 part-time General Manager, 1 part-time District Administrator, and 1 part-time Police Services Aide.

#### 24.1.3 JOINT POWERS AUTHORITIES

The Kensington CSD is a member of one joint powers authority, the East Bay Regional Communications System.

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<sup>1</sup> American Community Survey, 2016 estimate. Available at: <https://censusreporter.org>



**Figure 24.1. Kennington Police Protection and Community Services District Boundary and Sphere of Influence**  
 May 2019

#### 24.1.4 AWARDS AND RECOGNITION

The Kensington CSD reports that it did not receive any awards in 2017.

### 24.2 MUNICIPAL SERVICES OVERVIEW

The Kensington CSD provides police protection, waste management, and parks and recreation services within its service area. As shown in **Table 24.1**, other municipal services for the Kensington community are provided by other service providers. Municipal services considered in this update are discussed individually below. Fire and emergency medical, water, and wastewater services have been reviewed as part of recent MSRs. For comparative purposes, FY 2015 and FY 2017 information is also included where available.

**TABLE 24.1**  
**KENSINGTON CSD**  
**MUNICIPAL SERVICES AND SERVICE PROVIDERS**

SERVICE	SERVICE PROVIDER
Animal Control	Contra Costa County
Broadband	AT&T, Comcast, Sonic
Building / Planning	Contra Costa County
Law Enforcement	Kensington CSD
Library	Contra Costa County
Lighting	Contra Costa County
Parks and Recreation	Kensington CSD
Solid Waste	Bay Refuse and Recycling, Kensington CSD
Stormwater	Contra Costa County
Streets	Contra Costa County
Utilities:	
Electricity	Pacific Gas & Electric
Gas	Pacific Gas & Electric
Community Choice	Marin Clean Energy

*Source: Kensington CSD*

Opportunities or challenges related to the provision of services for the Kensington CSD were not reported or were unavailable at the time of this MSR update.

#### 24.2.1 ANIMAL CONTROL

Contra Costa County Animal Services (CCAS) is the animal control service provider for the Kensington CSD and most all of Contra Costa County. Animal licensing services are provided via

CCAS contract with PetData. CCAS operates two shelter locations—the main location is in Martinez and a smaller facility is in Pinole. Expenditures for animal services were not reported or were unavailable at the time of this MSR update.

CCAS monthly year-over-year performance reports compare operational performance in various areas against performance from the prior year.<sup>2</sup> The August 2018 report indicates a total live intake of 4,783 animals from January through August, down from 8,002 for the same period in 2015. The number of animals adopted from January through August was 1,810, down from a high of 2,283 for the same period in 2017 and 2,017 adoptions in 2015. The overall live release rate was reported as 87.8% in 2017, up from 78.08% in 2015.

### **24.2.2 BROADBAND**

The Kensington CSD does not provide public broadband service. XFINITY from Comcast, AT&T Internet, and Sonic are the main internet providers for the CSD.<sup>3</sup> These providers use a variety of wired technologies including cable and DSL. The Kensington CSD did not indicate concerns about the availability or reliability of high-speed internet services. The California Public Utilities Commission (CPUC) currently considers 6 megabits per second (Mbps) download and 1.5 Mbps upload speeds to be the standard for adequate residential broadband service.

The East Bay Broadband Consortium conducted a study to gather information about broadband availability, infrastructure, and adoption in Alameda, Contra Costa, and Solano counties, using data submitted by Internet service providers to the CPUC, and developed a comparative report card for 2013. Contra Costa County received a grade of C+, which indicates that internet service providers did not meet the CPUC's minimum 6 Mbps download and 1.5 Mbps upload standard, with one provider advertising maximum download/upload speeds of at least 10/6 Mbps.<sup>4</sup>

The Kensington CSD did not indicate concerns about the ability of broadband providers to serve the CSD's existing or growing population.

### **24.2.3 BUILDING/PLANNING**

The Contra Costa County Department of Conservation and Development provides building and planning services for the County, including the Kensington CSD. Department expenditures for FY 2017 were not reported or were unavailable at the time of this MSR update.

The County issued 398 residential and 4 commercial building permits for the Kensington CSD in 2017. Total building permit valuation in FY 2017 is estimated at approximately \$11.4 million.

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<sup>2</sup> Accessed via: <http://www.co.contra-costa.ca.us/6820/Monthly-Year-Over-Year-Performance-Report>

<sup>3</sup> Reese, Nick. Internet Access in California: Stats & Figures *Broadband Now*. Last modified November 30, 2017. Accessed May 24, 2018. <https://broadbandnow.com/California>.

<sup>4</sup> East Bay Broadband Consortium, East Bay Broadband Report Card. [www.bit.ly/broadbandreportcard](http://www.bit.ly/broadbandreportcard).



#### 24.2.4 LAW ENFORCEMENT

The Kensington CSD provides law enforcement and dispatch services and has a dispatch agreement with the City of Albany. FY 2017 expenditures were approximately \$2.4 million. The CSD is currently investigating the potential benefits of contracting with another agency for police services.

The Kensington CSD has 1.6 FTE sworn personnel per 1,000 population for FY 2017. The national average in 2012 was 2.39 FTE sworn personnel per 1,000 population.<sup>5</sup> There were 462.29 crimes per sworn FTE in 2017. The property crime clearance rate (a measure of crimes solved) was 4.9% and the violent crime clearance rate for 2017 was 5%.<sup>6</sup>

#### 24.2.5 LIBRARY

Contra Costa County provides library services for the Kensington CSD at its Kensington Branch Library location. County library expenditures were \$25.36 per capita for FY 2017, up slightly from \$24.48 per capita in FY 2013.

The County's average circulation per capita was 5.99 in FY 2017, down from 7.79 in FY 2013. Contra Costa County libraries had 3.15 visits per capita in FY 2017, reflecting a downward trend from 4.20 in FY 2013. The Contra Costa County library system had 0.1775 FTE staff per 1,000 population in FY 2017.

The State of California Library provides a compilation of statistical data from public libraries throughout the state.<sup>7</sup> Select state statistical data are provided in this MSR Update for comparative purposes. The state averaged 5.56 library visits per capita in FY 2017, which represents a slight downward trend from 6.13 in FY 2013. Average circulation was 7.25 per capita, also reflecting a downward trend from 8.30 in FY 2013. California public libraries spent an average of \$51.21 per capita in FY 2017, representing an increase of nearly \$5 per capita since FY 2013 when operating expenditures were \$46.54 per capita. The state average for FTE staff per 1,000 population was 0.4557 in FY 2017. The state average expenditures and staffing per capita are nearly double the County's.

#### 24.2.6 LIGHTING

Lighting (street and traffic) is provided and maintained by the Contra Costa County Public Works Department.

<sup>5</sup> National Sources of Law Enforcement Employment Data. April 2016. <http://www.bjs.gov/content/pub/pdf/nsleed.pdf>

<sup>6</sup> Common indicators used as metrics for evaluating law enforcement service provision have limitations. The information is presented as a reference and can be used for comparative purposes with the caveat that different jurisdictions can have different characteristics (e.g., a dense urban area and a suburban residential city), rendering the comparison less meaningful.

<sup>7</sup> California State Library, Library Statistics. <http://www.library.ca.gov/services/to-libraries/statistics/>

### **24.2.7 PARKS AND RECREATION**

The Kensington CSD is the service provider for parks and recreation facilities, and the Kensington Community Council is the service provider for recreation programs. FY 2017 expenditures for parks were \$126,930.

The Kensington Community Council provides educational and recreational programs for the community such as the Kensington After School Enrichment Program, Summer Day Camp, and adult physical fitness classes.

The CSD provides and maintains 1 park acre per 1,000 residents and 0.25 mile of recreation trails. Kensington CSD has one community center.

The Quimby Act allows California cities and counties to require from 3 to 5 acres of land for every 1,000 new residents. The Act also authorizes jurisdictions to require the dedication of land or to impose fees for park or recreational purposes as a condition of the approval of a tentative or parcel subdivision map. The County's General Plan identifies the neighborhood park standard as 2.5 acres per 1,000 population and the community park standard as 1.5 acres per 1,000 population, with the goal of achieving a level of park and recreational facilities at 4 acres per 1,000 population.

### **24.2.8 SOLID WASTE**

Solid waste services are provided to the Kensington CSD via franchise agreement with Bay View Refuse and Recycling. The Kensington CSD FY 2017 expenditures for solid waste services were \$4,251.

The solid waste disposal rates for FY 2017 were unavailable at the time of this MSR update.

Under Assembly Bill 939, the annual goal for solid waste disposal is 6.3 pounds/person/day, and the per capita diversion rate is 50% for all California local jurisdictions. Assembly Bill 341 identified a statewide recycling goal of 75% or 2.7 pounds/person/day by 2020.

### **24.2.9 STORMWATER/DRAINAGE**

The Contra Costa County Public Works Department maintains the Kensington CSD stormwater drainage system.

### **24.2.10 STREETS/ROADS**

The Contra Costa County Public Works Department maintains public roads in the Kensington CSD.

MTC tracks street pavement conditions throughout the Bay Area as a measure of how well local streets are being maintained. Many factors affect a city's pavement condition index, or PCI score. These include pavement age, climate and precipitation, traffic loads and available maintenance funding.

The PCI for streets in Contra Costa County was 70 (good) in 2017, up from 69 in 2015, but remains below the target PCI of 75 (good) MTC has established.<sup>8</sup> Pavement in the good (70-79) range requires mostly preventive maintenance and shows only low levels of distress.

### 24.2.11 UTILITIES

Pacific Gas & Electric provides electricity and gas service to the Kensington CSD. The Kensington CSD did not indicate concerns about the ability of utility service providers to serve its existing or growing population.

## 24.3 FINANCIAL OVERVIEW

This section provides an overview of the Kensington CSD's financial health and assesses the CSD's financial ability to provide services. Key financial information for municipal operations derives from audited 2015 through 2017 Comprehensive Annual Financial Reports (CAFRs), current budget documents, and CSD staff review and input. The MSR Fiscal Profiles used for this section are provided in **Attachment C**.

### 24.3.1 GENERAL FUND BALANCES AND RESERVES

Municipal services are funded via the General Fund, which is the primary operating fund for the CSD.

According to the CSD's FY 2018-19 budget, the total revenues of \$3.3 million slightly exceed \$3.2 million of total expenditures.<sup>9</sup> The FY 2019 projected ending cash balance of \$2.5 million represents about 78% of expenditures. **Table 24.2** summarizes prior year changes in General Fund expenditures and revenues from FY 2015 to FY 2017, and liquidity ratios in each year.

**TABLE 24.2**  
**KENSINGTON CSD**  
**SUMMARY OF GENERAL FUND AND LIQUIDITY, 2015 – 2017**

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND REVENUES			
Property Tax	\$1,483,000	\$1,562,000	\$1,673,000
Other Revenues (including Transfers)	\$1,533,000	\$1,593,000	\$1,815,000
<i>Total General Fund Revenues</i>	<i>\$3,016,000</i>	<i>\$3,155,000</i>	<i>\$3,488,000</i>
<i>Change from Prior Year</i>	<i>n/a</i>	<i>4.6%</i>	<i>10.6%</i>

<sup>8</sup> MTC Vital Signs: <http://www.vitalsigns.mtc.ca.gov/street-pavement-condition>

<sup>9</sup> Kensington Police Protection and Community Services District, Adopted Budget Fiscal Year 2018-19, pg. 6.

ITEM	FISCAL YEAR 2014- 2015	FISCAL YEAR 2015- 2016	FISCAL YEAR 2016- 2017
GENERAL FUND EXPENDITURES			
General Government and Administration	\$420,000	\$442,000	\$434,000
Public Safety	\$2,317,000	\$2,295,000	\$2,413,000
Other (includes Transfers Out)	\$147,000	\$171,000	\$202,000
<i>Total Expenditures</i>	\$2,884,000	\$2,908,000	\$3,049,000
<i>Change from Prior Year</i>	<i>n/a</i>	0.8%	4.8%
<i>Expenditures per capita</i>	\$544	\$549	\$575
LIQUIDITY RATIO <sup>1</sup>			
Governmental Activities	9.0	6.6	9.3
Business-type Activities	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>

Source: Attachment C

<sup>1</sup> Calculated by combining cash and short-term investments, then dividing by current liabilities. The liquidity ratio indicates the necessary cash the agency has to fund its current liabilities; the higher the number, the greater the degree of liquidity.

### 24.3.2 LIQUIDITY AND LONG-TERM DEBT

Standard and Poor's suggests that high debt levels can overburden a municipality while low debt levels may indicate underutilized capital investment capacity.

The CSD's governmental activities current obligations are nominal; therefore, its cash and investments provide significant liquidity by comparison. The FY 2017 enterprise activity liquidity ratio was 9.3, indicating adequate cash and investments (see Attachment C).<sup>10</sup>

Governmental activities include administration, police protection, parks and recreation (including a community center), and solid waste.<sup>11</sup> In addition to property tax, revenues include voter-approved special taxes (special police tax and Measure G Supplemental Tax for general purposes). A landscape and lighting assessment helps to fund parks and recreation facilities. Franchise fee revenues are paid to the CSD by the waste disposal company contracted by the CSD.

The CSD's total outstanding debt has been declining over time. Total outstanding debt was approximately \$111 per capita in FY 2017, indicating slight reductions compared to the \$160 per capita reported for FY 2015. Governmental activities' outstanding debt represents about 17% of total General Fund Revenues (see Attachment C).

<sup>10</sup> Liquidity ratio is defined as cash and short-term investments/total current liabilities. A ratio of less than 1.0 indicates insufficient short-term resources to cover short-term liabilities.

<sup>11</sup> Kensington Police Protection and Community Services District, Adopted Budget Fiscal Year 2018-19, pg. 30.

### **24.3.3 NET POSITION**

Net position may serve over time as a useful indicator of a government's financial position (i.e., whether it is improving or deteriorating).

The CSD's positive net position for governmental activities improved from \$2.6 million in FY 2015 to \$3.7 million FY 2017; the negative unrestricted portion improved from \$1.3 million in FY 2015 to \$300,000 in FY 2017 (see Attachment C).

### **24.3.4 LOCAL REVENUE MEASURES**

A CSD is not authorized to adopt voter-approved local tax measures or other voter-approved General Fund revenue sources, other than rates and charges for services, and assessment, e.g., for landscape and lighting maintenance.

### **24.3.5 ENTERPRISE ACTIVITIES**

The CSD has no enterprise funds.

### **24.3.6 PENSION AND OTHER POST-EMPLOYMENT BENEFIT LIABILITIES**

Pension plans are funded by employee contributions, municipal contributions, and investment income. These sources are intended to provide enough revenue to fully fund the plan liabilities, otherwise a plan would be considered underfunded. When a city's General Fund revenue is insufficient to cover pension expenses, the city may pass that expense on to taxpayers.

Increasing California Public Employees Retirement System costs "are anticipated to have severe negative impacts on future budgets."<sup>12</sup> The CSD reports a net unfunded pension liability in FY 17 of \$3.5 million and unfunded other post-employment benefit (OPEB) liability of \$3 million (see Attachment C). These liabilities grew by comparison to an FY 2015 pension liability of \$2.6 million and OPEB liability of \$2.6 million. In FY 2019, the District contributed about \$247,000 towards an OPEB trust to help fund future OPEB obligations.

### **24.3.7 CAPITAL ASSETS AND DEPRECIATION**

The net value of Governmental Fund depreciable capital assets declined from FY 2015 through FY 2017, indicating that capital investments generally were not keeping pace with asset depreciation (see Attachment C). The FY 2019 budget indicates that its Community Center project is scheduled for construction during FY 2019, which will increase the value of net depreciable assets.

### **24.3.8 FINANCIAL PLANNING AND REPORTING**

The timeliness of financial reporting is a common concern expressed to the GASB by the users of state and local government financial reports. According to the GASB, financial report information

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<sup>12</sup> *ibid*, pg. 3.

retains some of its usefulness to municipal bond analysts, legislative fiscal staff, and researchers at taxpayer associations and citizen groups for up to 6 months after fiscal year end.

The CSD prepares budgets in a timely manner. Its CAFR was not completed within 6 months of the end of the prior fiscal year reviewed in the CAFR, which is not considered timely.<sup>13</sup>

## 24.4 SERVICE REVIEW DETERMINATIONS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Contra Costa Local Agency Formation Commission (LAFCO) to prepare a written statement of determination with respect to the key areas discussed below. The following analysis informs the determinations which have been prepared for the Kensington CSD.

### 24.4.1 GROWTH AND POPULATION PROJECTIONS

*The efficient provision of public services is linked to an agency's ability to plan for future needs. Such factors as projected growth in and around the agency's service areas and impact of land use plans and growth patterns on service demands may be reviewed. In making a determination on growth and population projections, LAFCO may consider an agency's ability to plan for future need.*

According to the 2016 American Community Survey data, the Kensington CSD serves 5,602 residents.

### **PROJECTED GROWTH AND DEMOGRAPHIC CHANGES**

As required by California law, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) prepared a Sustainable Communities Strategy that considers how the San Francisco Bay Area will accommodate projected growth while also reducing regional generation of greenhouse gases pursuant to state greenhouse gas reduction goals. Plan Bay Area, is the Sustainable Communities Strategy for the region. Plan Bay Area seeks to accommodate the majority of growth in Priority Development Areas (PDAs; e.g., infill areas), which is consistent with the overall goals of LAFCOs, and includes 30-year growth projections for population, housing, and jobs.

ABAG projects that unincorporated Contra Costa County will grow at an annual rate of approximately 0.7% to a population of 199,105 between 2010 and 2040<sup>14</sup> Unincorporated Contra Costa County is also projected to experience an approximate 0.5% annual growth rate in jobs between 2010 and 2040.

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<sup>13</sup> The FY 2017 CPA letter is dated April 1, 2018 for the prior fiscal year ending June 30, 2017.

<sup>14</sup> ABAG. Projections 2017.

## JOBS AND HOUSING

The Bay Area Census does not provide jobs and employment data for the Kensington CSD.<sup>15</sup> The ABAG Projections data<sup>16</sup> for 2010 provides jobs and employment estimates for unincorporated Contra Costa County only. For 2010, ABAG estimated 35,790 jobs and 76,035 employed residents in unincorporated areas of the County, which equates to approximately 0.47 job for every employed resident. The jobs/housing ratio is 0.62.

Bay Area Census data<sup>17</sup> estimates for 2010 indicate that the Kensington CSD has 2,305 housing units (**Table 24.3**). The number of owner-occupied units in the CSD is greater than the number of renter-occupied housing units, indicating that the rate of homeownership exceeds the rental household rate.

**TABLE 24.3**  
**KENSINGTON CSD**  
**HOUSING OVERVIEW**

HOUSING STATISTIC	NUMBER
Owner-occupied housing units	1,823
Renter-occupied housing units	376
Vacant housing units	106
Total existing housing units	2,385

Source: ABAG Bay Area Census. Available at:  
<http://www.bayareacensus.ca.gov/cdp/cdp.htm>

California cities and counties are required to demonstrate in their Housing Element how they will meet their Regional Housing Need Allocation (RHNA) as assigned in the Regional Housing Need Plan.<sup>18</sup> The Kensington CSD was not assigned a RHNA; therefore, Contra Costa County data is provided.

Contra Costa County adopted its General Plan in 2000 and its Housing Element in 2015. The County's 2015–2023 Housing Element identifies adequate sites, anticipated to yield over 3,590 units, which are appropriately zoned to address the affordable housing demand and anticipated to meet and exceed its 2014–2022 assigned RHNA of 1,367 housing units. The West County Subregion of the County, which includes the Kensington CSD, accounts for 489 of the housing unit potential. The Contra Costa County 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State Housing Element law by adequately planning to meet the existing and projected housing needs of all economic segments of the community.

<sup>15</sup> A Bay Area Census data are derived from US Census data specific to the Bay Area and includes mostly population and housing characteristics for Census Designated Places.

<sup>16</sup> ABAG. Projections 2017.

<sup>17</sup> ABAG. Bay Area Census data are derived from US Census data specific to the Bay Area.

<sup>18</sup> ABAG. *Regional Housing Need Plan, San Francisco Bay Area, 2014-2022*.



### **PLANNING FOR AN AGING POPULATION**

The number of adults age 50 and older in Contra Costa County is projected to increase approximately 45% by 2040, growing from 339,438 in 2010 to 493,300, representing 36.9% of the total population in Contra Costa County, up from 32.3% in 2010.<sup>19</sup>

The Kensington CSD does not provide programs for adults age 50 and older.

### **ANTICIPATED GROWTH PATTERNS**

PDA's help form the implementing framework for Plan Bay Area. No PDA's have been identified for the Kensington CSD in Plan Bay Area or the County General Plan.

Priority Conservation Areas, which are areas of regionally significant open space facing development pressure, also help form the implementing framework for Plan Bay Area. The Kensington CSD has not identified any Priority Conservation Areas in Plan Bay Area or the County's General Plan.

The Kensington CSD did not report that current or projected growth patterns will expand beyond its existing service area boundary and SOI.

### **24.4.2 BOUNDARIES, ISLANDS, AND DISADVANTAGED COMMUNITIES**

The Kensington CSD's service boundary and SOI are coterminous (see Figure 24.1).

The CSD did not report whether it requests any changes to its SOI or whether it provides services to any areas outside its service area boundary or SOI.

### **DISADVANTAGED COMMUNITIES**

Identifying disadvantaged communities allows cities and counties to address infrastructure deficiencies related to municipal services—specifically, water, sewer, and structural fire protection—that are known to exist in some disadvantaged communities. Although water, sewer, and structural fire protection are not services considered in this MSR Update, an effort was made to identify any disadvantaged communities within or adjacent to cities in Contra Costa County.

There are no disadvantaged communities within or contiguous to the SOI for the Kensington CSD and therefore, no disadvantaged communities are relevant to this analysis.

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<sup>19</sup> ABAG. Projections 2013. <https://abag.ca.gov/planning/housing/projections13.html>.

### 24.4.3 CSD SERVICES MSR DETERMINATIONS

#### ***PRESENT AND PLANNED CAPACITY OF FACILITIES, ADEQUACY OF PUBLIC SERVICE, INFRASTRUCTURE NEEDS OR DEFICIENCIES***

*The present and planned capacity of public facilities and services is linked to an agency's ability to plan for future needs, including infrastructure (e.g., water, sewer, fire, broadband, etc.). The term "infrastructure needs and deficiencies" refers to the status of existing and planned infrastructure and its relationship to the quality of levels of service that can or need to be provided. In making a determination on infrastructure needs or deficiencies, LAFCO may consider ways in which the agency has the ability and capacity to provide service. LAFCO shall consider service and infrastructure needs related to sewer, water, and fire protection within a disadvantaged community as defined by LAFCO.*

The Kensington CSD appears to adequately serve all areas within its service area and SOI and is likely to continue to do so in the foreseeable future based on available information.

There are no disadvantaged communities within or contiguous to the CSD's SOI.

#### **CAPACITY AND CONDITION OF INFRASTRUCTURE AND ABILITY TO MEET SERVICE-LEVEL NEEDS**

When accounting for the projected growth and population increases over the next five years, as well as the available information related to its provision of services, obstacles to maintaining existing service levels or meeting infrastructure needs are not anticipated for the CSD. The CSD notes that its population and demand for services have remained relatively stable as the Kensington area is built-out.

#### **CONSISTENCY WITH CAPITAL IMPROVEMENT PLANS**

A Capital Improvement Program (CIP) sets priorities for building infrastructure such as parks, sewer/storm drain improvements, pedestrian/bicycle network, traffic/street improvements, affordable housing, and community facilities.

The CSD has developed a master plan for public facilities and for Kensington Park. Plans to renovate the Community Center have been presented to the public. The CSD did not report on the sufficiency of its CIP to maintain and expand facilities and infrastructure consistent with projected needs.

The net value of Governmental Fund depreciable capital assets declined from FY 2015 through FY 2017, indicating that capital investments generally were not keeping pace with asset depreciation.

#### **CONSISTENCY WITH LOCAL AND REGIONAL LAND USE PLANS AND POLICIES**

The CSD is planning for continued growth, which is expected to be accommodated by way of regional plans such as Plan Bay Area and local plans such as the County's General Plan.

The County's 2015–2023 Housing Element has been found by the California Housing and Community Development Department to comply with State housing element law by adequately

planning to meet the existing and projected housing needs of all economic segments of the community.

### **STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

*If service providers develop strategies for sharing resources, public service costs may be reduced and service efficiencies increased. In making a determination on opportunities for shared facilities, LAFCO may consider if an agency's facilities are currently being utilized to capacity and whether efficiencies can be achieved by accommodating the facility needs of adjacent agencies.*

The sharing of municipal services and facilities involves centralizing functions and facilities. Municipalities will collaborate through joint-use and shared services agreements for the joint provision of public services and joint use of public facilities as a way to save resources.

### **CURRENT SHARED SERVICES**

The CSD provides law enforcement, parks and recreation, and solid waste services. All other services for the CSD—including those related to animal control, broadband, building/planning, library, lighting, stormwater, streets, and utilities—are provided through Contra Costa County, public vendors, or private vendors. The CSD also has a dispatch agreement with the City of Albany in Alameda County.

The CSD does not share facilities or services. Based on available information, no areas of overlapping responsibilities or opportunities to share services or facilities were identified as a part of this review.

### **DUPLICATION OF EXISTING OR PLANNED FACILITIES**

This review did not identify any duplication of existing or planned facilities based on the information available.

### **AVAILABILITY OF EXCESS CAPACITY**

Based on available information, no excess service or facility capacity was identified as part of this review. The CSD is currently investigating whether contracting with another agency for police services may be beneficial.

#### **24.4.4 FINANCIAL DETERMINATIONS**

*LAFCOs must weigh a community's public service needs against the resources available to fund the services. In making a determination on the financial ability of an agency to provide services, LAFCO may review such factors as an agency's potential for shared financing and/or joint funding applications, cost avoidance opportunities, rate structures, and other fiscal constraints and opportunities.*

##### ***FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES***

Overall, the Kensington CSD appears to have sufficient financial resources to continue providing services and to accommodate infrastructure expansion, improvements, or replacement over the next five years.

##### **OPERATING GENERAL FUND AND RESERVES TRENDS**

The Kensington CSD has been operating with a surplus in their General Fund.

The CSD's reserve goal is unknown, and therefore it is unknown whether they meet their goal. The FY 2019 projected ending cash balance of \$2.5 million represents about 78% of expenditures.

##### **LIQUIDITY, DEBT, AND PENSION LIABILITIES**

The liquidity ratio indicates whether a city has the means available to cover its existing obligations in the short run. The CSD reported a liquidity ratio of 9.3, which indicates the CSD has the means available to cover its existing obligations in the short run.

Total debt was approximately \$111 per capita for FY 2017 and has been declining.

The CSD's unfunded pension and OPEB liabilities continue to grow; however, the CSD has not identified measures to address the increasing pension liabilities. The District does contribute to an OPEB trust to fund future obligations. As with other agencies in Contra Costa County, rising pension costs are expected to continue to reduce funding for other priorities.

##### **TIMELINESS AND ACCURACY OF FINANCIAL REPORTING**

The CSD did not issue its CAFR in a timely manner (within 6 months of fiscal year end). The CAFR was audited by an independent CPA and received a clean opinion.

#### **24.4.5 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES**

*The service review may include options to provide more logical service boundaries to the benefit of customers and regional planning goals and objectives. In making a determination on government structure, LAFCO may consider possible consolidations, mergers and/or reorganizations. The service review may also consider the agency's management efficiencies in terms of operations and practices in relation to the agency's ability to meet current and future service demands.*

#### ***ONLINE AVAILABILITY OF CSD GOVERNANCE INFORMATION***

The Kensington CSD website provides public access to the agendas and minutes for the CSD Board meetings and its various committees and commissions; the CSD's current budget; and the CSD's annual audit report. The CSD therefore adequately provides accountability with regard to governance and municipal operations.

#### ***ONLINE AVAILABILITY OF CSD PLANNING INFORMATION***

The Kensington CSD website provides public access to the CSD's governance, including meetings, reports, and policies. Building and planning services are provided by Contra Costa County, whose website includes information on its general plan as well as various development plans and projects. The CSD therefore adequately provides accountability with regard to planning.

#### ***PUBLIC INVOLVEMENT***

The Kensington CSD website provides public access to public hearing notices, including the time and place at which CSD residents may provide input, as well as other opportunities for public involvement in the CSD decision-making process. The CSD therefore adequately provides accountability with regard to citizen participation.

### **24.5 SPHERE OF INFLUENCE REVIEW AND DETERMINATIONS**

#### **24.5.1 SPHERE OF INFLUENCE RECOMMENDATION**

The SOI for the Kensington CSD is coterminous with the service area boundary, as shown in Figure 24.1.

This report recommends that Contra Costa LAFCO maintain and reaffirm the existing SOI for the Kensington CSD.

#### **24.5.2 SPHERE OF INFLUENCE DETERMINATIONS FOR THE KENSINGTON CSD**

Government Code §56425(e) requires Contra Costa LAFCO to prepare a written statement of determination for each of the factors below. These determinations are made as part of the review of the existing SOI and are based on the information in this Kensington CSD MSR profile.

***PRESENT AND PLANNED LAND USES (INCLUDING AGRICULTURAL AND OPEN SPACE LANDS)***

Contra Costa County, of which the Kensington CSD is a part, plans for a variety of urban uses within its boundary, representing a continuation of the current mix of uses. Present and planned land uses are adequate for existing residents as well as future growth, maintaining compatibility with open space uses, as demonstrated in the General Plan.

***PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES***

There are no anticipated changes in the type of public services and facilities required within the SOI for the Kensington CSD. The level of demand for these services and facilities, however, will increase commensurate with anticipated population growth over the next five years.

***PRESENT AND PROBABLE FUTURE CAPACITY OF PUBLIC FACILITIES AND SERVICES***

The present capacity of public facilities in the Kensington CSD appears adequate. The CSD is likely to continue to have adequate capacity during the next five years.

***EXISTENCE OF ANY SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST***

Contra Costa LAFCO has not identified specific social or economic communities of interest relevant to the Kensington CSD.

***PRESENT AND PROBABLE NEED FOR SEWER, MUNICIPAL AND INDUSTRIAL WATER, OR STRUCTURAL FIRE PROTECTION PUBLIC FACILITIES AND SERVICES OF ANY DISADVANTAGED COMMUNITIES WITHIN THE EXISTING SPHERE OF INFLUENCE***

There are no disadvantaged communities within or contiguous to the SOI for the Kensington CSD and therefore no present or probable need for the CSD to provide structural fire protection, sewer, or water facilities and services to any disadvantaged communities.

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# CHAPTER 25

## ACRONYMS, GLOSSARY, AND

### BIBLIOGRAPHY

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#### 25.1 ACRONYMS

ABAG	Association of Bay Area Governments
AOSPP	Agricultural and Open Space Policy
CAFR	comprehensive annual financial report
CalPERS	California Public Employees' Retirement System
CEQA	California Environmental Quality Act
CIP	Capital Improvement Program
CKH Act	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
CPUC	California Public Utilities Commission
EBMUD	East Bay Municipal Utility District
EBRPD	East Bay Regional Park District
FTE	full-time equivalent
FY	fiscal year
GASB	Governmental Accounting Standards Board
GHG	greenhouse gas
JPA	Joint Powers Authority
LAFCO	Local Agency Formation Commission
Mbps	megabits per second
MSR	municipal service review
MTC	Metropolitan Transportation Commission

NPDES	National Pollutant Discharge Elimination System
OPEB	other post-employment benefits
PCA	priority conservation area
PCI	pavement condition index
PDA	priority development area
PG&E	Pacific Gas & Electric
RHNA	regional housing need allocation
SOI	Sphere of Influence

## 25.2 GLOSSARY

**Affordable housing:** An affordable unit is one which a household at the defined income threshold can rent without paying more than 30% of its income on housing and utility costs. A unit is affordable and available if that unit is both affordable and vacant, or is currently occupied by a household at or below the defined income threshold.

**Annexation:** The inclusion, attachment, or addition of territory to a city or district.

**Assigned fund balance:** The amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed.

**Capital Improvement Plan:** A multi-year financial plan containing appropriations for major construction projects and other fixed assets.

**Charter city:** Organizational form of certain California cities. Areas in which a charter city has greater control over its own affairs than a general law city include, for example, the conduct of municipal elections, procedures for initiatives, referendum and recall, procedures for adopting ordinances, bidding by public works contracts, making charitable gifts, organizational structure of city government, and regulations and government of the police force.

**Class 1 bike lane:** Provides a right-of-way completely separated from streets for the exclusive use of bicycles and pedestrians with a limited number of cross streets and driveways. These paths are often called mixed-use paths.

**Class 2 bike lane:** Provides striped lanes for one-way bike travel on a street or highway.

**Deficit:** An excess of expenditures over revenues.

**Direct debt:** The total amount of general obligation debt of a municipality or local government.

**Disadvantaged community:** A disadvantaged community includes Census Tracts, Block Groups, and Places where the median household income is less than 80% of the statewide median household income. According to U.S. Census data, the statewide median household income is \$63,783; 80% of that amount is \$51,026.

**Disposal:** Management of solid waste through landfilling, incineration, or other means at permitted solid waste facilities.

**Diversions:** The total quantity of solid waste, generated within the jurisdiction (State agency or large State facility), that is diverted from permitted solid waste transformation and disposal facilities, through existing source reduction, recycling, and composting programs.

**Diversions rate:** The amount of materials recycled as a percentage of the solid waste stream.

**Expenditure:** The use of fund resources.

**Fiscal year:** The 12-month period of time to which a budget applies.

**Fund:** A group of related accounts used to manage resources assigned for specific activities or objectives.

**General fund:** The main operating fund of the city.

**General law city:** Standard organizational form for California cities. While a general law city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general law, it is subject to constraints imposed by the general law, even those which are applicable to municipal affairs.

**General Plan:** A local government's long-term blueprint for the community's vision of future growth.

**Infrastructure needs and deficiencies:** The term, "infrastructure" is defined as public services and facilities, such as sewage-disposal systems, water-supply systems, other utility systems, and roads (General Plan Guidelines). Any area needing or planned for service must have the infrastructure necessary to support the provision of those services. The term, "infrastructure needs and deficiencies," refer to the status of existing and planned infrastructure and its relationship to the quality and levels of service that can or need to be provided.

**Intergovernmental tax revenue:** Transfers of funds from one level of government to another. This may be to fund general government operations or for specific purposes.

**Joint Powers Authority:** A joint powers agency or joint powers authority is a new, separate government organization created by the member agencies, but is legally independent from them. A JPA is generally formed by any two or more governmental entities (federal, state, or local) to provide a common service. Many are financing tools that let government agencies pool their scarce resources. Some run programs jointly. Councils of government are JPAs.

**Liquidity ratio:** Calculated by combining cash and short-term investments, then dividing by current liabilities. This ratio measures the short-term financial strength or liquidity position of the city. The higher the ratio, the greater the degree of liquidity.

**Long-term:** Within 15 years or longer.

**Metropolitan Transportation Commission:** The transportation planning, financing, and coordinating agency for the nine counties that touch San Francisco Bay.

**Municipal services:** The full range of services that a public agency provides, or is authorized to provide, except general county government functions such as courts, special services and tax collection. Municipal service reviews are triggered by requirements to create or update SOIs for public agencies. Therefore, a LAFCO will review services that are provided by public agencies that have, or are required to have, SOIs with review and consideration of the operations of other providers that service the same region.

**Municipal Service Review:** A study and evaluation of municipal service(s) by specific area, sub-region or region culminating in written determinations regarding nine specific evaluation categories. An MSR study is prepared before a LAFCO revises an SOI for cities and special districts.

**Net position:** The excess of all the City's assets over all its liabilities, regardless of fund.

**Open space:** Any parcel or area of land or water, which is substantially unimproved and devoted to an open-space use.

**Priority Conservation Area:** Open space that provides agricultural, natural resource, scenic, recreational, and/or ecological values and ecosystem functions. A Priority Conservation Area is identified through consensus by local jurisdictions and park/open space districts as land in need of protection due to pressure from urban development or other factors, and is categorized by four designations: Natural Landscapes, Agricultural Lands, Urban Greening and Regional Recreation.

**Priority Development Area:** A place, or infill development opportunity area, identified by Bay Area communities as an area for investment, new homes and job growth. Priority Development Areas are typically within walking distance of frequent transit service, and can accommodate a variety of housing options and amenities.

**Quimby Act:** California law originally proposed by former Assemblyman John P. Quimby (Government Code §66477) authorizing cities and counties to pass ordinances requiring that new development set aside park land (from 3 to 5 acres per 1,000 new population), donate conservation easements, or pay fees in lieu of dedication of park land.

**Recycling:** Under Assembly Bill 341, recycling includes source reduction, composting, and recycling.

**Reserve:** (1) For governmental type funds, an account used to earmark a portion of fund balance, which is legally or contractually restricted for a specific use or not appropriable for expenditure. (2) For proprietary type/enterprise funds, the portion of retained earnings set aside for specific purposes. Unnecessary reserves are those set aside for purposes that are not well defined or adopted or retained earnings that are not reasonably proportional to annual gross revenues.

**Short-term:** One year or less.

**Sphere of Influence:** is a plan that designates an agency's probable future boundary and service area. SOIs are intended to encourage efficient provision of organized community services and prevent duplication of service delivery. Annexation of a territory to a city or district cannot occur unless the territory is within that agency's SOI.

**Unassigned general fund:** Represents residual amounts that have not been restricted, committed, or assigned. The unassigned general fund balance serves as a useful measure of a government's net resources available for discretionary use at the end of the fiscal year.

**Unqualified opinion:** An unqualified opinion is also known as a clean opinion. The auditor reports an unqualified opinion if the financial statements are presumed to be free from material misstatements.

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**ATTACHMENT A**

**AGRICULTURE AND OPEN SPACE POLICIES**

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COMPILATION OF GENERAL PLAN POLICIES RELATED TO THE PRESERVATION OF AGRICULTURAL RESOURCES AND  
OPEN SPACE FOR CITIES IN CONTRACT COSTA COUNTY

CITY OF BRENTWOOD GENERAL PLAN PROVISIONS

Relevant Land Use categories in the General Plan include:

- Public Facility (PF)
- Semi Public Facility (SPF)
- Parks (P)
- Schools (SCH)
- Community College (CC)
- Permanent Open Space (POS)
- Agricultural Conservation (AC)
- Urban Reserve (UR)

General Plan policies related to agriculture and open space are contained in Section 4 of the City's General Plan, Conservation and Open Space (COS) element. The opening paragraph of the COS Element reflects the City's view that conservation and open space are assets of high value that need to be protected but balanced against the City's readiness to accommodate growth:

Natural resources, including open space lands, agricultural lands, waterways, hillsides, scenic views, wildlife habitat, and historical resources form an important part of Brentwood's unique character and represent some of its greatest assets. The Conservation and Open Space Element provides the framework to protect, maintain, and enhance Brentwood's natural resources. The Conservation and Open Space Element balances the overall vision of the General Plan for preserving Brentwood's high living standards, agricultural heritage, and natural resources while simultaneously providing for economic development and balanced growth.

Examples of Goals and Policies set forth in the COS Element are:

- **Goal COS 1:** *Ensure the provision and preservation of diverse and accessible open spaces throughout the Brentwood Planning Area*
  - **Policy COS 1-1:** General Plan land use designations that include agriculture, permanent open space, parks, and similar uses, as well as waterways (i.e., Marsh Creek, Dry Creek, Deer Creek, and Sand Creek), shall be considered open space.
  - **Policy COS 1-2:** Preserve open space for conservation, recreation, and agricultural uses.
  - **Policy COS 1-3:** Conversion of open space, as defined under Policy COS 1-1, to developed residential, commercial, industrial, or other similar types of uses, shall be strongly discouraged. Undeveloped land that is designated for urban uses may be developed if needed to support economic development, and if the proposed development is consistent with the General Plan Land Use Map.

Goals and Policies specific to agricultural lands are:

- **Goal COS 2:** *Preserve designated agricultural lands in Brentwood's Planning Area*
    - **Policy COS 2-1:** Support and encourage the preservation of agricultural lands throughout Brentwood's Planning Area, particularly in areas to the south and east of the city limits.
    - **Policy COS 2-2:** Maintain permanent agricultural lands surrounding the city limits to serve as community separators and continue the agricultural heritage of Brentwood.
    - **Policy COS 2-3:** Encourage and support programs that create or establish permanent agricultural areas in Brentwood's Planning Area.
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- **Policy COS 2-4:** Participate in regional planning efforts with agencies and organizations such as Contra Costa County, land trusts, and other regional partners to establish and maintain permanent agricultural areas to the south and east of Brentwood.
  - **Policy COS 2-5:** Work with the Local Agency Formation Commission (LAFCO) on issues of mutual concern including the conservation of agricultural land through consistent use of LAFCO policies, particularly those related to conversion of agricultural lands and establishment of adequate buffers between agricultural and non-agricultural uses, and the designation of a reasonable and logical Sphere of Influence (SOI) boundary for the City.
  - **Policy COS 2-6:** Minimize conflicts between agricultural and urban land uses.

The City's General Plan also addresses agricultural lands in the Land Use element. Following are representative Goals and Policies from the Land Use element:

- **Goal LU 5:** *Preserve Brentwood's agricultural heritage by protecting and maintaining significant areas of agricultural lands around the city.*
  - **Policy LU 5-1:** Maintain significant areas of permanent agricultural lands and open space surrounding the city limits.
  - **Policy LU 5-2:** Protect agricultural land from urban development except where the General Plan Land Use Map has designated the land for urban uses.

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## CITY OF CLAYTON GENERAL PLAN PROVISIONS

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### Section VI Conservation/Open Space Element

- **Goal:** *To maintain a system of active open space along stream channels and passive open space within hillsides as a means to preserve the rural character of the community.*
  - **Objective 1:** To promote the City's greenbelts as the basis of its open space system.
  - **Objective 2:** To develop neighborhood parks within the greenbelt system adjacent to other community facilities.
  - **Objective 3:** To establish an open space conservation designations to preserve natural resources, to manage resources, to provide for outdoor recreation, to promote health and safety and to ensure orderly growth.

### General Plan Open Space Designations

The City of Clayton seeks to preserve open space and provide recreational opportunities to Clayton residents within the City limits. Four designations have been created to fulfill these goals: Private Open Space, Public Park/Open Space, Quarry and Agriculture.

1. Private Open Space (PR)
2. Public Park/Open Space/Open Space and Recreational (PU)
  - a. Regional Parks
  - b. Greenbelts
  - c. Community Park
  - d. Neighborhood Park
3. Quarry
4. Agriculture (AG)

Many land owners in the Clayton planning area have entered into the Williamson Act contract with Contra Costa County. The contracts are self-perpetuating 10-year agreements that preclude non-

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agricultural development. Use of these County designations will reinforce the Preserve Designation used by the County and promote a conservation context to future development analysis on these sites. Acres to the northeast and east of the City limits include rugged terrain that is primarily used as rangeland for livestock and other similar open uses. The City supports and encourages the continuation of agriculture in these areas. Given the low intensity of agricultural activities, the City encourages large lot zoning of at least 20 to 40 acres to ensure agriculturally viable sized lots.

The purpose of the Agriculture designation is to preserve and protect lands capable of and generally used for the production of food, fiber and plant materials. The title is intended to be descriptive of the predominant land extensive agricultural uses that take place in these areas, but the land use title or description shall not be used to exclude or limit other types of agricultural, open space or non-urban uses.

## CITY OF CONCORD GENERAL PLAN PROVISIONS

The General Plan includes a land use category for Open Space (Parks, Recreation and Open Space) but no category specifically related to agriculture or agricultural preservation. A new category – **CRP (Concord Reuse Project)** is used to designate the former Concord Naval Weapons Station and the designated land uses etc. that the City is intending to adopt for that area. A large part of the CRP area is **Conservation Open Space**, applied to the south and west-facing slopes of the hills that separate Concord from Pittsburg.

There is no agricultural land or land uses in Concord although the vast amount of Open Space land (mostly outside of City limits, in the City's Planning Area - Los Medanos Hills and Mt. Diablo foothills) is available for low intensity grazing. These open space lands account for about 1/3<sup>rd</sup> of the land area in the City's Planning Area.

Specifically:

the **Open Space (OS)** land use designation is intended for large areas that are necessary for natural resource protection, the managed production of natural resources, the provision of natural resources, outdoor recreation (including trails), scenic value, and the assurance of public health and safety. This designation includes private recreation facilities and larger privately-owned areas dedicated as permanent open space within residential subdivisions.

Another land use category - **Rural Conservation (RCON)** is intended to provide for protection of rural hillside areas. Single family residential development of up to 1 unit per 20 developable net acres would be allowed, with clustering encouraged to minimize impacts on views of the area.

The General Plan Parks, Open Space and Conservation (POS) element addresses issues related to open space:

**6.3 OPEN SPACE** Concord's setting—within a valley surrounded by gently sloping foothills and laced with creeks—includes natural resources that are important, not only for aesthetic value, but also for environmental quality, habitat protection, and water resources. In addition, preserving the general configuration of the hills, creeks, and natural topographic features fosters a sense of place for the community, and this affords current and future residents an understanding of the City's natural setting and native topography.

### Classification of Open Space

- Open space for the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life, such as: habitat for fish and wildlife species; areas required for ecologic and other scientific study purposes; rivers, streams, bays and estuaries; coastal beaches, lakeshores, banks of rivers and streams; and watershed lands.

- Open space for outdoor recreation including, but not limited to, areas of outstanding scenic, historic and cultural value; areas particularly suited for park and recreation purposes, such as access to lakeshores, beaches, rivers and streams; and areas that serve as links between major recreation and open space reservations, including utility easements, banks of rivers and streams, trails, and scenic highway corridors.
- Open space for public health and safety including, but not limited to, areas that require special management or regulation due to hazardous or special conditions. This type of open space might include: earthquake fault zones, unstable soil areas, floodplains, watersheds, areas presenting high fire risks, areas required for the protection of water quality and water reservoirs, and areas required for the protection and enhancement of air quality.
- Open space used for the managed production of resources including, but not limited to, forest lands, rangeland, agricultural lands and areas of economic importance for the production of food or fiber; areas required for recharge of ground water basins; bays, estuaries, marshes, rivers and Concord 2030 General Plan 6-12 streams that are important for the management of commercial fisheries; and areas containing major mineral deposits.

#### CITY OF MARTINEZ GENERAL PLAN PROVISIONS

One of the few areas in Martinez where agriculture and open space issues arise is the Alhambra Valley located in the southwestern corner of the City. The Alhambra Valley Specific Plan is part of the City's General Plan and sets forth land use policies and regulations for that area. Excerpts from the City's draft General Plan Update describe the different land use categories that are applied to parts of the AV area:

**Alhambra Valley Estate Residential – Very Low Density (AV/ER-VL):** The primary land use envisioned in this designation is detached single-family homes on lots typically one acre or larger, with the keeping of a limited number of livestock, consistent with a rural or semi-rural lifestyle.

**Alhambra Valley Estate Residential -Low Density (AV/ER-L)** The primary land use envisioned in this designation is detached single-family on lots typically one-half acre or larger.

**Alhambra Valley Agricultural Lands (AV/AL)** This land use designation applies to privately owned rural lands, generally in hilly areas that are used for grazing livestock or dry grain farming. The primary purposes of the Agricultural Lands designation is to:

- a) preserve and protect lands capable of and generally used for the production of food, fiber and plant materials; and
- b) provide opportunities for rural residential single family homes.

**Open Space Preservation (OS/P).**

This designation is for public and private lands preserved as a scenic or environmental resource, either by public or common interest ownership, or through dedication of scenic open space or other easements or through conditions of development approval or previous designation and zoning action. While alteration of such properties for active recreation is typically not envisioned, naturalistic and agricultural plantings, and trails, may be possible if consistent with the intent of preserving the intended scenic resource and as may be permitted by any easements.

**Alhambra Valley Open Space (AV/OS)**

This designation applies to publicly owned open space lands and includes areas of significant ecological resources or geologic hazards that are unique to the Alhambra Valley community.

The Alhambra Valley Open Space designation also includes privately owned properties for which development rights have been deeded to a public or private agency or which have been previously

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designated as open space. Examples are the steep, unbuildable portions of approved subdivisions which may be deeded to agencies such as the East Bay Regional Park District but which have not been developed as park facilities.

### **Agricultural Lands Land Use Designation - Agricultural Lands (AG)**

The Agricultural Lands designation is specific to areas currently used for agricultural production (specifically the Viano Vineyards). While similar to the Open Space categories in that Agricultural Lands have scenic value, structures for agricultural production and residential use are permitted and integral to the desirable preservation of viable agricultural uses.

- **Goal LU-G-7:** *Encourage the preservation of existing agricultural businesses and minimize and resolve conflicts between agricultural and urban uses within and adjacent to the Alhambra Valley semi-rural residential community.*
  - **Policy LU-P-7.1:** Agriculture shall be protected to maintain the semi-rural atmosphere and to retain a balance of land uses in Alhambra Valley.

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### TOWN OF MORAGA GENERAL PLAN PROVISIONS

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The Town's most recent General Plan was adopted June 2002. Provisions relevant to agriculture and open space are excerpted below.

- **Land Use Goal LU 5 Agriculture:** *Promotion and preservation of Moraga's remaining agricultural resources as an important part of the Town's heritage and character.*
  - **Policy LU5.1 Agricultural Uses and Activities:** Allow agricultural and horticultural uses and activities on lands within the Town so long as they are low intensity and compatible with adjacent uses. Examples include small orchards and cattle grazing.

Implementing Programs: **IP-B1 Zoning and Subdivision Ordinances LU5.2 Preservation of Agricultural Resources.** Strive to preserve the Town's remaining agricultural resources, such as pear and walnut orchards.

Section 7 of the General Plan is entitled Open Space and Conservation. Relevant excerpts follow.

- **Goal OS-1 Open Space Preservation:** *Preserve as much open space land as possible, including protection of all major and minor ridgelines and lands that help meet residents' recreational needs.*
  - **Policy OS 1.1 Open Space Preservation:** Preserve open space to the maximum extent possible, using tools such as acquisition, lease, dedication, easements, donations regulation or tax incentive programs.
  - **Policy OS 1.2 Major Ridgelines.**
  - **Policy OS 1.3 Development Densities.** (Maximum allowed is 1 DU per 20 acres)

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### CITY OF OAKLEY GENERAL PLAN PROVISIONS

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Oakley's General Plan includes two categories of agricultural lands:

**AL - Agriculture Limited** (allowing light intensity agricultural operations - vineyards, orchards, row crops animal husbandry)

**AG - Agriculture** - applies to areas historically engaged in more intense ag operations with either active cultivation of crops or some other type of use that is substantially agricultural in nature.

In both cases residential development is allowed at low densities.

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The General Plan reflects how the City values agricultural resources:

[A]griculture is a fundamental component of the community's character. Historically, agriculture has been the primary economic activity in and around Oakley. *At this time, the community is transitioning to a more urban setting and large-scale agriculture is becoming a less prevalent use throughout Oakley.* However, the agricultural heritage of Oakley remains strong and is evident in the numerous remaining orchards and vineyards in town, as well as the strong equestrian interest of Oakley residents. As new development occurs, the City will seek to *protect the varied remaining agricultural activities of Oakley and to maintain the cultural connection to the community's agricultural heritage through design standards, development project reviews, construction of community entry monuments and the design of public facilities serving Oakley residents.*

#### CITY OF PITTSBURG GENERAL PLAN PROVISIONS

Pittsburg's General Plan includes land use categories for Open Space but not for agriculture; the City's zoning ordinance and map includes Open Space (OS) zoning, but no agriculture zoning. The City has numerous goals and policies related to open space [Chapter 8 of the General Plan (Open Space, Youth & Recreation) and Chapter 9 (Natural Resources)].

In Chapter 8, the General Plan describes two types of Open Space: **Regional Preserves** (e.g., Black Diamond Regional Preserve, managed by East Bay Regional Park District) and **Open Space** which applies to "privately owned, undeveloped land . . . typically consisting of steep, unstable hillside areas and large tracts of open land beyond the proposed limits of urban growth."

Section 8.3, Trails and Open Space, includes a brief description of the importance of open space:

Vacant, rolling hills in the southern portion of the Planning Area are used intermittently for livestock grazing. The preservation of local hillsides as open space areas is important for several reasons: marginal agricultural value resulting from grazing activities; undisturbed grasslands habitat; preservation of ridgeline views from developed areas within the City; and quality-of-life value due to open space acreage accessible to local residents.

Relevant Goals and Policies in Section 8 include:

#### GOALS: TRAILS AND OPEN SPACE

- 8-G-3. *Promote a local trail and linear park system to provide access to regional open space areas, as well as connections between neighborhoods.*
- 8-G-4. *Support and promote the active use of regional open space areas, such as Black Diamond Mines Regional Preserve, by local residents.*

#### Policies:

- 8-P-21. Encourage new residential development in hillside areas to develop public trails and/or trailheads providing connections to other regional and local open spaces.
  - 8-P-22. Preserve land under Williamson Act contract in agriculture, consistent with State law, until urban services are available and expansion of development would occur in an orderly and contiguous fashion.
-

Section 9 of the General Plan, **Natural Resources**, begins with a description of Open Space:

The Planning Area contains a significant amount of open space, which is valuable as both a visual resource and as habitat for oak woodlands, wetlands and riparian wildlife. Intermittent streams and uninhabited areas also contribute to air and water quality in the hills and tidelands...

Relevant Goals and Policies include:

**GOALS: *Biological Resources and Habitat***

- 9-G-1. *Protect conservation areas, particularly habitats that support special status species, including species that are State or Federally listed as endangered, threatened, or rare.*
- 9-G-2. *Guide development in such a way that preserves significant ecological resources.*

**POLICIES:**

- 9-P-1. Ensure that development does not substantially affect special status species, as required by State and federal agencies. Conduct assessments of biological resources as required by CEQA prior to approval of development within habitat areas of identified special status species.

Section 9 also addresses concerns related to drainage and erosion, water quality, air quality, and historical and cultural resources.

**CITY OF WALNUT CREEK GENERAL PLAN PROVISIONS**

Walnut Creek has two designations relevant to this issue: Open Space – Agriculture (OS/A) and Open Space – Recreation (OS/R).

**OS/A:** The City’s General Plan describes OS/A as: “Open Space/Agriculture, OS/A, 0.1 du/ac.” The designation is applied to areas currently undeveloped or used for grazing, equestrian, or agricultural pursuits. The intent is to maintain open space/agricultural character. The allowable density of 0.1 units per net acre translates to a population of one person per 4 acres. This policy was adopted in 1991 under Measure P Ordinance 1781.

**OS/R:** The General Plan description of this category is “Open Space/Recreation (OS/R), not to exceed 0.1 du/ac or an FAR of 0.1, density to be determined on a case-by-case basis. Designates existing publicly owned open space, parks, and golf courses. Includes some County-owned land designated for open space use.”

With a few exceptions, these designations apply to all City-owned parks and open space areas.

The City’s Zoning Ordinance includes an **O-S-R, Open Space/Recreation** Zoning District that applies to all of the areas designated as OS/R by the General Plan (parks and most of the open space areas), and an **H-P-D, Hillside Planned Development** Zoning District which applies to all of the areas designated as OS/A by the General Plan (these are all City-owned open space areas; the H-P-D name is a bit of a misnomer that is a relic of a voter initiative that cannot be changed without an election).

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**ATTACHMENT B**  
**SERVICE LEVEL STATISTICS**

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## CITY OF ANTIOCH MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	43.5
	Animals handled at shelter per year	3,632
	Calls for service	1,587
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	2,424
	Commercial Building Permits Issued	184
<i>Law Enforcement</i>		
	Violent crimes	607
	Property crimes	3,838
	Violent crime clearance rate	45%
	Property crime clearance rate	11%
	Sworn personnel (FTE) per 1,000 population	0.9
	Crimes per sworn FTE (violent and property)	43.16
	Violent crime rates per 1,000 population	5.31
	Property crime rates per 1,000 population	33.6
	Residential population per station	*1 station serves all of Antioch
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	87
	Maintained traffic lights	3,122
	Maintained street lights	5,441
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	2.9
	Recreation centers per 20,000 residents	0.895
	Miles of recreation trails	24.9
<i>Solid Waste</i>		
	Solid waste diversion rate	not calculated
	Tons of waste disposed per capita	63,482



SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.1
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	12%
	Miles of closed storm drain	283
	Miles of open channel storm drain	67.5
	Storm drain inlets	7,015
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	0
	Stormwater detention basins	10
	Provision for stormwater reclamation	not available
<i>Streets</i>	Street Miles	310
	FY Pavement condition index	68
	Bike lane miles (Class 1 and Class 2)	0
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF BRENTWOOD MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	2,669
	Commercial Building Permits Issued	71
<i>Law Enforcement</i>		
	Violent crimes	597
	Property crimes	1,489
	Violent crime clearance rate	69%
	Property crime clearance rate	16%
	Sworn personnel (FTE) per 1,000 population	1
	Crimes per sworn FTE (violent and property)	32.6
	Violent crime rates per 1,000 population	9.8
	Property crime rates per 1,000 population	24.4
	Residential population per station	61,055
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	76
	Maintained traffic lights	71
	Maintained street lights	6,693
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	4.23
	Recreation centers per 20,000 residents	0.65
	Miles of recreation trails	19.52
<i>Solid Waste</i>		
	Solid waste diversion rate	70%
	Tons of waste disposed per capita	39,028

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.5
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	1.03%
	Miles of closed storm drain	257.56
	Miles of open channel storm drain	0.21
	Storm drain inlets	2,000
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	0
	Stormwater detention basins	7
	Provision for stormwater reclamation	No
<i>Streets</i>	Street Miles	192
	FY Pavement condition index	83
	Bike lane miles (Class 1 and Class 2)	not available
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF CLAYTON MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	115
	Commercial Building Permits Issued	4
<i>Law Enforcement</i>		
	Violent crimes	26
	Property crimes	113
	Violent crime clearance rate	42%
	Property crime clearance rate	8%
	Sworn personnel (FTE) per 1,000 population	1
	Crimes per sworn FTE (violent and property)	12.63
	Violent crime rates per 1,000 population	2.36
	Property crime rates per 1,000 population	10.27
	Residential population per station	11,431
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	12
	Maintained traffic lights	unknown
	Maintained street lights	1,353
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	1.2
	Recreation centers per 20,000 residents	0.6175
	Miles of recreation trails	19.5227
<i>Solid Waste</i>		
	Solid waste diversion rate	not available
	Tons of waste disposed per capita	0.55

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.0
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	0.04
	Miles of closed storm drain	50
	Miles of open channel storm drain	25
	Storm drain inlets	650
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	0
	Stormwater detention basins	0
	Provision for stormwater reclamation	0
<i>Streets</i>	Street Miles	45
	FY Pavement condition index	84
	Bike lane miles (Class 1 and Class 2)	10
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF CONCORD MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not reported
	System average interruption duration index	not reported
<i>Building / Planning</i>		
	Residential Building Permits	4,178
	Commercial Building Permits Issued	458
<i>Law Enforcement</i>		
	Violent crimes	463
	Property crimes	4,419
	Violent crime clearance rate	47
	Property crime clearance rate	12
	Sworn personnel (FTE) per 1,000 population	1.2
	Crimes per sworn FTE (violent and property)	31.7
	Violent crime rates per 1,000 population	3.58
	Property crime rates per 1,000 population	34.21
	Residential population per station	not available
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	150
	Maintained traffic lights	not reported
	Maintained street lights	8,233
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	not reported
	Recreation centers per 20,000 residents	not reported
	Miles of recreation trails	not reported
<i>Solid Waste</i>		
	Solid waste diversion rate	not reported
	Tons of waste disposed per capita	not reported

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	4.2
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	7.4
	Miles of closed storm drain	240
	Miles of open channel storm drain	7
	Storm drain inlets	~6,000
	Capacity of stormwater drain, if available	not reported
	Stormwater recharge facilities	not reported
	Stormwater detention basins	not reported
	Provision for stormwater reclamation	not reported
<i>Streets</i>	Street Miles	310
	FY Pavement condition index	60
	Bike lane miles (Class 1 and Class 2)	28
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4



## TOWN OF DANVILLE MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	626
	Commercial Building Permits Issued	68
<i>Law Enforcement</i>		
	Violent crimes	14
	Property crimes	363
	Violent crime clearance rate	not available
	Property crime clearance rate	41
	Sworn personnel (FTE) per 1,000 population	0.7
	Crimes per sworn FTE (violent and property)	8.6
	Violent crime rates per 1,000 population	0.3
	Property crime rates per 1,000 population	8.3
	Residential population per station	43,691
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	54
	Maintained traffic lights	unknown
	Maintained street lights	3,483
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	6.6
	Recreation centers per 20,000 residents	2.25
	Miles of recreation trails	6.88
<i>Solid Waste</i>		
	Solid waste diversion rate	60%
	Tons of waste disposed per capita	0.52

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.7
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	1.5
	Miles of closed storm drain	125
	Miles of open channel storm drain	4.5
	Storm drain inlets	4,700
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	0
	Stormwater detention basins	3
	Provision for stormwater reclamation	0
<i>Streets</i>	Street Miles	157.9
	FY Pavement condition index	77
	Bike lane miles (Class 1 and Class 2)	21.55
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF EL CERRITO MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	1,188
	Commercial Building Permits Issued	116
<i>Law Enforcement</i>		
	Violent crimes	164
	Property crimes	1,252
	Violent crime clearance rate	not tracked
	Property crime clearance rate	not tracked
	Sworn personnel (FTE) per 1,000 population	1.6
	Crimes per sworn FTE (violent and property)	30.78
	Violent crime rates per 1,000 population	152.1
	Property crime rates per 1,000 population	19.9
	Residential population per station	24,939
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	11
	Maintained traffic lights	11
	Maintained street lights	1,606
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	6
	Recreation centers per 20,000 residents	10.83
	Miles of recreation trails	3.6
<i>Solid Waste</i>		
	Solid waste diversion rate	55%
	Tons of waste disposed per capita	0.74

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.8
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	7.6
	Miles of closed storm drain	38.75
	Miles of open channel storm drain	3.84
	Storm drain inlets	1,205
	Capacity of stormwater drain, if available	variable
	Stormwater recharge facilities	not available
	Stormwater detention basins	3
	Provision for stormwater reclamation	1
<i>Streets</i>	Street Miles	68
	FY Pavement condition index	84
	Bike lane miles (Class 1 and Class 2)	4
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF HERCULES MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	61
	Commercial Building Permits Issued	0
<i>Law Enforcement</i>		
	Violent crimes	not reported
	Property crimes	not reported
	Violent crime clearance rate	7
	Property crime clearance rate	45
	Sworn personnel (FTE) per 1,000 population	0.917
	Crimes per sworn FTE (violent and property)	20.25
	Violent crime rates per 1,000 population	not reported
	Property crime rates per 1,000 population	not reported
	Residential population per station	not reported
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	not reported
	Maintained traffic lights	not reported
	Maintained street lights	10 (County maintains)
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	45.9
	Recreation centers per 20,000 residents	3
	Miles of recreation trails	6
<i>Solid Waste</i>		
	Solid waste diversion rate	not reported
	Tons of waste disposed per capita	not reported

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	not reported
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	80% of high trash generation areas
	Miles of closed storm drain	40
	Miles of open channel storm drain	not reported
	Storm drain inlets	39
	Capacity of stormwater drain, if available	not reported
	Stormwater recharge facilities	not reported
	Stormwater detention basins	not reported
	Provision for stormwater reclamation	not reported
<i>Streets</i>	Street Miles	not reported
	FY Pavement condition index	69
	Bike lane miles (Class 1 and Class 2)	not reported
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF LAFAYETTE MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	22
	Commercial Building Permits Issued	71
<i>Law Enforcement (2016 data)</i>		
	Violent crimes	24
	Property crimes	317
	Violent crime clearance rate	37.5
	Property crime clearance rate	6.94
	Sworn personnel (FTE) per 1,000 population	0.7
	Crimes per sworn FTE (violent and property)	20.1
	Violent crime rates per 1,000 population	1.0
	Property crime rates per 1,000 population	13.3
	Residential population per station	23,893
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	26
	Maintained traffic lights	240
	Maintained street lights	358
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	3.5
	Recreation centers per 20,000 residents	1
	Miles of recreation trails	9
<i>Solid Waste</i>		
	Solid waste diversion rate	not reported
	Tons of waste disposed per capita	not reported



SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	not reported
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	35% downtown
	Miles of closed storm drain	57
	Miles of open channel storm drain	18
	Storm drain inlets	1,686
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	not available
	Stormwater detention basins	3
	Provision for stormwater reclamation	not available
<i>Streets</i>	Street Miles	92
	FY Pavement condition index	79
	Bike lane miles (Class 1 and Class 2)	21.5
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF MARTINEZ MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	1,635
	Commercial Building Permits Issued	73
<i>Law Enforcement</i>		
	Violent crimes	57
	Property crimes	619
	Violent crime clearance rate	0.54
	Property crime clearance rate	0.10
	Sworn personnel (FTE) per 1,000 population	1.0
	Crimes per sworn FTE (violent and property)	18
	Violent crime rates per 1,000 population	1.5
	Property crime rates per 1,000 population	16.3
	Residential population per station	38,097
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	27
	Maintained traffic lights	331
	Maintained street lights	550
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	6.22
	Recreation centers per 20,000 residents	5
	Miles of recreation trails	3
<i>Solid Waste</i>		
	Solid waste diversion rate	0.48
	Tons of waste disposed per capita	20

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	5.8
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	7.85
	Miles of closed storm drain	37
	Miles of open channel storm drain	5
	Storm drain inlets	1,350
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	0
	Stormwater detention basins	1
	Provision for stormwater reclamation	none
<i>Streets</i>	Street Miles	122
	FY Pavement condition index	51
	Bike lane miles (Class 1 and Class 2)	not available
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## TOWN OF MORAGA MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	<i>County</i>
	Animals handled at shelter per year	<i>County</i>
	Calls for service	<i>County</i>
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	518
	Commercial Building Permits Issued	25
<i>Law Enforcement</i>		
	Violent crimes	not reported
	Property crimes	not reported
	Violent crime clearances (County)	340
	Property crime clearance rates (County)	125
	Sworn personnel (FTE) per 1,000 population (County)	1.02
	Crimes per sworn FTE (violent and property)	not reported
	Violent crime rates per 1,000 population	not reported
	Property crime rates per 1,000 population	not reported
	Residential population per station	not reported
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	not reported
	Maintained traffic lights	not reported
	Maintained street lights	not reported
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	20
	Recreation centers per 20,000 residents	not reported
	Miles of recreation trails	not reported
<i>Solid Waste</i>		
	Solid waste diversion rate	not reported
	Tons of waste disposed per capita	not reported

SERVICE	MEASURE	STATISTIC
<i>Stormwater</i>	Pounds of solid waste per person per day – Population	not reported
	Compliant with NPDES standards	not reported
	Percent of storm drainage inlets equipped with trash capture	not reported
	Miles of closed storm drain	not reported
	Miles of open channel storm drain	not reported
	Storm drain inlets	not reported
	Capacity of stormwater drain, if available	not reported
	Stormwater recharge facilities	not reported
	Stormwater detention basins	not reported
	Provision for stormwater reclamation	not reported
<i>Streets</i>	Street Miles	not reported
	FY Pavement condition index	68
	Bike lane miles (Class 1 and Class 2)	not reported
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF OAKLEY MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	1,426
	Commercial Building Permits Issued	11
<i>Law Enforcement</i>		
	Violent crimes	52
	Property crimes	489
	Violent crime clearance rate	15%
	Property crime clearance rate	7%
	Sworn personnel (FTE) per 1,000 population	0.76
	Crimes per sworn FTE (violent and property)	15.02
	Violent crime rates per 1,000 population	0.052
	Property crime rates per 1,000 population	0.489
	Residential population per station	43,000
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	21
	Maintained traffic lights	not reported
	Maintained street lights	1,450
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	235
	Recreation centers per 20,000 residents	1 (under construction)
	Miles of recreation trails	6
<i>Solid Waste</i>		
	Solid waste diversion rate	not reported
	Tons of waste disposed per capita	19,273

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	2.6
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	3%
	Miles of closed storm drain	~110
	Miles of open channel storm drain	0.5
	Storm drain inlets	2,610
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	0
	Stormwater detention basins	12
	Provision for stormwater reclamation	C.3
<i>Streets</i>	Street Miles	136
	FY Pavement condition index	77
	Bike lane miles (Class 1 and Class 2)	27
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4



## CITY OF ORINDA MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	889 (combined with commercial)
	Commercial Building Permits Issued	—
<i>Law Enforcement</i>		
	Violent crimes	not reported
	Property crimes	not reported
	Violent crime clearance rate	0.5%
	Property crime clearance rate	7.8%
	Sworn personnel (FTE) per 1,000 population	not reported
	Crimes per sworn FTE (violent and property)	not reported
	Violent crime rates per 1,000 population	not reported
	Property crime rates per 1,000 population	not reported
	Residential population per station	not reported
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	19
	Maintained traffic lights	17
	Maintained street lights	not reported
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	7.45
	Recreation centers per 20,000 residents	1
	Miles of recreation trails	12
<i>Solid Waste</i>		
	Solid waste diversion rate	not reported
	Tons of waste disposed per capita	not reported

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	not reported
<i>Stormwater</i>	Compliant with NPDES standards	not reported
	Percent of storm drainage inlets equipped with trash capture	0.4%
	Miles of closed storm drain	19
	Miles of open channel storm drain	not reported
	Storm drain inlets	not reported
	Capacity of stormwater drain, if available	not reported
	Stormwater recharge facilities	not reported
	Stormwater detention basins	not reported
	Provision for stormwater reclamation	not reported
<i>Streets</i>	Street Miles	92.7
	FY Pavement condition index	60
	Bike lane miles (Class 1 and Class 2)	1
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF PINOLE MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	261
	Commercial Building Permits Issued	5
<i>Law Enforcement</i>		
	Violent crimes	not reported
	Property crimes	not reported
	Violent crime clearance rate	not reported
	Property crime clearance rate	not reported
	Sworn personnel (FTE) per 1,000 population	1.45
	Crimes per sworn FTE (violent and property)	74.2
	Violent crime rates per 1,000 population	78.7
	Property crime rates per 1,000 population	16.8
	Residential population per station	not reported
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	29
	Maintained traffic lights	21
	Maintained street lights	523
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	14
	Recreation centers per 20,000 residents	3
	Miles of recreation trails	3.5
<i>Solid Waste</i>		
	Solid waste diversion rate	not reported
	Tons of waste disposed per capita	0.68

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.7
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	10.3
	Miles of closed storm drain	34
	Miles of open channel storm drain	not reported
	Storm drain inlets	1,048
	Capacity of stormwater drain, if available	not reported
	Stormwater recharge facilities	not reported
	Stormwater detention basins	not reported
	Provision for stormwater reclamation	not reported
<i>Streets</i>	Street Miles	51.75
	FY Pavement condition index	68
	Bike lane miles (Class 1 and Class 2)	1.5
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF PITTSBURG MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	96.1 (2015, County)
	Animals handled at shelter per year	10,459 (2015, County)
	Calls for service	4,350 (2015, County)
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	150
	Commercial Building Permits Issued	90
<i>Law Enforcement</i>		
	Violent crimes	341
	Property crimes	1,795
	Violent crime clearance rate	42.2
	Property crime clearance rate	6.5
	Sworn personnel (FTE) per 1,000 population	1.1
	Crimes per sworn FTE (violent and property)	37
	Violent crime rates per 1,000 population	4.9
	Property crime rates per 1,000 population	25.9
	Residential population per station	69,272
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	62
	Maintained traffic lights	620
	Maintained street lights	4,286
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	258.12
	Recreation centers per 20,000 residents	1
	Miles of recreation trails	26.37
<i>Solid Waste</i>		
	Solid waste diversion rate	not available
	Tons of waste disposed per capita	0.99

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	5.5
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	3.5
	Miles of closed storm drain	1.5
	Miles of open channel storm drain	3
	Storm drain inlets	3,676
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	not available
	Stormwater detention basins	10
	Provision for stormwater reclamation	not available
<i>Streets</i>	Street Miles	164
	FY Pavement condition index	67
	Bike lane miles (Class 1 and Class 2)	44
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF PLEASANT HILL MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	1,330
	Commercial Building Permits Issued	151
<i>Law Enforcement</i>		
	Violent crimes	71
	Property crimes	1,580
	Violent crime clearance rate	40
	Property crime clearance rate	376
	Sworn personnel (FTE) per 1,000 population	1.3
	Crimes per sworn FTE (violent and property)	37.5
	Violent crime rates per 1,000 population	2.2
	Property crime rates per 1,000 population	47.8
	Residential population per station	not available
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	46
	Maintained traffic lights	39
	Maintained street lights	505 (1,614 maintained by PG&E)
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	not available
	Recreation centers per 20,000 residents	not available
	Miles of recreation trails	not available
<i>Solid Waste</i>		



SERVICE	MEASURE	STATISTIC
	Solid waste diversion rate	not available
	Tons of waste disposed per capita	not available
	Pounds of solid waste per person per day – Population	not available
<i>Stormwater</i>		
	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	8
	Miles of closed storm drain	49
	Miles of open channel storm drain	23.3
	Storm drain inlets	1,363
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	not available
	Stormwater detention basins	1
	Provision for stormwater reclamation	not reported
<i>Streets</i>		
	Street Miles	110
	FY Pavement condition index	66
	Bike lane miles (Class 1 and Class 2)	20.7
<i>Utilities (PG&amp;E system-wide)</i>		
	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF RICHMOND MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	2,783
	Commercial Building Permits Issued	1,513
<i>Law Enforcement</i>		
	Violent crimes	1,633
	Property crimes	4,126
	Violent crime clearance rate	17.5
	Property crime clearance rate	3.2
	Sworn personnel (FTE) per 1,000 population	1.49
	Crimes per sworn FTE (violent and property)	31.81
	Violent crime rates per 1,000 population	14.8
	Property crime rates per 1,000 population	37.4
	Residential population per station	110,378
<i>Library</i>		
	Items circulated per capita	1.66
	Visits per capita	not available
<i>Lighting</i>		
	Signalized intersections	not reported
	Maintained traffic lights	not reported
	Maintained street lights	9,000
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	7.1
	Recreation centers per 20,000 residents	1.68
	Miles of recreation trails	35
<i>Solid Waste</i>		
	Solid waste diversion rate	45%
	Tons of waste disposed per capita	0.89

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.9
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	4.8
	Miles of closed storm drain	165.4
	Miles of open channel storm drain	21.4
	Storm drain inlets	5,215
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	4
	Stormwater detention basins	21
	Provision for stormwater reclamation	not reported
<i>Streets</i>	Street Miles	280
	FY Pavement condition index	62
	Bike lane miles (Class 1 and Class 2)	35.3
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF SAN PABLO MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	330
	Commercial Building Permits Issued	47
<i>Law Enforcement</i>		
	Violent crimes	180
	Property crimes	1,060
	Violent crime clearance rate	32.8%
	Property crime clearance rate	6.1%
	Sworn personnel (FTE) per 1,000 population	659
	Crimes per sworn FTE (violent and property)	27
	Violent crime rates per 1,000 population	6.9
	Property crime rates per 1,000 population	35
	Residential population per station	10,100
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	29
	Maintained traffic lights	29
	Maintained street lights	1,051
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	< 3.0
	Recreation centers per 20,000 residents	6
	Miles of recreation trails	0.55
<i>Solid Waste</i>		
	Solid waste diversion rate	not reported
	Tons of waste disposed per capita	0.38

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.9
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	14%
	Miles of closed storm drain	16.4
	Miles of open channel storm drain	0.76
	Storm drain inlets	539
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	not available
	Stormwater detention basins	not available
	Provision for stormwater reclamation	No
<i>Streets</i>	Street Miles	48
	FY Pavement condition index	75
	Bike lane miles (Class 1 and Class 2)	4.4
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CITY OF SAN RAMON MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	7,567
	Commercial Building Permits Issued	843
<i>Law Enforcement</i>		
	Violent crimes	56
	Property crimes	981
	Violent crime clearance rate	not available
	Property crime clearance rate	not available
	Sworn personnel (FTE) per 1,000 population	0.84
	Crimes per sworn FTE (violent and property)	15.71
	Violent crime rates per 1,000 population	0.71
	Property crime rates per 1,000 population	12.42
	Residential population per station	79,000
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	99
	Maintained traffic lights	not available
	Maintained street lights	7,300
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	4.7
	Recreation centers per 20,000 residents	1.08
	Miles of recreation trails	57.1
<i>Solid Waste</i>		
	Solid waste diversion rate	73%
	Tons of waste disposed per capita	0.57

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	3.1
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	< 1%
	Miles of closed storm drain	152
	Miles of open channel storm drain	3.5
	Storm drain inlets	4,400
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	not available
	Stormwater detention basins	10
	Provision for stormwater reclamation	not available
<i>Streets</i>	Street Miles	498
	FY Pavement condition index	80
	Bike lane miles (Class 1 and Class 2)	4.3
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4



## CITY OF WALNUT CREEK MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits	3,171
	Commercial Building Permits Issued	1,585
<i>Law Enforcement</i>		
	Violent crimes	407
	Property crimes	2,295
	Violent crime clearance rate	not tracked
	Property crime clearance rate	not tracked
	Sworn personnel (FTE) per 1,000 population	1.1
	Crimes per sworn FTE (violent and property)	3.92
	Violent crime rates per 1,000 population	0.59
	Property crime rates per 1,000 population	3.33
	Residential population per station	not available
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Visits per capita	3.15
<i>Lighting</i>		
	Signalized intersections	99
	Maintained traffic lights	99
	Maintained street lights	1,650
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	44
	Recreation centers per 20,000 residents	2
	Miles of recreation trails	52
<i>Solid Waste</i>		
	Solid waste diversion rate	not available
	Tons of waste disposed per capita	not available

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	not available
<i>Stormwater</i>	Compliant with NPDES standards	Yes
	Percent of storm drainage inlets equipped with trash capture	4%
	Miles of closed storm drain	100
	Miles of open channel storm drain	18
	Storm drain inlets	4,010
	Capacity of stormwater drain, if available	not available
	Stormwater recharge facilities	0
	Stormwater detention basins	0
	Provision for stormwater reclamation	No
<i>Streets</i>	Street Miles	713
	FY Pavement condition index	73
	Bike lane miles (Class 1 and Class 2)	32
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## CROCKETT COMMUNITY SERVICES DISTRICT MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits ( <i>County-issued</i> )	121
	Commercial Building Permits ( <i>County-issued</i> )	6
<i>Law Enforcement</i>		
	Violent crimes	not reported
	Property crimes	not reported
	Violent crime clearance rate	100%
	Property crime clearance rate	59%
	Sworn personnel (FTE) per 1,000 population	1.02
	Crimes per sworn FTE (violent and property)	not reported
	Violent crime rates per 1,000 population	not reported
	Property crime rates per 1,000 population	not reported
	Residential population per station	not reported
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Public access computers per 1,000 population	3.15
<i>Lighting</i>		
	Signalized intersections	County
	Maintained traffic lights	County
	Maintained street lights	29 decorative streetlamps
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	1.8
	Recreation centers per 20,000 residents	0.33
	Miles of recreation trails	0
<i>Solid Waste</i>		
	Solid waste diversion rate	not available

SERVICE	MEASURE	STATISTIC
	Tons of waste disposed per capita	not available
	Pounds of solid waste per person per day – Population	not available
<i>Streets</i>	Street Miles	County
	FY Pavement condition index (County)	70
	Bike lane miles (Class 1 and Class 2)	County
<i>Stormwater</i>	Compliant with NPDES standards	County
	Percent of storm drainage inlets equipped with trash capture	County
	Miles of closed storm drain	County
	Miles of open channel storm drain	County
	Storm drain inlets	County
	Capacity of stormwater drain, if available	County
	Stormwater recharge facilities	County
	Stormwater detention basins	County
	Provision for stormwater reclamation	County
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## DIABLO COMMUNITY SERVICES DISTRICT MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits ( <i>County-issued</i> )	57
	Commercial Building Permits ( <i>County-issued</i> )	1
<i>Law Enforcement</i>		
	Violent crimes	not reported
	Property crimes	not reported
	Violent crime clearance rate	n/a
	Property crime clearance rate	63%
	Sworn personnel (FTE) per 1,000 population ( <i>County</i> )	1.02
	Crimes per sworn FTE (violent and property)	not reported
	Violent crime rates per 1,000 population	not reported
	Property crime rates per 1,000 population	not reported
	Residential population per station	not reported
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Public access computers per 1,000 population	3.15
<i>Lighting</i>		
	Signalized intersections	County
	Maintained traffic lights	County
	Maintained street lights	County
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	not reported
	Recreation centers per 20,000 residents	not reported
	Miles of recreation trails	not reported
<i>Solid Waste</i>		
	Solid waste diversion rate	not available

SERVICE	MEASURE	STATISTIC
	Tons of waste disposed per capita	not available
	Pounds of solid waste per person per day – Population	not available
<i>Streets</i>	Street Miles	County
	FY Pavement condition index (County)	70
	Bike lane miles (Class 1 and Class 2)	County
<i>Stormwater</i>	Compliant with NPDES standards	County
	Percent of storm drainage inlets equipped with trash capture	County
	Miles of closed storm drain	County
	Miles of open channel storm drain	County
	Storm drain inlets	County
	Capacity of stormwater drain, if available	County
	Stormwater recharge facilities	County
	Stormwater detention basins	County
	Provision for stormwater reclamation	County
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	County
	Animals handled at shelter per year	County
	Calls for service	County
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits ( <i>County-issued</i> )	821
	Commercial Building Permits ( <i>County-issued</i> )	13
<i>Law Enforcement</i>		
	Violent crimes	not reported
	Property crimes	not reported
	Violent crime clearance rate	47%
	Property crime clearance rate	80%
	Sworn personnel (FTE) per 1,000 population ( <i>County</i> )	1.02
	Crimes per sworn FTE (violent and property)	not reported
	Violent crime rates per 1,000 population	not reported
	Property crime rates per 1,000 population	not reported
	Residential population per station	not reported
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Public access computers per 1,000 population	3.15
<i>Lighting</i>		
	Signalized intersections	County
	Maintained traffic lights	County
	Maintained street lights	692 light poles
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	6
	Recreation centers per 20,000 residents	1
	Miles of recreation trails	not reported
<i>Solid Waste</i>		
	Solid waste diversion rate	not available



SERVICE	MEASURE	STATISTIC
	Tons of waste disposed per capita	not available
	Pounds of solid waste per person per day – Population	not available
<i>Streets</i>	Street Miles	County
	FY Pavement condition index (County)	70
	Bike lane miles (Class 1 and Class 2)	County
<i>Stormwater</i>	Compliant with NPDES standards	County
	Percent of storm drainage inlets equipped with trash capture	County
	Miles of closed storm drain	County
	Miles of open channel storm drain	County
	Storm drain inlets	County
	Capacity of stormwater drain, if available	County
	Stormwater recharge facilities	County
	Stormwater detention basins	County
	Provision for stormwater reclamation	County
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

## KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT MUNICIPAL SERVICE LEVEL STATISTICS, FY2017

SERVICE	MEASURE	STATISTIC
<i>Animal Control</i>		
	Dog licenses issued per 1,000	<i>County</i>
	Animals handled at shelter per year	<i>County</i>
	Calls for service	<i>County</i>
<i>Broadband</i>		
	System average interruption frequency index	not available
	System average interruption duration index	not available
<i>Building / Planning</i>		
	Residential Building Permits ( <i>County-issued</i> )	398
	Commercial Building Permits ( <i>County-issued</i> )	4
<i>Law Enforcement</i>		
	Violent crimes	not reported
	Property crimes	not reported
	Violent crime clearance rate	5%
	Property crime clearance rate	4.9%
	Sworn personnel (FTE) per 1,000 population	1.6
	Crimes per sworn FTE (violent and property)	462.29
	Violent crime rates per 1,000 population	not reported
	Property crime rates per 1,000 population	not reported
	Residential population per station	not reported
<i>Library (County statistics)</i>		
	Items circulated per capita	5.99
	Public access computers per 1,000 population	3.15
<i>Lighting</i>		
	Signalized intersections	<i>County</i>
	Maintained traffic lights	<i>County</i>
	Maintained street lights	<i>County</i>
<i>Parks and Recreation</i>		
	Park acres per 1,000 population	1
	Recreation centers per 20,000 residents	0.25
	Miles of recreation trails	1
<i>Solid Waste</i>		
	Solid waste diversion rate	not available
	Tons of waste disposed per capita	not available

SERVICE	MEASURE	STATISTIC
	Pounds of solid waste per person per day – Population	not available
<i>Streets</i>	Street Miles	County
	FY Pavement condition index (County)	70
	Bike lane miles (Class 1 and Class 2)	County
<i>Stormwater</i>	Compliant with NPDES standards	County
	Percent of storm drainage inlets equipped with trash capture	County
	Miles of closed storm drain	County
	Miles of open channel storm drain	County
	Storm drain inlets	County
	Capacity of stormwater drain, if available	County
	Stormwater recharge facilities	County
	Stormwater detention basins	County
	Provision for stormwater reclamation	County
<i>Utilities (PG&amp;E system-wide)</i>	System average interruption frequency index	0.958
	System average interruption duration index	113.4

**ATTACHMENT C**  
**AGENCY FISCAL PROFILES**

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**SUMMARY PROFILE****Table S****Summary of Financial Conditions****City of Antioch**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	28 sq.mi.	28 sq.mi.	28 sq.mi.
<b>Population (2)</b>	111,973	113,495	112,280
Change from Prior Year	na	1.4%	-1.1%
<b>Assessed Value (A.V.) (3)</b>	\$7,664.1 mill.	\$8,323.4 mill.	\$8,833.8 mill.
Change from Prior Year	na	8.6%	6.1%
A.V. per capita	\$68,400	\$73,300	\$78,700
<b>General Fund Revenues (4)</b>			
Property Tax	\$15,099,000	\$16,363,000	\$18,196,000
Sales Tax	17,595,000	19,973,000	19,395,000
Other	<u>17,910,000</u>	<u>20,810,000</u>	<u>15,263,000</u>
Total GF Revenues	\$50,604,000	\$57,146,000	\$52,854,000
Change from Prior Year	na	12.9%	-7.5%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$5,198,000	\$7,749,000	\$928,000
Public Safety	30,312,000	33,597,000	35,460,000
Other (inc. Transfers Out)	<u>12,503,000</u>	<u>13,008,000</u>	<u>12,136,000</u>
Total GF Expenditures	\$48,013,000	\$54,354,000	\$48,524,000
Change from Prior Year	na	13.2%	-10.7%
GF Expenditures per capita	\$429	\$479	\$432
<b>Ending Balance, General Fund (6)</b>	\$17,179,000	\$22,904,000	\$31,015,000
Change from Prior Year	36.9%	25.0%	26.2%
as % of GF Expenditures	35.8%	42.1%	63.9%
<b>Enterprise Expenditures (7)</b>			
Water Utility	\$23,308,000	\$22,334,000	\$24,457,000
Sewer Utility	\$5,439,000	\$5,528,000	\$5,863,000
Marina	\$1,016,000	\$1,108,000	\$1,026,000
Prewett Water Park	<u>\$1,983,000</u>	<u>\$2,024,000</u>	<u>\$2,167,000</u>
Total Enterprise Expenditures	\$31,746,000	\$30,994,000	\$33,513,000
Change from Prior Year	na	-2.4%	8.1%
<b>Total Enterprise Net Position (8)</b>	\$174,870,000	\$180,116,000	\$186,035,000
Position/Enterprise Expenditures	5.5	5.8	5.6
<b>Liquidity Ratio (9)</b>			
Governmental Activities	3.7	5.4	7.4
Business-type Activities	17.5	18.7	22.9
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$317,519,000	\$311,567,000	\$303,346,000
Net Change from Prior Year	2.8%	-1.9%	-2.6%
Business-type Activities	143,420,000	146,143,000	145,241,000
Net Change from Prior Year	-1.3%	1.9%	-0.6%
<b>Total Pension Liability (11)</b>			
Net Liability	\$78,450,000	\$83,840,000	\$101,730,000

City of Antioch

12/31/18

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1

Antioch

- (5) See Table 2. FY17 CAFR shows cost allocations as reductions in charges to servicing dept.
- (6) See Table 3
- (7) See Table 4
- (8) See Table 4
- (9) See Table 6
- (10) See Table 7. Net depreciable assets only.
- (11) See Table 8. Total liability not reported in CAFR.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**  
**Summary of General Fund Revenues**  
**City of Antioch**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property tax (1)	\$15,099,060	\$16,363,367	\$18,195,628
Sales tax (2)	17,594,990	19,973,270	19,395,351
Franchise tax	2,824,143	2,969,922	3,109,778
Other Taxes	2,450,812	3,692,150	4,483,178
Intergovernmental revenues (3)	43,626	43,696	50,608
Licenses & Permits	1,178,138	1,149,614	1,243,093
Fines and penalties	55,357	103,552	160,564
Investment income and rentals	552,328	713,341	559,693
Revenue from other agencies	1,565,675	963,184	1,237,450
Current service charges (5)	7,879,340	8,599,259	2,009,228
Other	<u>1,360,936</u>	<u>2,575,326</u>	<u>2,409,693</u>
<b>Total Revenues</b>	<b>50,604,405</b>	<b>57,146,681</b>	<b>52,854,264</b>
Change from Prior Year	na	12.9%	-7.5%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>3,753,423</u>	<u>2,932,725</u>	<u>3,780,876</u>
<b>Total Other Financing Sources</b>	<b>3,753,423</b>	<b>2,932,725</b>	<b>3,780,876</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$54,357,828</b>	<b>\$60,079,406</b>	<b>\$56,635,140</b>

Source: City of Antioch CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

- (1) Includes Property Tax in lieu of VLF.
- (2) Includes Measure C.
- (3) Includes transient lodging, business tax, transfer tax.
- (4) Includes State Motor Vehicle In-lieu.
- (5) Method of accounting for service charges changed in FY17 CAFR.



**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 2**  
**Summary of General Fund Expenditures**  
**City of Antioch**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General Government (1)	\$5,197,636	\$7,749,109	\$928,281
Community development	2,864,734	2,708,845	2,995,742
Public safety	30,312,461	33,596,541	35,460,035
Public works	6,356,503	6,989,183	6,027,009
Capital outlay	1,365,646	1,156,061	471,930
Debt service:			
Principal retirement	0	0	0
Interest and fiscal charges	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	46,096,980	52,199,739	45,882,997
Change from Prior Year	na	13.2%	-12.1%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>1,916,393</u>	<u>2,154,288</u>	<u>2,641,350</u>
Total Other Financing Uses	1,916,393	2,154,288	2,641,350
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$48,013,373</b>	<b>\$54,354,027</b>	<b>\$48,524,347</b>

Source: City of Antioch CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) FY17 CAFR shows cost allocations as reductions in charges to servicing dept. (see explanation in CAFR pg. 11).

**FUND BALANCE, GENERAL FUND**

**Table 3**  
**Fund Balance, General Fund**  
**City of Antioch**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$10,834,595	\$17,179,050	\$22,904,429
Net Change	6,344,455	5,725,379	8,110,793
% Change from Prior Year	58.6%	33.3%	35.4%
Ending Balance, General Fund	\$17,179,050	\$22,904,429	\$31,015,222
Ending Balance/Total GF Operating Expenditures	37.3%	43.9%	67.6%
Unassigned	\$11,530,696	\$17,590,147	\$25,979,579
Total Governmental Activities Ending Net Position	\$315,675,548	\$319,841,198	\$317,344,808
Unrestricted	(\$49,845,837)	(\$40,948,110)	(\$34,184,377)

Source: City of Antioch CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, and Balance Sheet; Statement of Net Position.

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES**

Table 4

**Summary of Enterprise Changes in Net Position  
City of Antioch**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services (1)	\$30,747,640	\$32,788,173	\$36,932,294
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	2,297,929	2,402,956	683,190
Other Non-Operating	<u>450,821</u>	<u>732,399</u>	<u>528,554</u>
<b>Total</b>	\$33,496,390	\$35,923,528	\$38,144,038
Change from Prior Year	na	7.2%	6.2%
<b>ENTERPRISE EXPENDITURES</b>			
Water Utility	\$23,308,383	\$22,334,168	\$24,457,466
Sewer Utility	5,438,916	5,528,283	5,862,714
Marina	1,015,771	1,108,139	1,026,304
Prewett Water Park	<u>1,982,609</u>	<u>2,024,309</u>	<u>2,167,281</u>
<b>Total</b>	\$31,745,679	\$30,994,899	\$33,513,765
Change from Prior Year	na	-2.4%	8.1%
<b>Transfers and Special Items</b>	(\$797,654)	\$317,102	\$1,288,267
<b>Beginning Net Position (July 1)</b>	173,917,359	\$174,870,416	\$180,116,147
<b>Change in Net Position</b>	<u>953,057</u>	<u>5,245,731</u>	<u>5,918,540</u>
<b>Ending Net Position</b>	\$174,870,416	\$180,116,147	\$186,034,687
<b>% Change from Prior Year</b>	0.5%	3.0%	3.3%
<b>Ending Net Position/Total Expenditures</b>	5.51	5.81	5.55

Source: City of Antioch CAFRs - Statement of Changes in Net position

(1) Water service charges in increased from FY16 to FY17.

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
City of Antioch**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Water	\$97,206,727	\$102,011,194	\$107,770,156
Sewer Utility	68,842,822	69,977,820	69,328,871
Marina	4,702,864	4,277,706	3,808,905
Prewett Water Park	<u>6,063,675</u>	<u>5,631,073</u>	<u>6,838,290</u>
<b>Total Net Position</b>	176,816,088	181,897,793	187,746,222
<b>% change from prior year (1)</b>	n/a	2.9%	3.2%

Source: City of Antioch CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

(1) Totals do not match Statement of Activities due to reporting of certain internal service funds (CAFR FY15, pg. 35).

**LIQUIDITY (CAFR)**

**Table 6**  
Liquidity Measures  
City of Antioch

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	3.7	5.4	7.4
Cash and Short-term Investments	45,556,148	48,292,309	56,978,795
Total Current Liabilities	12,162,539	8,889,878	7,685,264
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	17.5	18.7	22.9
Cash and Short-term Investments	47,182,737	50,975,247	54,796,385
Total Current Liabilities (2)	2,701,536	2,719,260	2,395,612

Source: City of Antioch CAFRs - Statement of Net position

(1) Liquidity Ratio equals Cash and Short-term Investments/Total Current Liabilities.

(2) FY17 Statement of Net Position (pg.32) includes long-term due within one year vs. pg. 19.

**CAPITAL ASSETS**

**Table 7**  
Capital Assets Being Depreciated  
City of Antioch

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$308,934,258	\$317,519,407	\$311,567,414
Ending Net Value of Capital Assets	317,519,407	311,567,414	303,346,242
Change in Net Value of Capital Assets	934,258	(5,951,993)	(8,221,172)
% Change in Net Value of Capital Assets	0.3%	-1.9%	-2.6%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$145,319,371	\$143,420,496	\$146,142,929
Ending Net Value of Capital Assets	143,420,496	146,142,929	145,240,774
Change in Net Value of Capital Assets	(1,898,875)	2,722,433	(902,155)
% Change in Net Value of Capital Assets	-1.3%	1.9%	-0.6%

Source: City of Antioch CAFRs - Notes to Basic Financial Statements (Note 8)

(1) Assets being depreciated (excludes land).

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities**

City of Antioch

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Net Pension Liability	\$78,446,363	\$83,836,025	\$101,728,332
<b>Net OPEB Liability</b>	\$6,720,816	\$9,113,571	\$12,471,058

Source: City of Antioch CAFRs - Notes to Basic Financial Statements

(1) CAFR doesn't report total pension liability or % funded for total or separate funds.

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value**

City of Antioch

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	6,813,000	6,219,000	5,563,000
Business Type Activities	<u>6,875,000</u>	<u>6,458,000</u>	<u>6,262,000</u>
Total Outstanding Debt	13,688,000	12,677,000	11,825,000
Total Debt per Capita	\$122	\$112	\$105
Assessed Value	\$7,664,094,000	\$8,323,370,000	\$8,833,818,000
Coverage Ratio (pledged revenues) (1)	N/A	N/A	N/A

Source: CAFRs - Ratios of Outstanding Debt by Type, and Pledged Revenue Coverage.

(1) No debt service reported for revenue bonds.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Brentwood**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	14.8 sq.mi.	14.8 sq.mi.	14.8 sq.mi.
<b>Population (2)</b>	57,072	59,058	61,383
Change from Prior Year	na	3.5%	3.9%
<b>Assessed Value (A.V.) (3)</b>	\$7,051.0 mill.	\$7,918.1 mill.	\$8,560.0 mill.
Change from Prior Year	na	12.3%	8.1%
A.V. per capita	\$123,500	\$134,100	\$139,500
<b>General Fund Revenues (4)</b>			
Property Tax	\$9,949,000	\$11,106,000	\$12,239,000
Sales Tax	\$6,837,000	\$7,319,000	\$8,188,000
Other Revenues	<u>22,295,000</u>	<u>23,832,000</u>	<u>24,753,000</u>
Total GF Revenues	\$39,081,000	\$42,257,000	\$45,180,000
Change from Prior Year	na	8.1%	6.9%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$5,616,000	\$5,968,000	\$6,633,000
Public Safety	\$18,089,000	\$19,246,000	\$21,417,000
Other (inc. Transfers Out)	<u>15,215,000</u>	<u>16,006,000</u>	<u>18,138,000</u>
Total GF Expenditures	\$38,920,000	\$41,220,000	\$46,188,000
Change from Prior Year	na	5.9%	12.1%
GF Expenditures per capita	\$682	\$698	\$752
<b>Ending Balance, General Fund (6)</b>	\$18,907,000	\$22,547,000	\$23,406,000
Change from Prior Year	9.3%	16.1%	3.7%
as % of GF Expenditures	48.6%	54.7%	50.7%
<b>Enterprise Expenditures (7)</b>			
Wastewater	\$10,001,000	\$10,003,000	\$10,328,000
Solid Waste	\$10,373,000	\$10,681,000	\$11,494,000
Water	\$19,539,000	\$22,129,000	\$20,972,000
City Rentals	\$175,000	\$179,000	\$197,000
Housing	<u>\$657,000</u>	<u>\$724,000</u>	<u>\$797,000</u>
Total Enterprise Expenditures	\$40,745,000	\$43,716,000	\$43,788,000
Change from Prior Year	na	7.3%	0.2%
<b>Total Enterprise Net Position (8)</b>	\$247,681,000	\$252,520,000	\$263,521,000
Position/Enterprise Expenditures	6.1	5.8	6.0
<b>Liquidity Ratio (9)</b>			
Governmental Activities	6.5	8.5	9.8
Business-type Activities	10.6	9.8	8.5
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$458,597,000	\$454,735,000	\$453,103,000
Net Change from Prior Year	-0.6%	-0.8%	-0.4%
Business-type Activities	237,967,000	242,816,000	246,143,000
Net Change from Prior Year	3.9%	2.0%	1.4%
<b>Total Pension Liability (11)</b>			n/a
Net Pension Liability	\$32,430,000	\$42,855,000	n/a

- (1) Contra Costa LAFCO Directory of County and Cities, 2017
- (2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)
- (3) See Table 9
- (4) CAFRs do not provide detail for "taxes", which includes property tax, sales tax, etc.
- (5) See Table 2
- (6) See Table 3
- (7) See Table 4
- (8) See Table 4
- (9) See Table 6
- (10) See Table 7. Net depreciable assets only.
- (11) See Table 8

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1  
Summary of General Fund Revenues  
City of Brentwood**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property tax	\$9,949,104	\$11,105,913	\$12,238,838
Sales tax	6,836,917	7,319,217	8,188,046
Other taxes	923,950	1,063,828	1,069,606
Permits, licenses, and fees	6,898,003	7,467,505	7,389,264
Use of money and property	427,072	789,168	234,704
Intergovernmental revenues	3,568,544	3,794,652	4,683,506
Franchises	1,400,350	1,473,443	1,487,179
Charges for other services	306,603	287,150	561,815
Charges for other funds	6,705,041	6,811,651	7,538,724
Fees and Other revenues	<u>2,065,406</u>	<u>2,144,717</u>	<u>1,787,913</u>
<b>Total Revenues</b>	<b>39,080,990</b>	<b>42,257,244</b>	<b>45,179,595</b>
Change from Prior Year	na	8.1%	6.9%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>6,616,104</u>	<u>9,471,813</u>	<u>9,520,696</u>
<b>Total Other Financing Sources</b>	<b>6,616,104</b>	<b>9,471,813</b>	<b>9,520,696</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$45,697,094</b>	<b>\$51,729,057</b>	<b>\$54,700,291</b>

Source: City of Brentwood CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 2**  
**Summary of General Fund Expenditures**  
**City of Brentwood**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General Government	\$5,616,074	\$5,967,866	\$6,633,141
Public safety	18,088,964	19,245,916	21,417,144
Community development	4,049,004	4,071,224	4,368,437
Engineering	2,741,148	2,865,976	3,227,631
Public works	2,814,945	2,999,793	3,213,775
Parks and Rec	5,022,452	5,091,656	5,576,169
Community Services	587,726	619,740	536,357
Debt service:			
Principal	0	357,796	1,215,818
Interest and fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>38,920,313</b>	<b>41,219,967</b>	<b>46,188,472</b>
Change from Prior Year	na	5.9%	12.1%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>5,008,808</u>	<u>6,869,646</u>	<u>7,652,826</u>
<b>Total Other Financing Uses</b>	<b>5,008,808</b>	<b>6,869,646</b>	<b>7,652,826</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$43,929,121</b>	<b>\$48,089,613</b>	<b>\$53,841,298</b>

Source: City of Brentwood CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

**Table 3**  
**Fund Balance, General Fund**  
**City of Brentwood**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$17,139,493	\$18,907,466	\$22,546,910
Net Change	1,767,973	3,639,444	858,993
% Change from Prior Year	10.3%	19.2%	3.8%
Ending Balance, General Fund	\$18,907,466	\$22,546,910	\$23,405,903
Ending Balance/Total GF Operating Expenditures	48.6%	54.7%	50.7%
Unassigned	\$12,318,912	\$13,120,085	\$15,673,545
<b>Total Governmental Activities Ending Net Position</b>	<b>\$527,686,968</b>	<b>\$537,509,067</b>	<b>\$547,764,208</b>
<b>Unrestricted</b>	<b>\$22,429,161</b>	<b>\$28,537,948</b>	<b>\$29,172,068</b>

Source: City of Brentwood CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds



**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

Summary of Enterprise Changes in Net Position  
City of Brentwood

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$40,448,753	\$39,224,107	\$41,397,807
Operating Grants and Contributions	0	918,028	1,024,113
Capital Grants and Contributions	4,382,019	7,414,680	11,863,994
Other Non-Operating (1)	<u>719,108</u>	<u>1,759,735</u>	<u>233,539</u>
Total	\$45,549,880	\$49,316,550	\$54,519,453
Change from Prior Year	na	8.3%	10.6%
<b>ENTERPRISE EXPENDITURES</b>			
Wastewater	10,000,905	10,003,159	10,328,357
Solid Waste	10,373,325	10,680,780	11,493,599
Water	19,538,589	22,129,063	20,972,101
City Rentals	174,597	178,558	196,829
Housing	<u>656,778</u>	<u>723,908</u>	<u>797,400</u>
Total	\$40,744,194	\$43,715,468	\$43,788,286
Change from Prior Year	na	7.3%	0.2%
Transfers	(\$702,328)	(\$762,119)	\$270,142
Beginning Net Position	243,577,802	\$247,681,160	\$252,520,123
Change in Net Position	<u>4,103,358</u>	<u>4,838,963</u>	<u>11,001,309</u>
Ending Net Position	\$247,681,160	\$252,520,123	\$263,521,432
% Change from Prior Year	1.7%	2.0%	4.4%
Ending Net Position/Total Expenditures	6.08	5.78	6.02

Source: City of Brentwood CAFRs - Statement of Changes in Net position

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

Ending Net Position by Enterprise Fund  
City of Brentwood

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Wastewater	\$98,508,001	\$103,943,662	\$108,501,996
Solid Waste	15,168,947	14,780,713	14,789,359
Water	124,944,823	123,589,934	129,485,478
City Rentals	179,693	183,674	178,083
Housing	<u>8,879,696</u>	<u>10,022,140</u>	<u>10,566,516</u>
Total Net Position	\$247,681,160	\$252,520,123	\$263,521,432
% change from prior year	n/a	2.0%	4.4%

Source: City of Brentwood CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

(1)

**LIQUIDITY (CAFR)**

Table 6

## Liquidity Measures

City of Brentwood

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	6.5	8.5	9.8
Cash and Short-term Investments	61,024,969	71,364,530	91,057,217
Total Current Liabilities	9,413,946	8,364,921	9,259,342
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	10.6	9.8	8.5
Cash and Short-term Investments	74,703,962	76,040,331	73,832,501
Total Current Liabilities	7,061,594	7,786,470	8,733,708

Source: City of Brentwood CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

**CAPITAL ASSETS**

Table 7

## Capital Assets Being Depreciated

City of Brentwood

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$461,227,152	\$458,597,484	\$454,735,324
Ending Net Value of Capital Assets	458,597,484	\$454,735,324	453,102,594
Change in Net Value of Capital Assets	(2,629,668)	(3,862,160)	(1,632,730)
% Change in Net Value of Capital Assets	-0.6%	-0.8%	-0.4%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$228,931,078	\$237,967,110	\$242,815,634
Ending Net Value of Capital Assets	237,967,110	\$242,815,634	246,143,348
Change in Net Value of Capital Assets	9,036,032	4,848,524	3,327,714
% Change in Net Value of Capital Assets	3.9%	2.0%	1.4%

Source: City of Brentwood CAFRs - Notes to Basic Financial Statements (Note 5)

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities**

City of Brentwood

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability (misc. only)	\$103,157,066	\$112,379,297	n/a
Plan Fiduciary Net Position (misc. only)	81,082,764	83,231,411	n/a
% Funded (misc. only)	78.6%	74.1%	n/a
Net Pension Liability (total)	\$32,430,187	\$42,854,631	n/a
Misc.	\$22,074,302	\$29,147,886	n/a
Public Safety	\$10,355,885	\$13,706,745	n/a
Net OPEB Liability	\$41,843,000	n/a	n/a

Source: City of Brentwood CAFRs - Required Supplementary Information

**DEBT AND VALUE****Table 9****Debt and Assessed Value**

City of Brentwood

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities (1)	75,084,744	99,085,447	95,350,040
Business Type Activities (1)	<u>69,625,973</u>	<u>66,076,797</u>	<u>62,426,933</u>
Total Outstanding Debt	144,710,717	165,162,244	157,776,973
Total Debt per Capita	\$2,536	\$2,797	\$2,570
Assessed Value (2)	\$7,051,011,254	\$7,918,068,152	\$8,560,048,612
Coverage Ratio (pledged revenues)	1.73	2.05	1.56

Source: CAFRs - Statistical Section

(1) see CAFR FY17, S-14

(2) see CAFR FY17, S-5

**SUMMARY PROFILE****Table S****Summary of Financial Conditions****City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	4.2 sq.mi.	4.2 sq.mi.	4.2 sq.mi.
<b>Population (2)</b>	11,159	11,262	11,342
Change from Prior Year	na	0.9%	0.7%
<b>Assessed Value (A.V.) (3)</b>	\$1,866.4 mill.	\$1,990.3 mill.	\$2,077.2 mill.
Change from Prior Year	na	6.6%	4.4%
A.V. per capita	\$167,300	\$176,700	\$183,100
<b>General Fund Revenues (4)</b>			
Property Tax	\$2,302,000	\$2,257,000	\$2,339,000
Sales Tax	\$398,000	\$373,000	\$455,000
Other Revenues (exc. Transfers in)	<u>\$1,541,000</u>	<u>\$1,757,000</u>	<u>\$1,553,000</u>
Total GF Revenues	\$4,241,000	\$4,387,000	\$4,347,000
Change from Prior Year	na	3.4%	-0.9%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$1,019,000	\$1,069,000	\$1,178,000
Public Safety	\$1,926,000	\$2,138,000	\$2,104,000
Other (exc. Transfers Out)	<u>\$897,000</u>	<u>\$802,000</u>	<u>\$874,000</u>
Total GF Expenditures	\$3,842,000	\$4,009,000	\$4,156,000
Change from Prior Year	na	4.3%	3.7%
GF Expenditures per capita	\$344	\$356	\$366
<b>Ending Balance, General Fund (6)</b>	\$5,739,000	\$5,849,000	\$5,917,000
Change from Prior Year	10.3%	7.5%	5.1%
as % of GF Expenditures	149.4%	145.9%	142.4%
<b>Enterprise Expenditures (7)</b>			
Endeavor Hall & Community Gym	<u>\$67,000</u>	<u>\$68,000</u>	<u>\$67,000</u>
Total Enterprise Expenditures	\$67,000	\$68,000	\$67,000
Change from Prior Year	na	1.5%	-1.5%
<b>Total Enterprise Net Position (8)</b>	\$1,206,000	\$1,166,000	\$1,121,000
Position/Enterprise Expenditures	18.0	17.1	16.7
<b>Liquidity Ratio (9)</b>			
Governmental Activities	17.7	27.9	18.4
Business-type Activities	-	-	-
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$26,515,000	\$26,769,000	\$25,894,000
Net Change from Prior Year	-2.7%	1.0%	-3.3%
Business-type Activities	1,083,000	1,054,000	1,017,000
Net Change from Prior Year	-3.2%	-2.7%	-3.5%
<b>Total Pension Liability (11)</b>			
Net Liability	\$3,690,000	\$3,590,000	\$4,410,000

*City of Clayton MSR Fiscal Profile (Comprehensive Annual Financial Reports)*

12/31/18

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1

- (5) See Table 2  
 (6) See Table 3  
 (7) See Table 4  
 (8) See Table 4  
 (9) See Table 6  
 (10) See Table 7. Net depreciable assets only.  
 (11) See Table 8. Total liability not reported in CAFR.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**

**Summary of General Fund Revenues  
 City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Property tax (1)</b>	\$2,302,278	\$2,256,780	\$2,339,221
<b>Sales and use taxes</b>	397,544	372,705	455,387
<b>Business license taxes</b>	0	0	135,866
<b>Permits, licenses and fees</b>	264,764	283,626	161,443
<b>Fines, forfeitures and penalties</b>	72,635	84,270	92,662
<b>Intergovernmental</b>	107,724	250,025	98,451
<b>Motor vehicle in-lieu fees</b>	4,590	4,554	0
<b>Other in-lieu fees</b>	151,816	154,852	157,949
<b>Franchise fees</b>	501,597	516,607	541,138
<b>Service charges</b>	366,080	<u>342,308</u>	311,796
<b>Use of money and property</b>	39,186	104,016	35,326
<b>Other revenue</b>	<u>32,637</u>	<u>16,523</u>	<u>18,186</u>
<b>Total Revenues</b>	4,240,851	4,386,266	4,347,425
Change from Prior Year	na	3.4%	-0.9%
<b>OTHER FINANCING SOURCES</b>			
<b>Transfers In</b>	<u>190,867</u>	<u>104,565</u>	<u>107,400</u>
<b>Total Other Financing Sources</b>	190,867	104,565	107,400
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$4,431,718	\$4,490,831	\$4,454,825

Source: City of Clayton CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) Property tax includes "VLF backfill".

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General Government	\$1,018,852	\$1,068,970	\$1,178,444
Public works	167,282	152,280	249,006
Parks and recreation services	349,862	295,284	325,187
Community and economic development	379,348	354,083	288,962
Public safety	1,926,479	2,138,283	2,104,174
Capital Outlay	0	0	9,830
Debt service:			
Principal retirement	0	0	0
Interest and fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>3,841,823</b>	<b>4,008,900</b>	<b>4,155,603</b>
Change from Prior Year	na	4.3%	3.7%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>0</u>	<u>46,243</u>	<u>0</u>
<b>Total Other Financing Uses</b>	<b>0</b>	<b>46,243</b>	<b>0</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$3,841,823</b>	<b>\$4,055,143</b>	<b>\$4,155,603</b>

Source: City of Clayton CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$5,148,737	\$5,413,157	\$5,618,059
Net Change	589,895	435,688	299,222
% Change from Prior Year	11.5%	8.0%	5.3%
Ending Balance, General Fund	\$5,738,632	\$5,848,845	\$5,917,281
Ending Balance/Total GF Operating Expenditures	149.4%	145.9%	142.4%
Unassigned	\$4,509,255	\$5,031,142	\$5,429,524
<b>Total Governmental Activities Ending Net Position</b>	<b>\$35,459,216</b>	<b>\$43,741,625</b>	<b>\$44,916,424</b>
<b>Unrestricted</b>	<b>\$4,781,508</b>	<b>\$7,028,670</b>	<b>\$7,835,030</b>

Source: City of Clayton CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds; Statement of Net Position

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$25,818	\$27,253	\$22,251
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	0	0	0
Other Non-Operating	<u>4,491</u>	<u>0</u>	<u>0</u>
Total	\$30,309	\$27,253	\$22,251
Change from Prior Year	na	-10.1%	-18.4%
<b>ENTERPRISE EXPENDITURES</b>			
Endeavor Hall & Community Gym	\$66,606	\$67,668	\$67,393
Total	\$66,606	\$67,668	\$67,393
Change from Prior Year	na	1.6%	-0.4%
Transfers and Special Items (1)	\$4,696	\$0	\$0
Beginning Net Position	1,237,710	\$1,206,109	\$1,165,694
Change in Net Position	<u>(31,601)</u>	<u>(40,415)</u>	<u>(45,142)</u>
Ending Net Position	\$1,206,109	\$1,165,694	\$1,120,552
% Change from Prior Year	-2.6%	-3.4%	-3.9%
Ending Net Position/Total Expenditures	18.11	17.23	16.63

Source: City of Clayton CAFRs - Recap of Statement of Activities and Changes in Net position

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Endeavor Hall and Community Gym	\$1,206,109	\$1,165,694	\$1,120,552
Total Net Position	1,206,109	1,165,694	1,120,552
% change from prior year	n/a	-3.4%	-3.9%

Source: City of Clayton CAFRs - Statement of Net Position

**LIQUIDITY (CAFR)**

Table 6

**Liquidity Measures  
City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	17.7	27.9	18.4
Cash and Short-term Investments	10,047,587	10,515,485	10,777,647
Total Current Liabilities	566,720	377,491	586,511
<b>BUSINESS-TYPE ACTIVITIES (2)</b>			
Liquidity Ratio (1)	-	-	-
Cash and Short-term Investments	0	0	0
Total Current Liabilities	8,823	6,692	8,634

Source: City of Clayton CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities.

(2) No cash and investments reported for business-type activities.

**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$27,256,072	\$26,515,029	\$26,769,092
Ending Net Value of Capital Assets	26,515,029	\$26,769,092	\$25,893,912
Change in Net Value of Capital Assets	(741,043)	254,063	(875,180)
% Change in Net Value of Capital Assets	-2.7%	1.0%	-3.3%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$1,119,010	\$1,082,943	\$1,054,261
Ending Net Value of Capital Assets	1,082,943	\$1,054,261	\$1,017,004
Change in Net Value of Capital Assets	(36,067)	(28,682)	(37,257)
% Change in Net Value of Capital Assets	-3.2%	-2.6%	-3.5%

Source: City of Clayton CAFRs - Notes to Basic Financial Statements (Note 5)



**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability (1)	n/a	n/a	n/a
Plan Fiduciary Net Position (1)	n/a	n/a	n/a
% Funded	77.60%	78.40%	74.06%
Net Pension Liability	\$3,693,394	\$3,593,771	\$4,413,357
Net OPEB Liability	\$99,656	\$129,544	\$142,547

Source: City of Clayton CAFRs - Notes to Basic Financial Statements (note 11)

(1) Per GASB 68, Clayton is part of a small employer cost sharing plan and CAFR doesn't report total pension liability or net position.

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value  
City of Clayton**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	0	0	0
Business Type Activities	<u>0</u>	<u>0</u>	<u>0</u>
Total Outstanding Debt (1)	0	0	0
Total Debt per Capita	\$0	\$0	\$0
Assessed Value	\$1,866,376,581	\$1,990,290,592	\$2,077,224,159
Coverage Ratio (pledged revenues)(1)	-	-	-

Source: CAFRs - Statistical Section, Ratios of Debt Outstanding, and Legal Debt Margin.

(1) No debt reported.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	31.13 sq.mi.	31.13 sq.mi.	31.13 sq.mi.
<b>Population (2)</b>	124,977	129,707	128,370
Change from Prior Year	na	3.8%	-1.0%
<b>Assessed Value (A.V.) (3)</b>	\$13,721.7 mill.	\$14,702.1 mill.	\$15,539.1 mill.
Change from Prior Year	na	7.1%	5.7%
A.V. per capita	\$109,800	\$113,300	\$121,000
<b>General Fund Revenues (4)</b>			
Property Tax	\$13,600,000	\$14,300,000	\$15,400,000
Sales Tax	\$41,200,000	\$45,900,000	\$46,000,000
Other Revenues	<u>\$38,100,000</u>	<u>\$37,700,000</u>	<u>\$39,900,000</u>
Total GF Revenues	\$92,900,000	\$97,900,000	\$101,300,000
Change from Prior Year	na	5.4%	3.5%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$19,000,000	\$15,500,000	\$15,300,000
Public Safety	\$45,200,000	\$49,900,000	\$53,700,000
Other (inc. Transfers Out)	<u>\$19,500,000</u>	<u>\$30,600,000</u>	<u>\$28,600,000</u>
Total GF Expenditures	\$83,700,000	\$96,000,000	\$97,600,000
Change from Prior Year	na	14.7%	1.7%
GF Expenditures per capita	\$670	\$740	\$760
<b>Ending Balance, General Fund (6)</b>	\$33,900,000	\$35,800,000	\$39,500,000
Change from Prior Year	27.1%	5.3%	9.4%
as % of GF Expenditures	40.5%	37.3%	40.5%
<b>Enterprise Expenditures (7)</b>			
Water Utility	\$25,800,000	\$26,700,000	\$27,800,000
Sewer Utility	<u>\$1,300,000</u>	<u>\$1,500,000</u>	<u>\$1,500,000</u>
Total Enterprise Expenditures	\$27,100,000	\$28,200,000	\$29,300,000
Change from Prior Year	na	4.1%	3.9%
<b>Total Enterprise Net Position (8)</b>	\$65,800,000	\$66,500,000	\$68,800,000
Position/Enterprise Expenditures	2.4	2.4	2.3
<b>Liquidity Ratio (9)</b>			
Governmental Activities	3.5	2.8	2.7
Business-type Activities	1.4	1.6	1.8
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$620,879,000	\$621,266,000	\$615,322,000
Net Change from Prior Year	-2.7%	0.1%	-1.0%
Business-type Activities	73,710,000	69,157,000	64,709,000
Net Change from Prior Year	-4.8%	-6.2%	-6.4%
<b>Total Pension Liability (11)</b>	\$455,933,359	\$466,885,639	\$484,038,710
% Pension Funded	68.5%	66.6%	63.4%
Net Pension Liability	\$143,658,161	\$156,165,452	\$177,205,341

- (1) Contra Costa LAFCO Directory of County and Cities, 2017
- (2) City edits to MSR Fiscal Profile.
- (3) See Table 9
- (4) See Table 1. Includes Transfers In.
- (5) See Table 2
- (6) See Table 3
- (7) See Table 4
- (8) See Table 4
- (9) See Table 6
- (10) See Table 7. Net depreciable assets only.
- (11) See Table 8

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**  
**Summary of General Fund Revenues**  
**City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property tax	\$13,600,000	\$14,300,000	\$15,400,000
In Lieu Property Taxes - VLF	8,900,000	9,500,000	10,100,000
Sales Taxes	41,200,000	45,900,000	46,000,000
Other Taxes	12,200,000	12,800,000	13,700,000
Licenses and Permits	1,500,000	1,700,000	2,100,000
Intergovernmental	2,100,000	1,400,000	1,400,000
Charges for Services	5,200,000	5,500,000	6,200,000
Investment Earnings	1,700,000	1,700,000	1,700,000
Miscellaneous Revenues	<u>5,300,000</u>	<u>4,600,000</u>	<u>4,200,000</u>
<b>Total Revenues</b>	<b>91,700,000</b>	<b>97,400,000</b>	<b>100,800,000</b>
Change from Prior Year	na	6.2%	3.5%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>1,200,000</u>	<u>500,000</u>	<u>500,000</u>
<b>Total Other Financing Sources</b>	<b>1,200,000</b>	<b>500,000</b>	<b>500,000</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$92,900,000</b>	<b>\$97,900,000</b>	<b>\$101,300,000</b>

Source: City of Concord CAFRs - Changes in General Fund (Table 8)

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 2**  
**Summary of General Fund Expenditures**  
**City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General Government	\$19,000,000	\$15,500,000	\$15,300,000
Public Safety	45,200,000	49,900,000	53,700,000
Public Works	6,600,000	7,300,000	8,000,000
Community and Economic Development	5,500,000	7,700,000	8,900,000
Parks and Recreation Services	4,600,000	5,000,000	5,300,000
Interest on Long-Term Debt	<u>200,000</u>	<u>200,000</u>	<u>300,000</u>
<b>Total Expenditures</b>	<b>81,100,000</b>	<b>85,600,000</b>	<b>91,500,000</b>
Change from Prior Year	na	5.5%	6.9%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>2,600,000</u>	<u>10,400,000</u>	<u>6,100,000</u>
<b>Total Other Financing Uses</b>	<b>2,600,000</b>	<b>10,400,000</b>	<b>6,100,000</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$83,700,000</b>	<b>\$96,000,000</b>	<b>\$97,600,000</b>

Source: City of Concord CAFRs - Changes in General Fund (Table 8)

**FUND BALANCE, GENERAL FUND**

**Table 3**  
**Fund Balance, General Fund**  
**City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$24,700,000	\$33,900,000	\$35,800,000
Net Change	9,200,000	1,900,000	3,700,000
% Change from Prior Year	37.2%	5.6%	10.3%
Ending Balance, General Fund	\$33,900,000	\$35,800,000	\$39,500,000
Ending Balance/Total GF Operating Expenditures	41.8%	41.8%	43.2%
Unassigned	\$27,300,000	\$23,600,000	\$28,200,000
Total Governmental Activities Ending Net Position	\$570,354,680	\$582,293,478	\$578,381,415
Unrestricted	(\$56,475,621)	(\$47,811,573)	(\$75,116,464)

Source: City of Concord CAFRs - Changes in General Fund (Table 8); Statement of Net Position.

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

**Table 4**  
**Summary of Enterprise Changes in Net Position**  
**City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$25,800,000	\$28,700,000	\$31,300,000
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	100,000	0	0
Other Non-Operating	<u>100,000</u>	<u>200,000</u>	<u>300,000</u>
Total	\$26,000,000	\$28,900,000	\$31,600,000
Change from Prior Year	na	11.2%	9.3%
<b>ENTERPRISE EXPENDITURES</b>			
Sewer Utility	\$25,800,000	\$26,700,000	\$27,800,000
Golf Course	\$1,300,000	1,500,000	1,500,000
Total	\$27,100,000	\$28,200,000	\$29,300,000
Change from Prior Year	na	4.1%	3.9%
Transfers	\$0	\$0	\$0
Beginning Net Position	\$66,900,000	\$65,800,000	\$66,500,000
Change in Net Position	<u>(1,100,000)</u>	<u>700,000</u>	<u>2,300,000</u>
Ending Net Position	\$65,800,000	\$66,500,000	\$68,800,000
% Change from Prior Year	-1.6%	1.1%	3.5%
Ending Net Position/Total Expenditures	2.43	2.36	2.35

Source: City of Concord CAFRs - Citywide Changes in Net position (Table 2).

**FUND BALANCES, PROPRIETARY FUNDS**

**Table 5**  
**Ending Net Position by Enterprise Fund**  
**City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Sewer Utility	\$63,800,000	\$64,500,000	\$66,900,000
Golf Course	2,000,000	2,000,000	1,900,000
Total Net Position	65,800,000	66,500,000	68,800,000
% change from prior year	n/a	1.1%	3.5%

Source: City of Concord CAFRs - Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Net Position

**LIQUIDITY (CAFR)**

**Table 6**  
**Liquidity Measures**  
**City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	3.5	2.8	2.7
Cash and Short-term Investments	89,093,141	84,564,296	94,634,149
Total Current Liabilities (2)	25,375,999	29,997,855	34,530,515
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	1.4	1.6	1.8
Cash and Short-term Investments	25,445,032	33,189,158	37,891,313
Total Current Liabilities	17,914,198	21,372,277	20,567,570

Source: City of Concord CAFRs - Governmental Funds Balance Sheet and Proprietary Funds Statement of Net position

(1) Ratio = Cash and Short-term Investments/Total Current Liabilities

(2) Total liabilities (including advances from other funds).

**CAPITAL ASSETS**

**Table 7**  
**Capital Assets Being Depreciated**  
**City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets (1)	\$638,173,991	\$620,879,011	\$621,265,734
Ending Net Value of Capital Assets (1)	620,879,011	621,265,734	615,321,945
Change in Net Value of Capital Assets	(17,294,980)	386,723	(5,943,789)
% Change in Net Value of Capital Assets	-2.7%	0.1%	-1.0%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets (1)	\$77,440,693	\$73,710,099	\$69,156,859
Ending Net Value of Capital Assets (1)	73,710,099	69,156,859	64,709,219
Change in Net Value of Capital Assets	(3,730,594)	(4,553,240)	(4,447,640)
% Change in Net Value of Capital Assets	-4.8%	-6.2%	-6.4%

Source: City of Concord CAFRs - Notes to Basic Financial Statements (Note 6 - CAPITAL ASSETS).

(1) Assets being depreciated (excludes land).

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities****City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability (1)	\$455,933,359	\$466,885,639	\$484,038,710
Plan Fiduciary Net Position (1)	312,275,198	310,720,187	306,833,369
% Funded	68.5%	66.6%	63.4%
Net Pension Liability	\$143,658,161	\$156,165,452	\$177,205,341
Net OPEB Asset or (Liability)	(\$50,277,000)	(\$37,683,000)	na

Source: City of Concord CAFRs - Notes to Basic Financial Statements (Notes 10-12).

(1) Includes Concord Retirement System and CALPERS. Early retirement plan is fully funded.

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value****City of Concord**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	35,900,000	32,000,000	28,100,000
Business Type Activities	<u>19,400,000</u>	<u>18,300,000</u>	<u>17,200,000</u>
Total Outstanding Debt	55,300,000	50,300,000	45,300,000
Total Debt per Capita	\$442	\$388	\$353
Assessed Value	\$13,721,683,000	\$14,702,051,000	\$15,539,072,000
Coverage Ratio (pledged revenues) (1)	4.13	5.98	7.53

Source: CAFRs - Outstanding Debt (Table 10) and Bond Coverage (Table 12)

(1) Sewer revenue bonds.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
Town of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	18.8 sq.mi.	18.8 sq.mi.	18.8 sq.mi.
<b>Population (2)</b>	42,491	44,048	44,048
Change from Prior Year	na	3.7%	0.0%
<b>Assessed Value (A.V.) (3)</b>	\$10,450.2 mill.	\$11,156.9 mill.	\$11,825.4 mill.
Change from Prior Year	na	6.8%	6.0%
A.V. per capita	\$245,900	\$253,300	\$268,500
<b>General Fund Revenues (4)</b>			
Property Tax	\$13,593,000	\$14,154,000	\$13,979,000
Sales Tax	\$4,080,000	\$4,559,000	\$5,535,000
Other Revenues	<u>\$6,268,000</u>	<u>\$10,127,000</u>	<u>\$6,090,000</u>
Total GF Revenues	\$23,941,000	\$28,840,000	\$25,604,000
Change from Prior Year	na	20.5%	-11.2%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$1,526,000	\$1,591,000	\$1,623,000
Public Safety	\$8,061,000	\$8,456,000	\$8,753,000
Other (before Transfers)	<u>\$8,865,000</u>	<u>\$9,068,000</u>	<u>\$9,443,000</u>
Total GF Expenditures	\$18,452,000	\$19,115,000	\$19,819,000
Change from Prior Year	na	3.6%	3.7%
GF Expenditures per capita	\$434	\$434	\$450
<b>Ending Balance, General Fund (6)</b>	\$27,275,000	\$29,957,000	\$27,800,000
Change from Prior Year	-0.5%	9.0%	-7.8%
as % of GF Expend. (before transfers)	147.8%	156.7%	140.3%
<b>Enterprise Expenditures (7)</b>			
<b>Total Enterprise Net Position (8)</b>			
<b>Liquidity Ratio (9)</b>			
Governmental Activities	9.4	8.4	9.9
Business-type Activities	na	na	na
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$158,163,000	\$162,964,000	\$163,427,000
Net Change from Prior Year	2.2%	3.0%	0.3%
<b>Pension Liability (11)</b>			
% Pension Funded	na	na	na
Net Pension Liability	na	na	na

Town of Danville MSR Fiscal Profile (Comprehensive Annual Financial Reports)

12/31/18

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1. Includes one-time special item: Cooperative loan from Successor Agency of former CDA. FY16 one-time amount = \$3,195,604

(5) See Table 2

(6) See Table 3

(7) See . No enterprises.

(8) See . No enterprises.



(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) Town of Danville provides a defined contribution 401(a) plan.

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**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**

**Summary of General Fund Revenues**

**Town of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property tax (1)	\$13,593,483	\$14,153,561	\$13,978,818
Sales tax	4,080,378	4,558,712	5,535,422
Other taxes	2,138,914	2,224,862	2,348,777
Charges for services	2,081,890	1,985,185	2,139,419
Permits, licenses, and fees	391,856	404,744	371,212
Intergovernmental	93,138	8,433	5,381
Fines and forfeitures	242,325	267,732	163,825
Use of money and property	947,700	1,347,953	774,087
Miscellaneous	372,349	692,541	287,179
Special Items (1)	0	<u>3,195,604</u>	0
<b>Total Revenues</b>	<b>23,942,033</b>	<b>28,839,327</b>	<b>25,604,120</b>
Change from Prior Year	na	20.5%	-11.2%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>297,553</u>	<u>297,553</u>	<u>306,553</u>
<b>Total Other Financing Sources</b>	<b>297,553</b>	<b>297,553</b>	<b>306,553</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$24,239,586</b>	<b>\$29,136,880</b>	<b>\$25,910,673</b>

Source: City of Danville CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) Cooperative loan from Successor Agency of former CDA.

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**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
Town of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General Government	\$1,526,324	\$1,591,047	\$1,622,521
Police services	8,061,311	8,456,134	8,753,474
Maintenance services	1,792,635	1,837,916	2,005,242
Lighting and landscape	0	0	0
Development services	944,084	831,846	902,452
Administrative services	2,710,169	2,964,182	2,977,230
Recreation, arts, & community services	3,405,099	3,385,848	3,558,015
Capital outlay	12,797	48,445	0
Debt service:			
Principal retirement	0	0	0
Interest and fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>18,452,419</b>	<b>19,115,418</b>	<b>19,818,934</b>
Change from Prior Year	na	3.6%	3.7%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>5,923,161</u>	<u>7,339,097</u>	<u>8,248,600</u>
<b>Total Other Financing Uses</b>	<b>5,923,161</b>	<b>7,339,097</b>	<b>8,248,600</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$24,375,580</b>	<b>\$26,454,515</b>	<b>\$28,067,534</b>

Source: City of Danville CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
Town of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$27,410,585	\$27,274,591	\$29,956,956
Net Change	(135,994)	2,682,365	(2,156,861)
% Change from Prior Year	-0.5%	9.8%	-7.2%
Ending Balance, General Fund	\$27,274,591	\$29,956,956	\$27,800,095
ending balance/ total gr expen. (before transfers)	147.8%	156.7%	140.3%
Unassigned			
<b>Total Governmental Activities Ending Net Position</b>	<b>\$243,321,728</b>	<b>\$250,543,966</b>	<b>\$252,486,782</b>
<b>Unrestricted</b>	<b>\$48,182,320</b>	<b>\$68,855,495</b>	<b>\$72,257,190</b>

Source: City of Danville CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

**Table 4**  
**Summary of Enterprise Changes in Net Position**  
**Town of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Danville reports no enterprises or business type activities

**FUND BALANCES, PROPRIETARY FUNDS**

**Table 5**  
**Ending Net Position by Enterprise Fund**  
**City of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Danville reports no enterprises or business type activities

**LIQUIDITY (CAFR)**

**Table 6**  
**Liquidity Measures**  
**Town of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	9.4	8.4	9.9
Cash and Short-term Investments	61,023,117	62,232,934	67,557,502
Total Current Liabilities	6,517,749	7,404,753	6,857,785
<b>BUSINESS-TYPE ACTIVITIES (2)</b>			
Liquidity Ratio (1)	na	na	na
Cash and Short-term Investments			0
Total Current Liabilities			0

Source: City of Danville CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Town of Danville reports no enterprises or business type activities.

**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
Town of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	154,718,983	158,162,964	\$162,964,051
Ending Net Value of Capital Assets	158,162,964	162,964,051	163,427,439
Change in Net Value of Capital Assets	3,443,981	4,801,087	463,388
% Change in Net Value of Capital Assets	2.2%	3.0%	0.3%

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES (1)**

Source: City of Danville CAFRs - Notes to Basic Financial Statements

(1) Town of Danville reports no enterprises or business type activities.

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Danville provides a defined contribution 401(a) plan

Source:

**DEBT AND VALUE**

**Table 9**

**Debt and Assessed Value**

**Town of Danville**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	8,860,000	8,055,000	7,635,000
Business Type Activities (1)	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Outstanding Debt</b>	8,860,000	8,055,000	7,635,000
<b>Total Debt per Capita</b>	\$209	\$183	\$173
<b>Assessed Value</b>	\$10,450,225,417	\$11,156,935,072	\$11,825,407,073
<b>Coverage Ratio (pledged revenues) (2)</b>			

*Source: Town of Danville CAFRs - Ratios of Outstanding Debt by Type, Assessed Value History, and Pledged Revenue Coverage*

(1) Town of Danville reports no enterprises or business type activities.

(2) No coverage ratio reported for taxable revenue bond.

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**SUMMARY PROFILE****Table S****Summary of Financial Conditions****City of El Cerrito**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	3.9 sq.mi.	3.9 sq.mi.	3.9 sq.mi.
<b>Population (2)</b>	24,132	24,490	24,674
Change from Prior Year	na	1.5%	0.8%
<b>Assessed Value (A.V.) (3)</b>	\$3,264.2 mill.	\$3,589.4 mill.	\$3,830.5 mill.
Change from Prior Year	na	10.0%	6.7%
A.V. per capita	\$135,300	\$146,600	\$155,200
<b>General Fund Revenues (4)</b>			
Property Tax	\$8,800,000	\$9,843,000	\$9,082,000
Sales Tax	\$6,455,000	\$7,551,000	\$7,477,000
Other Revenues	<u>\$14,752,000</u>	<u>\$14,975,000</u>	<u>\$17,972,000</u>
Total GF Revenues	\$30,007,000	\$32,369,000	\$34,531,000
Change from Prior Year	na	7.9%	6.7%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$3,728,000	\$4,359,000	\$4,927,000
Public Safety	\$18,461,000	\$19,326,000	\$20,277,000
Other (inc. Transfers Out)	<u>\$7,627,000</u>	<u>\$8,252,000</u>	<u>\$9,123,000</u>
Total GF Expenditures	\$29,816,000	\$31,937,000	\$34,327,000
Change from Prior Year	na	7.1%	7.5%
GF Expenditures per capita	\$1,236	\$1,304	\$1,391
<b>Ending Balance, General Fund (6)</b>	\$1,462,000	\$1,894,000	\$5,068,000
Change from Prior Year	13.1%	22.8%	-0.1%
as % of GF Expenditures	4.9%	5.9%	14.8%
<b>Enterprise Expenditures (7)</b>			
Integrated waste management	<u>\$1,788,000</u>	<u>\$1,941,000</u>	<u>\$2,377,000</u>
Total Enterprise Expenditures	\$1,788,000	\$1,941,000	\$2,377,000
Change from Prior Year	na	8.6%	22.5%
<b>Total Enterprise Net Position (8)</b>	\$688,000	\$746,000	\$865,000
Position/Enterprise Expenditures	0.4	0.4	0.4
<b>Liquidity Ratio (9)</b>			
Governmental Activities	0.4	1.2	0.8
Business-type Activities	0.5	0.5	0.5
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$73,405,000	\$69,565,000	\$74,209,000
Net Change from Prior Year	-4.7%	-5.2%	-5.1%
Business-type Activities	3,790,000	3,566,000	3,504,000
Net Change from Prior Year	-5.8%	-5.9%	-4.8%
<b>Total Pension Liability (11)</b>			
Net Liability	\$39,310,000	\$45,990,000	\$54,840,000

City of El Cerrito MSR Fiscal Profile (Comprehensive Annual Financial Reports)

12/31/18

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1

(5) See Table 2. Public Safety includes police and fire services.

(6) See Table 3

(7) See Table 4

(8) See Table 4

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) See Table 8. Total liability not reported in CAFR.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**

**Summary of General Fund Revenues**

**City of El Cerrito**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Sales Taxes</b>	\$6,455,436	\$7,550,789	\$7,477,393
<b>Property taxes</b>	8,799,514	9,843,000	9,082,380
<b>Taxes other than property and sales (1)</b>	4,300,378	4,050,661	
<b>Licenses and permits</b>	493,244	607,729	719,843
<b>Fines and forfeitures</b>	276,759	326,544	350,855
<b>Use of money and property</b>	349,916	311,786	
<b>Intergovernmental</b>	4,036,613	3,621,780	
<b>Charges for services</b>	4,275,245	4,391,219	
<b>Other revenues</b>	119,300	768,149	16,845,970
<b>Total Revenues</b>	29,106,405	31,471,657	34,476,441
Change from Prior Year	na	8.1%	9.5%
<b>OTHER FINANCING SOURCES</b>			
<b>Transfers In (1)</b>	<u>900,857</u>	<u>897,484</u>	<u>54,583</u>
<b>Total Other Financing Sources</b>	900,857	897,484	54,583
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$30,007,262	\$32,369,141	\$34,531,024
		107.9%	106.7%

Source: City of El Cerrito CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) CAFR does not show detail for all items; amounts shown are from budgets or supplemental historic data in CAFR.

(2) Includes proceeds from sale of assets.

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of El Cerrito**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
City council	\$89,694	\$81,554	\$104,158
City manager	819,640	1,041,334	972,422
City attorney	256,771	449,455	393,196
Financial services	1,207,388	1,218,873	1,365,523
City clerk	264,054	254,275	287,395
Information systems	404,493	519,468	595,204
Employee services	686,417	794,079	1,209,586
Public works	642,199	1,116,997	1,443,104
Recreation	4,153,881	4,465,879	4,818,238
Community development	1,687,744	1,769,422	2,157,162
Police	9,861,386	10,348,446	10,758,096
Fire	8,599,206	8,977,541	9,518,949
Capital outlay	135,283	182,594	45,770
Payment of sales tax to City of Richmond	245,599		
Principal retirement	90,858	93,373	95,959
Interest and fiscal charges	0	0	106,389
<b>Total Expenditures</b>	<b>29,144,613</b>	<b>31,313,290</b>	<b>33,871,151</b>
Change from Prior Year	na	7.4%	8.2%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>671,603</u>	<u>623,733</u>	<u>456,668</u>
<b>Total Other Financing Uses</b>	<b>671,603</b>	<b>623,733</b>	<b>456,668</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$29,816,216</b>	<b>\$31,937,023</b>	<b>\$34,327,819</b>

Source: City of El Cerrito CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds and General Fund

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of El Cerrito**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance (1)	\$1,270,466	\$1,461,512	\$5,072,058
Net Change	191,046	432,118	(3,639)
% Change from Prior Year	15.0%	29.6%	-0.1%
Ending Balance, General Fund (1)	\$1,461,512	\$1,893,630	\$5,068,419
Ending Balance/Total GF Operating Expenditures	4.9%	5.9%	14.8%
Unassigned (2)	\$1,323,100	1,893,842	2,097,036
Total Governmental Activities Ending Net Position (3)		31,579,940	31,034,867
Unrestricted (3)		(46,508,497)	(45,697,103)

Source: City of El Cerrito CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds



El Cerrito

- (1) FY17 from CAFR (pg. 32) "as restated"
- (2) FY18-19, FY19-20 budget, pg. 5.
- (3) FY16 and FY17 from FY17 CAFR (pg. 8, 9)

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
City of El Cerrito**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$2,203,157	\$2,318,342	\$2,366,205
Operating Grants and Contributions	1,250	37,213	25,683
Capital Grants and Contributions	0		
Other Non-Operating	<u>0</u>		
Total	\$2,204,407	\$2,355,555	\$2,391,888
Change from Prior Year	na	6.9%	1.5%
<b>ENTERPRISE EXPENDITURES</b>			
Integrated waste management	\$1,787,896	\$1,940,519	\$2,376,867
Total	\$1,787,896	\$1,940,519	\$2,376,867
Change from Prior Year	na	8.5%	22.5%
Transfers	(\$346,319)	(\$356,418)	(\$9,671)
Beginning Net Position	617,632	\$687,824	\$746,442
Change in Net Position	<u>70,192</u>	<u>58,618</u>	<u>119,002</u>
Ending Net Position	\$687,824	\$746,442	865,444
% Change from Prior Year	11.4%	8.5%	15.9%
Ending Net Position/Total Expenditures	0.38	0.38	0.36

Source: City of El Cerrito CAFRs - Statement of Changes in Net position

(1) FY16 and FY17 from FY17 CAFR (pg. 8, 9)

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
City of El Cerrito**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Integrated waste management			
Total Net Position	687,824	746,442	865,444
% change from prior year	n/a	8.5%	15.9%

Source: City of El Cerrito CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

**LIQUIDITY (CAFR)**

Table 6

## Liquidity Measures

## City of El Cerrito

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	0.4	1.2	0.8
Cash and Short-term Investments (2)	1,626,978	9,704,963	6,839,865
Total Current Liabilities	3,837,617	8,021,995	8,786,072
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	0.5	0.5	0.5
Cash and Short-term Investments	224,725	287,367	434,705
Total Current Liabilities	431,567	553,813	863,982

Source: City of El Cerrito CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities.

(2) FY17 Cash and Investments (inc. w/fiscal agents).

**CAPITAL ASSETS**

Table 7

## Capital Assets Being Depreciated

## City of El Cerrito

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets (1)	\$77,016,693	\$73,405,129	\$78,163,857
Ending Net Value of Capital Assets	\$73,405,129	\$69,565,283	\$74,208,670
Change in Net Value of Capital Assets	(3,611,564)	(3,839,846)	(3,955,187)
% Change in Net Value of Capital Assets	-4.7%	-5.2%	-5.1%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets (1)	\$4,021,783	\$3,790,317	\$3,679,248
Ending Net Value of Capital Assets	\$3,790,317	\$3,565,597	\$3,504,108
Change in Net Value of Capital Assets	(231,466)	(224,720)	(175,140)
% Change in Net Value of Capital Assets	-5.8%	-5.9%	-4.8%

Source: City of El Cerrito CAFRs - Notes to Basic Financial Statements (Note 6)

(1) FY17 start of year "as restated" in FY17 CAFR.

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities****City of El Cerrito**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY (1)</b>			
<b>Total Pension Liability (1)</b>			
<b>Plan Fiduciary Net Position</b>			
<b>% Funded (1)</b>		78.4%	79.8%
<b>Net Pension Liability</b>	\$39,314,773	\$45,992,107	\$54,843,000
<b>% of General Fund Revenues</b>			159%
<b>Net OPEB Liability (2)</b>	na	na	na

Source: City of El Cerrito CAFRs - Notes to Basic Financial Statements

(1) Total CALPERS pension liability not reported.

(2) City does not provide OPEB to retirees (allows continuation at employee cost).

**DEBT AND VALUE****Table 9****Debt and Assessed Value****City of El Cerrito**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
<b>Governmental Activities</b>	22,181,119	21,120,338	18,405,738
<b>Business Type Activities</b>	<u>3,349,648</u>	<u>2,998,657</u>	<u>2,347,900</u>
<b>Total Outstanding Debt</b>	25,530,767	24,118,995	20,753,638
<b>Total Debt per Capita</b>	\$1,058	\$985	\$841
<b>Assessed Value</b>	\$3,264,235,176	\$3,589,412,806	\$3,830,500,000
<b>Coverage Ratio (pledged revenues) (1)</b>	na	na	na

Source:

(1) City made a final payment on its revenue bond in fiscal year 2013-14.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions****City of Hercules**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	8.1 sq.mi.	8.1 sq.mi.	8.1 sq.mi.
<b>Population (2)</b>	24,578	24,909	26,185
Change from Prior Year	na	1.3%	5.1%
<b>Assessed Value (A.V.) (3)</b>	na	na	\$3,254.2 mill.
Change from Prior Year			
A.V. per capita			\$124,300
<b>General Fund Revenues (4)</b>			
Property Tax	\$1,173,000	\$1,057,000	\$1,110,000
Sales Tax	\$2,518,000	\$1,803,000	\$1,943,000
Other Revenues (inc. transfers in)	<u>\$9,999,000</u>	<u>\$11,260,000</u>	<u>\$11,907,000</u>
Total GF Revenues	\$13,690,000	\$14,120,000	\$14,960,000
Change from Prior Year	na	3.1%	5.9%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$2,636,000	\$3,826,000	\$3,974,000
Public Safety	\$5,152,000	\$5,590,000	\$6,022,000
Other (inc. Transfers Out)	<u>\$3,308,828</u>	<u>\$2,734,553</u>	<u>\$2,658,808</u>
Total GF Expenditures	\$11,096,828	\$12,150,553	\$12,654,808
Change from Prior Year	na	9.5%	4.2%
GF Expenditures per capita	\$451	\$488	\$483
<b>Ending Balance, General Fund (6)</b>	\$37,139,000	\$39,106,000	\$41,695,000
Change from Prior Year	7.0%	5.0%	5.5%
as % of GF Expenditures	334.7%	321.8%	329.5%
<b>Enterprise Expenditures (7)</b>			
Wastewater	<u>\$2,835,000</u>	<u>\$3,855,000</u>	<u>\$3,092,000</u>
Total Enterprise Expenditures	\$2,835,000	\$3,855,000	\$3,092,000
Change from Prior Year	na	36.0%	-19.8%
<b>Total Enterprise Net Position (8)</b>	\$32,874,000	\$34,280,000	\$37,033,000
Position/Enterprise Expenditures	11.6	8.9	12.0
<b>Liquidity Ratio (9)</b>			
Governmental Activities	2.7	0.9	1.0
Business-type Activities	32.3	4.4	6.3
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$71,807,000	\$73,330,000	\$78,918,000
Net Change from Prior Year	3.9%	2.1%	7.6%
Business-type Activities	13,711,000	14,674,000	23,112,000
Net Change from Prior Year	2.2%	7.0%	57.5%
<b>Total Pension Liability (11)</b>	\$48,082,409	\$49,531,155	n/a (1)
% Pension Funded	74.7%	70.6%	n/a (1)
Net Pension Liability	\$12,152,748	\$14,541,817	\$0

*City of Hercules MSR Fiscal Profile (Comprehensive Annual Financial Reports)*

1/1/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

Hercules

- (4) See Table 1.
- (5) See Table 2. General Gov. includes debt service allocations.
- (6) See Table 3
- (7) See Table 4
- (8) See Table 4
- (9) See Table 6
- (10) See Table 7. Net depreciable assets only.
- (11) See Table 8

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**  
**Summary of General Fund Revenues**  
**City of Hercules**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property Tax	\$1,173,027	\$1,057,005	\$1,110,268
Sales Tax	2,517,519	1,803,355	1,942,854
Other Taxes	4,698,466	6,172,225	6,149,566
Licenses and Permits	480,645	344,374	496,355
Fines, Forfeits and Penalties	62,069	60,434	47,824
Revenue from Use of Money and Property	247,365	339,973	237,235
Aid from Other Governments	0	0	2,458,474
Charges for Services	2,210,036	1,999,726	2,140,443
Miscellaneous Revenue	0	0	276,501
Intergovernmental	1,710,260	1,707,098	0
Other Revenues	474,228	533,922	0
<b>Total Revenues</b>	<b>13,573,615</b>	<b>14,018,112</b>	<b>14,859,520</b>
Change from Prior Year	na	3.3%	6.0%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>111,779</u>	<u>100,000</u>	<u>100,000</u>
<b>Total Other Financing Sources</b>	<b>111,779</b>	<b>100,000</b>	<b>100,000</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$13,685,394</b>	<b>\$14,118,112</b>	<b>\$14,959,520</b>

Source: City of Hercules CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of Hercules**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>General Government (1)</b>			
City Council	220,652	\$230,664	\$121,260
City Manager	335,458	268,778	266,050
Legal Services	259,370	552,942	398,516
Management Services	229,195	369,744	258,578
City Clerk	215	244	299
Cable TV	55,144	58,562	57,510
Risk Management	512,328	480,843	667,989
Other	1,023,339	1,863,841	2,203,467
Public Safety	5,152,092	5,589,583	6,021,830
Streets and Public Works	203,145	187,032	213,999
Parks and Recreation	1,827,391	1,961,669	1,883,159
Community Development	394,923	355,309	512,151
<b>Debt service:</b>			
Principal retirement	0	0	0
Prior Period Adjustments	6,370		
Interest and fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>10,219,622</b>	<b>11,919,211</b>	<b>12,604,808</b>
Change from Prior Year	na	16.6%	5.8%
<b>OTHER FINANCING USES</b>			
Transfers Out (1)	<u>877,206</u>	<u>231,342</u>	<u>50,000</u>
<b>Total Other Financing Uses</b>	<b>877,206</b>	<b>231,342</b>	<b>50,000</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$11,096,828</b>	<b>\$12,150,553</b>	<b>\$12,654,808</b>

Source: City of Hercules CAFRs - Budgetary Comparisons, and Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) FY16 CAFR pg. 18 Transfers Out are \$1.1 mill vs. pg. 74 \$200k (due to debt, see pg. 74. reconciliation).

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of Hercules**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$34,550,345	\$37,138,911	\$39,390,220
Net Change (1)	2,588,566	1,967,559	2,304,712
% Change from Prior Year	7.5%	5.3%	5.9%
<b>Ending Balance, General Fund</b>	<b>\$37,138,911</b>	<b>\$39,106,470</b>	<b>\$41,694,932</b>
<b>Ending Balance/Total GF Operating Expenditures</b>	<b>363.4%</b>	<b>328.1%</b>	<b>330.8%</b>
Unassigned	\$7,969,320	8,291,363	9,426,610
<b>Total Governmental Activities Ending Net Position</b>	<b>\$103,232,574</b>	<b>\$109,322,386</b>	<b>\$118,672,536</b>
Unrestricted	\$16,564,422	\$34,482,114	\$27,146,535

Source: City of Hercules CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental

(1) CAFR FY16 Gen'l Gov't detail about \$200k higher on pg. 73 vs. pg. 18, resulting in lower change shown here.

#### ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND

Table 4

##### Summary of Enterprise Changes in Net Position City of Hercules

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$6,028,122	\$5,595,044	\$5,797,766
General Revenues	<u>23,484</u>	<u>24,058</u>	<u>47,424</u>
<b>Total</b>	\$6,051,606	\$5,619,102	\$5,845,190
Change from Prior Year	na	-7.1%	4.0%
<b>ENTERPRISE EXPENDITURES</b>			
Wastewater	<u>\$2,834,835</u>	<u>\$3,854,974</u>	<u>\$3,092,380</u>
<b>Total</b>	\$2,834,835	\$3,854,974	\$3,092,380
Change from Prior Year	na	36.0%	-19.8%
Transfers	\$92,736	\$10,452	\$0
Beginning Net Position	29,564,510	\$32,505,864	\$34,280,444
Change in Net Position	<u>3,309,507</u>	<u>1,774,580</u>	<u>2,752,810</u>
Ending Net Position	\$32,874,017	\$34,280,444	\$37,033,254
% Change from Prior Year	11.2%	5.5%	8.0%
Ending Net Position/Total Expenditures	11.60	8.89	11.98

Source: City of Hercules CAFRs - Statement of Changes in Net position

#### FUND BALANCES, PROPRIETARY FUNDS

Table 5

##### Ending Net Position by Enterprise Fund City of Hercules

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Wastewater	\$32,874,017	\$34,280,444	37,033,254
<b>Total Net Position</b>	32,874,017	34,280,444	37,033,254
% change from prior year	n/a	4.3%	8.0%

Source: City of Hercules CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds



**LIQUIDITY (CAFR)**

Table 6

**Liquidity Measures  
City of Hercules**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	2.7	0.9	1.0
Cash and Short-term Investments	\$12,324,323	\$11,096,828	11,865,406
Total Current Liabilities (2)	4,523,091	11,827,411	11,827,411
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	32.3	4.4	6.3
Cash and Short-term Investments	\$20,140,233	\$12,379,389	\$16,164,274
Total Current Liabilities	623,316	2,822,049	2,550,917

Source: City of Hercules CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Includes amounts due to other funds.

**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of Hercules**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$69,082,117	\$71,806,545	\$73,330,454
Ending Net Value of Capital Assets	71,806,545	73,330,454	78,918,108
Change in Net Value of Capital Assets	2,724,428	1,523,909	5,587,654
% Change in Net Value of Capital Assets	3.9%	2.1%	7.6%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$13,411,371	\$13,710,590	\$14,674,260
Ending Net Value of Capital Assets	13,710,590	14,674,260	23,112,231
Change in Net Value of Capital Assets	299,219	963,670	8,437,971
% Change in Net Value of Capital Assets	2.2%	7.0%	57.5%

Source: City of Hercules CAFRs - Notes to Basic Financial Statements (Note 5)

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of Hercules**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability (1)	\$48,082,409	\$49,531,155	n/a (1)
Plan Fiduciary Net Position (1)	\$35,929,661	\$34,989,338	n/a (1)
% Funded (2)	74.7%	70.6%	n/a (1)
Net Pension Liability	\$12,152,748	\$14,541,817	
Net OPEB Liability (2)	\$638,000	n/a (2)	n/a (2)

Source: City of Hercules CAFRs - Notes to Basic Financial Statements

(1) Misc. and Safety Plans (calculated from net liability of each). FY17 not reported.

(2) OPEB as of 6/30/14 per FY17 CAFR; subsequent years not reported.

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value  
City of Hercules**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	\$22,439,587	\$22,371,605	\$21,896,875
Business Type Activities	<u>10,648,206</u>	<u>10,439,224</u>	<u>16,993,613</u>
Total Outstanding Debt	33,087,793	32,810,829	38,890,488
Total Debt per Capita	\$1,346	\$1,317	\$1,485
Assessed Value (2)	na	na	\$3,254,207,172
<b>Coverage Ratio (pledged revenues) (2)</b>			

Source: City of Hercules CAFRs - Notes to Basic Financial Statements

(1) Assessed value not reported in CAFRs; value is from County Roll Rpt 3211.

(2) FY17 CAFR pg.19 reports \$15,261,777 revenue bonds, but does not show revenue coverage.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions****City of Lafayette**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	15.39 sq.mi.	15.39 sq.mi.	15.39 sq.mi.
<b>Population (2)</b>	24,690	24,924	25,199
Change from Prior Year	na	0.9%	1.1%
<b>Assessed Value (A.V.) (3)</b>	\$6,474.8 mill.	\$6,973.4 mill.	\$7,478.1 mill.
Change from Prior Year	na	7.7%	7.2%
A.V. per capita	\$262,200	\$279,800	\$296,800
<b>General Fund Revenues (4)</b>			
Property Tax	\$4,005,000	\$4,441,000	\$4,722,000
Sales Tax	\$2,877,000	\$3,194,000	\$3,008,000
Other Revenues (inc. transfers in)	<u>\$7,915,000</u>	<u>\$8,633,000</u>	<u>\$9,293,000</u>
Total GF Revenues	\$14,797,000	\$16,268,000	\$17,023,000
Change from Prior Year	na	9.9%	4.6%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$3,268,000	\$3,667,000	\$4,136,000
Public Safety	\$4,551,000	\$4,603,000	\$4,691,000
Other (inc. Transfers Out)	<u>\$5,558,560</u>	<u>\$6,632,324</u>	<u>\$7,573,380</u>
Total GF Expenditures	\$13,377,560	\$14,902,324	\$16,400,380
Change from Prior Year	na	11.4%	10.1%
GF Expenditures per capita	\$542	\$598	\$651
<b>Ending Balance, General Fund (6)</b>	\$17,495,000	\$18,861,000	\$19,483,000
Change from Prior Year	8.1%	7.2%	3.2%
as % of GF Expenditures	130.8%	126.6%	118.8%
<b>Enterprise Expenditures (7)</b>			
Recreation	<u>\$1,224,000</u>	<u>\$1,289,000</u>	<u>\$1,201,000</u>
Total Enterprise Expenditures	\$1,224,000	\$1,289,000	\$1,201,000
Change from Prior Year	na	5.3%	-6.8%
<b>Total Enterprise Net Position (8)</b>	\$362,000	\$433,000	\$478,000
Position/Enterprise Expenditures	0.3	0.3	0.4
<b>Liquidity Ratio (9)</b>			
Governmental Activities	4.0	3.7	3.0
Business-type Activities	2.0	0.6	1.5
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$89,354,000	\$90,173,000	\$88,391,000
Net Change from Prior Year	-2.0%	0.9%	-2.0%
<b>Total Pension Liability (11)</b>	na	na	na

City of Lafayette MSR Fiscal Profile (Comprehensive Annual Financial Reports)

1/1/19

(1) City of Lafayette (revisions to LAFCO directory)

(2) City of Lafayette (revisions to Dept of Finance E-1\_2018, 2017, 2016 for most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1 (includes transfers in).

(5) See Table 2. Gen'l Gov. includes Council and Admin.

(6) See Table 3

(7) See Table 4

(8) See Table 4

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) City provides a 401(a) defined contribution plan (10% plus up to 5% match).

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)****Table 1****Summary of General Fund Revenues****City of Lafayette**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property taxes	\$4,004,653	\$4,441,434	\$4,721,526
Sales tax	2,876,935	3,193,914	3,008,076
Other taxes	5,231,370	3,245,115	3,334,677
Charges for services	1,192,055	1,178,572	1,562,345
Intergovernmental	24,587	2,554,915	2,792,558
Licenses and permits	269,669	327,362	302,561
Fines, forfeitures and penalties	126,241	108,791	75,819
Use of money and property	165,266	250,034	340,918
Miscellaneous	<u>905,564</u>	<u>943,514</u>	<u>833,854</u>
<b>Total Revenues</b>	<b>14,796,340</b>	<b>16,243,651</b>	<b>16,972,334</b>
Change from Prior Year	na	9.8%	4.5%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>0</u>	<u>25,000</u>	<u>50,000</u>
<b>Total Other Financing Sources</b>	<b>0</b>	<b>25,000</b>	<b>50,000</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$14,796,340</b>	<b>\$16,268,651</b>	<b>\$17,022,334</b>

Source: City of Lafayette CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of Lafayette**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Council, commissions, community support	\$1,198,457	\$1,339,477	\$1,346,360
Police services	4,550,675	4,602,565	4,691,205
Parking services	0	0	0
Public works	1,440,157	1,849,403	1,601,742
Senior transportation	0	0	0
Library operations	715,880	775,776	825,482
Planning	620,735	670,380	766,303
Engineering	249,096	373,979	306,371
Administration	2,070,041	2,327,342	2,789,757
Capital outlay	<u>0</u>	<u>0</u>	<u>491,541</u>
<b>Total Expenditures</b>	<b>10,845,041</b>	<b>11,938,922</b>	<b>12,818,761</b>
Change from Prior Year	na	10.1%	7.4%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>2,532,519</u>	<u>2,963,402</u>	<u>3,581,619</u>
<b>Total Other Financing Uses</b>	<b>2,532,519</b>	<b>2,963,402</b>	<b>3,581,619</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$13,377,560</b>	<b>\$14,902,324</b>	<b>\$16,400,380</b>

Source: City of Lafayette CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of Lafayette**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$16,075,975	\$17,494,755	\$18,861,082
Net Change	1,418,780	1,366,327	621,954
% Change from Prior Year	8.8%	7.8%	3.3%
<b>Ending Balance, General Fund</b>	<b>\$17,494,755</b>	<b>\$18,861,082</b>	<b>\$19,483,036</b>
Ending Balance/Total GF Operating Expenditures	130.8%	126.6%	118.8%
Unassigned	\$8,267,328	\$9,766,041	\$9,522,319
<b>Total Governmental Activities Ending Net Position</b>	<b>\$130,088,610</b>	<b>\$131,869,851</b>	<b>\$134,474,174</b>
Unrestricted	\$23,081,608	\$24,796,206	\$26,382,458

Source: City of Lafayette CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances,

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
City of Lafayette**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$1,300,023	\$1,389,294	\$1,300,301
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	0	0	0
Other	466	762	421
<b>Total</b>	<b>\$1,300,489</b>	<b>\$1,390,056</b>	<b>\$1,300,722</b>
Change from Prior Year	na	6.9%	-6.4%
<b>ENTERPRISE EXPENDITURES</b>			
Recreation	<u>\$1,224,490</u>	<u>\$1,288,899</u>	<u>\$1,200,758</u>
<b>Total</b>	<b>\$1,224,490</b>	<b>\$1,288,899</b>	<b>\$1,200,758</b>
Change from Prior Year	na	5.3%	-6.8%
Transfers	(\$30,000)	(\$30,000)	(\$55,000)
Beginning Net Position	315,532	\$361,531	\$432,688
Change in Net Position	<u>45,999</u>	<u>71,157</u>	<u>44,964</u>
Ending Net Position	\$361,531	\$432,688	\$477,652
% Change from Prior Year	14.6%	19.7%	10.4%
<b>Ending Net Position/Total Expenditures</b>	<b>0.30</b>	<b>0.34</b>	<b>0.40</b>

Source: City of Lafayette CAFRs - Statement of Changes in Net position

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**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
City of Lafayette**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Recreation	<u>\$361,531</u>	<u>\$432,688</u>	<u>\$477,652</u>
<b>Total Net Position</b>	<b>361,531</b>	<b>432,688</b>	<b>477,652</b>
<b>% change from prior year</b>	<b>n/a</b>	<b>19.7%</b>	<b>10.4%</b>

Source: City of Lafayette CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

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**LIQUIDITY (CAFR)**

Table 6

## Liquidity Measures

## City of Lafayette

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	4.0	3.7	3.0
Cash and Short-term Investments	12,805,416	13,891,920	13,014,497
Total Current Liabilities (2)	3,192,030	3,715,007	4,404,939
<b>BUSINESS-TYPE ACTIVITIES (3)</b>			
Liquidity Ratio (1)	2.0	0.6	1.5
Cash and Short-term Investments	728,896	270,877	641,793
Total Current Liabilities	357,158	427,583	421,458

Source: City of Lafayette CAFRs - Balance Sheet, and Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Revised by City to include interest payable and other due within 1 yr.

(3) Recreation programs.

**CAPITAL ASSETS**

Table 7

## Capital Assets Being Depreciated

## City of Lafayette

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	91,150,290	89,353,851	90,172,656
Ending Net Value of Capital Assets	89,353,851	90,172,656	88,390,838
Change in Net Value of Capital Assets	(1,796,439)	818,805	(1,781,818)
% Change in Net Value of Capital Assets	-2.0%	0.9%	-2.0%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets			
Ending Net Value of Capital Assets			
Change in Net Value of Capital Assets			
% Change in Net Value of Capital Assets			

Source: City of Lafayette CAFRs - Notes to Basic Financial Statements (Note 6)

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities****City of Lafayette**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY (1)</b>			
<b>NA City of Lafayette provides a defined contribution 401(a) plan</b>			
<b>Net OPEB Liability or (assets) (2)</b>	(\$4,899)	(\$4,899)	(\$4,899)

Source: City of Lafayette CAFRs - Notes to Basic Financial Statements (Notes 8-9)

(1) City provides a 401(a) defined contribution plan (10% plus up to 5% match).

(2) CAFRs only report net assets in OPEB account.

**DEBT AND VALUE****Table 9****Debt and Assessed Value****City of Lafayette**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
<b>Governmental Activities</b>	6,610,000	6,120,000	4,835,000
<b>Business Type Activities</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Outstanding Debt</b>	6,610,000	6,120,000	4,835,000
<b>Total Debt per Capita</b>	\$268	\$246	\$192
<b>Assessed Value</b>	\$6,474,849,153	\$6,973,421,248	\$7,478,118,355
<b>Coverage Ratio (pledged revenues) (1)</b>			

Source: CAFRs - Ratios of Debt Outstanding, and Assessed Value, over Ten Years

(1) No revenue bonds or pledged revenues reported.



**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Martinez**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	12.5 sq.mi.	12.5 sq.mi.	12.5 sq.mi.
<b>Population (2)</b>	36,931	37,224	37,831
Change from Prior Year	na	0.8%	1.6%
<b>Assessed Value (A.V.) (3)</b>	\$4,802.4 mill.	\$5,184.3 mill.	\$5,445.2 mill.
Change from Prior Year	na	8.0%	5.0%
A.V. per capita	\$130,000	\$139,300	\$143,900
<b>General Fund Revenues (4)</b>			
Property Tax	\$7,165,000	\$7,755,000	\$8,212,000
Sales Tax	\$3,088,000	\$4,018,000	\$4,729,000
Other Revenues	<u>\$10,894,000</u>	<u>\$11,123,000</u>	<u>\$9,270,000</u>
Total GF Revenues	\$21,147,000	\$22,896,000	\$22,211,000
Change from Prior Year	na	8.3%	-3.0%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$3,359,000	\$3,968,000	\$4,518,000
Public Safety	\$9,327,000	\$10,396,000	\$10,576,000
Other (inc. Transfers Out)	<u>\$6,160,000</u>	<u>\$6,080,000</u>	<u>\$6,328,000</u>
Total GF Expenditures	\$18,846,000	\$20,444,000	\$21,422,000
Change from Prior Year	na	8.5%	4.8%
GF Expenditures per capita	\$510	\$549	\$566
<b>Ending Balance, General Fund (6)</b>	\$10,574,000	\$12,962,000	\$13,751,000
Change from Prior Year	21.8%	18.9%	5.7%
as % of GF Expenditures	56.1%	63.4%	64.2%
<b>Enterprise Expenditures (7)</b>			
Water System	\$11,259,000	\$10,649,000	\$10,456,000
Marina Services	\$120,000	\$138,000	\$308,000
Parking Services	\$200,000	\$243,000	\$247,000
Other	<u>\$0</u>	<u>\$0</u>	<u>\$294,000</u>
Total Enterprise Expenditures	\$11,579,000	\$11,030,000	\$11,305,000
Change from Prior Year	na	-4.7%	2.5%
<b>Total Enterprise Net Position (8)</b>	\$37,416,000	\$38,126,000	\$37,817,000
Position/Enterprise Expenditures	3.2	3.5	3.3
<b>Liquidity Ratio (9)</b>			
Governmental Activities	6.7	7.1	10.3
Business-type Activities	7.4	4.6	4.6
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$42,905,000	\$42,059,000	\$45,585,000
Net Change from Prior Year	-4.6%	-2.0%	8.4%
Business-type Activities	26,147,000	28,820,000	27,278,000
Net Change from Prior Year	1.7%	10.2%	-5.3%
<b>Total Pension Liability (11)</b>			
Net Liability	\$27,330,000	\$29,460,000	\$36,410,000

City of Martinez MSR Fiscal Profile (Comprehensive Annual Financial Reports)

1/1/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1

- (5) See Table 2  
 (6) See Table 3  
 (7) See Table 4  
 (8) See Table 4  
 (9) See Table 6  
 (10) See Table 7. Net depreciable assets only.  
 (11) See Table 8. Total liability not reported in CAFR.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**

**Summary of General Fund Revenues  
 City of Martinez**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property Tax (1)	\$7,165,086	\$7,755,254	\$8,212,232
Sales Tax (1)	3,088,342	4,017,775	4,728,669
Other Taxes (1)	7,139,293	7,434,262	6,361,279
Licenses, permits, and fees	796,903	840,050	705,510
Intergovernmental	1,181,627	670,768	608,282
Charges for services	1,006,584	1,209,399	859,924
Fines and forfeits	419,100	450,563	345,998
Use of money and property	134,954	243,033	238,577
Miscellaneous	<u>215,647</u>	<u>275,250</u>	<u>150,152</u>
<b>Total Revenues</b>	21,147,536	22,896,354	22,210,623
Change from Prior Year	na	8.3%	-3.0%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Other Financing Sources</b>	0	0	0
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$21,147,536	\$22,896,354	\$22,210,623

Source: City of Martinez CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) CAFRs don't detail taxes; amounts derived from "Changes in Net Position Last 10 Yrs".

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

## Summary of General Fund Expenditures

## City of Martinez

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General Government	\$1,311,797	\$1,234,239	\$1,367,650
Nondepartmental services	1,151,381	1,389,052	1,857,896
Administrative services	895,776	1,345,127	1,292,152
Public works	3,754,724	3,657,350	3,699,160
Community & economic development	2,359,215	2,161,219	2,316,034
Police	9,326,888	10,395,574	10,576,113
Debt service:			
Principal retirement	0	0	0
Interest and fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>18,799,781</b>	<b>20,182,561</b>	<b>21,109,005</b>
Change from Prior Year	na	7.4%	4.6%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>46,238</u>	<u>261,054</u>	<u>313,068</u>
<b>Total Other Financing Uses</b>	<b>46,238</b>	<b>261,054</b>	<b>313,068</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$18,846,019</b>	<b>\$20,443,615</b>	<b>\$21,422,073</b>

Source: City of Martinez CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1)

**FUND BALANCE, GENERAL FUND**

Table 3

## Fund Balance, General Fund

## City of Martinez

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$8,272,585	\$10,509,493	\$12,962,232
Net Change	2,301,517	2,452,739	788,550
% Change from Prior Year	27.8%	23.3%	6.1%
Ending Balance, General Fund	\$10,574,102	\$12,962,232	\$13,750,782
Ending Balance/Total GF Operating Expenditures	56.2%	64.2%	65.1%
Unassigned	\$7,736,927	\$9,826,549	\$8,634,938
<b>Total Governmental Activities Ending Net Position</b>	<b>\$42,891,994</b>	<b>\$46,114,628</b>	<b>\$47,608,471</b>
<b>Unrestricted</b>	<b>(\$13,666,690)</b>	<b>(\$8,401,847)</b>	<b>(\$7,757,618)</b>

Source: City of Martinez CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances,

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
City of Martinez**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$12,041,560	\$11,706,158	\$11,010,378
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	1,019,923	0	0
Other Non-Operating		<u>185,215</u>	<u>158,551</u>
<b>Total</b>	\$13,061,483	\$11,891,373	\$11,168,929
Change from Prior Year	na	-9.0%	-6.1%
<b>ENTERPRISE EXPENDITURES</b>			
Water System	\$11,259,352	\$10,649,350	\$10,455,791
Marina Services	119,657	138,468	307,885
Parking Services	199,791	242,805	247,202
Other Expenses			<u>294,411</u>
<b>Total</b>	\$11,578,800	\$11,030,623	\$11,305,289
Change from Prior Year	na	-4.7%	2.5%
Transfers (net)	\$21,238	\$70,454	\$155,218
Beginning Net Position (1)	35,911,925	\$37,195,126	\$37,798,621
Change in Net Position	<u>1,503,921</u>	<u>931,204</u>	<u>18,858</u>
Ending Net Position (1)	\$37,415,846	\$38,126,330	\$37,817,479
% Change from Prior Year	4.2%	2.5%	0.0%
Ending Net Position/Total Expenditures	3.23	3.46	3.35

Source: City of Martinez CAFRs - Statement of Changes in Net position

(1) Note: totals may differ from Statement of Activities due to Internal Fund allocations.

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
City of Martinez**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Water System	\$38,472,838	\$38,765,641	\$39,221,184
Marina Services	(3,367,692)	(3,387,680)	(3,325,878)
Parking Services	2,089,980	2,420,660	2,745,604
<b>Total Net Position</b>	37,195,126	37,798,621	38,640,910
% change from prior year	n/a	1.6%	2.2%

Source: City of Martinez CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

**LIQUIDITY (CAFR)**

Table 6

## Liquidity Measures

## City of Martinez

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	6.7	7.1	10.3
Cash and Short-term Investments (2)	\$21,354,153	\$22,995,447	\$23,525,041
Total Current Liabilities	3,164,913	3,243,181	2,278,243
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	7.4	4.6	4.6
Cash and Short-term Investments (2)	\$17,414,726	\$12,390,464	\$12,345,000
Total Current Liabilities	2,346,889	2,682,081	2,688,961

Source: City of Martinez CAFRs - Balance Sheet, and Statement of Net Position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Available for operations.

**CAPITAL ASSETS**

Table 7

## Capital Assets Being Depreciated

## City of Martinez

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$44,974,957	\$42,905,384	\$42,058,558
Ending Net Value of Capital Assets	42,905,384	42,058,558	45,584,651
Change in Net Value of Capital Assets	(2,069,573)	(846,826)	3,526,093
% Change in Net Value of Capital Assets	-4.6%	-2.0%	8.4%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$25,706,096	\$26,146,986	\$28,819,620
Ending Net Value of Capital Assets	26,146,986	28,819,620	27,278,015
Change in Net Value of Capital Assets	440,890	2,672,634	(1,541,605)
% Change in Net Value of Capital Assets	1.7%	10.2%	-5.3%

Source: City of Martinez CAFRs - Notes to Basic Financial Statements (Note 6 - CAPITAL ASSETS)

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities****City of Martinez**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Net Pension Liability	\$27,329,187	\$29,458,741	\$36,408,168
<b>Net OPEB Asset or (Liability) (1)</b>	4,306,976	4,071,910	4,064,683

Source: City of Martinez CAFRs - Notes to Basic Financial Statements Notes 11-12

(1) Total liability not reported in CAFR.

(2) FY17 CAFR indicates net OPEB assets in CERBT.

**DEBT AND VALUE****Table 9****Debt and Assessed Value****City of Martinez**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	23,055,000	22,945,000	22,820,000
Business Type Activities	<u>13,121,103</u>	<u>12,244,353</u>	<u>11,332,604</u>
Total Outstanding Debt	36,176,103	35,189,353	34,152,604
Total Debt per Capita	\$980	\$945	\$903
Assessed Value	\$4,802,400,460	\$5,184,258,980	\$5,445,221,010
Coverage Ratio (pledged revenues)	1.99	2.27	2.49

Source: CAFRs - Ratio of Outstanding Debt, Assessed and Estimated Actual Value of Taxable Property, Revenue Bond Coverage.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions****City of Moraga**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	9.5 sq.mi.	9.5 sq.mi.	9.5 sq.mi.
<b>Population (2)</b>	16,434	16,581	16,866
Change from Prior Year	na	0.9%	1.7%
<b>Assessed Value (A.V.) (3)</b>	\$3,380.3 mill.	\$3,581.3 mill.	\$3,790.8 mill.
Change from Prior Year	na	5.9%	5.8%
A.V. per capita	\$205,700	\$216,000	\$224,800
<b>General Fund Revenues (4)</b>			
Property Tax	\$1,854,000	\$1,983,000	\$2,111,000
Sales Tax	\$2,755,000	\$1,069,000	\$1,007,000
Other Revenues	<u>\$4,876,637</u>	<u>\$7,274,759</u>	<u>\$5,118,817</u>
Total GF Revenues	\$9,485,637	\$10,326,759	\$8,236,817
Change from Prior Year	na	8.9%	-20.2%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$1,439,000	\$1,609,000	\$1,676,000
Public Safety	\$2,494,000	\$2,537,000	\$2,564,000
Other (inc. Transfers Out)	<u>\$5,529,465</u>	<u>\$4,232,700</u>	<u>\$4,306,480</u>
Total GF Expenditures	\$9,462,465	\$8,378,700	\$8,546,480
Change from Prior Year	na	-11.5%	2.0%
GF Expenditures per capita	\$576	\$505	\$507
<b>Ending Balance, General Fund (6)</b>	\$5,363,000	\$7,311,000	\$7,001,000
Change from Prior Year	0.4%	26.6%	-4.4%
as % of GF Expenditures	56.7%	87.3%	81.9%
<b>Total Enterprise Net Position (8)</b>	\$0	\$0	\$0
<b>Liquidity Ratio (9)</b>			
Governmental Activities	8.0	8.9	8.4
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$26,267,000	\$29,737,000	\$29,861,000
Net Change from Prior Year	14.2%	13.2%	0.4%
<b>Total Pension Liability (11)</b>			
Net Liability	\$3,614,505	\$3,840,323	\$5,226,347

*Town of Moraga MSR Fiscal Profile (Comprehensive Annual Financial Reports)*

1/1/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1. \$1.7 mill. of Measure K (gen'l tax) in FY17 shifted to Pavement Management Fund.

(5) See Table 2. \$1.7 mill. Measure K shown as transfer out in FY15.

(6) See Table 3

(7) See Table 4. No enterprises.

(8) See Table 4. No enterprises.

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) See Table 8

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)****Table 1****Summary of General Fund Revenues****City of Moraga**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Other revenues (1)</b>	\$187,924	\$2,396,511	\$168,523
<b>Property taxes and assessments</b>	\$1,853,970	\$1,982,959	\$2,110,849
<b>Property tax - in lieu</b>	1,448,086	1,533,346	1,622,029
<b>Sales and use tax</b>	2,755,146	1,069,161	1,006,620
<b>Franchise fees</b>	955,183	1,007,135	1,023,530
<b>Real property transfer fees</b>	149,620	157,140	155,746
<b>Motor vehicle license fees</b>	6,772	6,644	7,398
<b>Planning and permits</b>	528,548	535,714	476,409
<b>Interest</b>	12,228	20,164	40,582
<b>Property rentals</b>	41,285	89,867	92,653
<b>Parks and recreation</b>	357,278	387,884	436,950
<b>Police services</b>	72,379	83,766	69,026
<b>Public works services</b>	<u>255,857</u>	<u>253,065</u>	<u>231,808</u>
<b>Total Revenues</b>	8,624,276	9,523,356	7,442,123
Change from Prior Year	na	10.4%	-21.9%
<b>OTHER FINANCING SOURCES</b>			
<b>Transfers In</b>	<u>861,361</u>	<u>803,403</u>	<u>794,694</u>
<b>Total Other Financing Sources</b>	861,361	803,403	794,694
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$9,485,637	\$10,326,759	\$8,236,817

Source: City of Moraga CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) \$1.7 mill. of Measure K (gen'l tax) in FY17 shifted to Pavement Management Fund.



**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of Moraga**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General administration	\$1,438,996	\$1,608,798	\$1,675,824
Planning	720,128	550,689	686,417
Public safety	2,493,681	2,537,267	2,564,426
Public works	940,691	904,917	1,036,004
Parks and recreation	1,146,108	1,187,465	1,220,187
Debt service:			
Principal retirement	11,864	12,221	12,592
Interest and fiscal charges	1,402	1,046	673
<b>Total Expenditures</b>	<b>6,752,870</b>	<b>6,802,403</b>	<b>7,196,123</b>
Change from Prior Year	na	0.7%	5.8%
<b>OTHER FINANCING USES</b>			
Transfers Out (1)	<u>2,709,595</u>	<u>1,576,297</u>	<u>1,350,357</u>
<b>Total Other Financing Uses</b>	<b>2,709,595</b>	<b>1,576,297</b>	<b>1,350,357</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$9,462,465</b>	<b>\$8,378,700</b>	<b>\$8,546,480</b>

Source: City of Moraga CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) \$1.7 mill. Measure K shown as "transfer out" in FY15.

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of Moraga**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$5,339,788	\$5,362,960	\$7,311,019
Net Change	23,172	1,948,059	(309,663)
% Change from Prior Year	0.4%	36.3%	-4.2%
Ending Balance, General Fund	\$5,362,960	\$7,311,019	\$7,001,356
Ending Balance/Total GF Operating Expenditures	79.4%	107.5%	97.3%
Unassigned	\$3,071,555	\$4,116,870	\$2,309,276
<b>Total Governmental Activities Ending Net Position</b>	<b>\$40,429,929</b>	<b>\$44,100,956</b>	<b>\$47,588,576</b>
<b>Unrestricted</b>	<b>\$792,542</b>	<b>\$1,471,051</b>	<b>\$2,260,694</b>

Source: City of Moraga CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

## Summary of Enterprise Changes in Net Position

City of Moraga

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Moraga reports no enterprises or business type activities

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

## Ending Net Position by Enterprise Fund

City of Moraga

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Moraga reports no enterprises or business type activities

**LIQUIDITY (CAFR)**

Table 6

## Liquidity Measures

City of Moraga

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	8.0	8.9	8.4
Cash and Short-term Investments	\$9,904,178	\$12,458,153	\$10,271,302
Total Current Liabilities	1,239,288	1,401,884	1,229,032

**BUSINESS-TYPE ACTIVITIES (2)**

Source: City of Moraga CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Town of Moraga reports no enterprises or business type activities.

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**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of Moraga**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$23,005,194	\$26,266,609	\$29,737,197
Ending Net Value of Capital Assets	26,266,609	29,737,197	29,860,866
Change in Net Value of Capital Assets	3,261,415	3,470,588	123,669
% Change in Net Value of Capital Assets	14.2%	13.2%	0.4%

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES (1)**

Source: City of Moraga CAFRs - Notes to Basic Financial Statements (Note 5)

(1) Town of Moraga reports no enterprises or business type activities.

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of Moraga**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY (1)</b>			
Net Pension Liability	\$3,614,505	\$3,840,323	\$5,226,347

**Net OPEB Liability (2)**

Source: City of Moraga CAFRs - Notes to Basic Financial Statements

(1) The CAFRs do not report total pension liability or % funded.

(2) The Town of Moraga does not offer OPEB.

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value  
City of Moraga**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	8,696,489	8,328,118	7,949,280
Total Outstanding Debt	8,696,489	8,328,118	7,949,280
Total Debt per Capita	\$529	\$502	\$471
Assessed Value	\$3,380,306,397	\$3,581,316,597	\$3,790,771,853
Coverage Ratio (pledged revenues) (2)	na	na	na

Source: City of Moraga CAFRs - Notes to Basic Financial Statements

(1) Town of Moraga reports no enterprises or business type activities.

(2) No revenue bonds reported.

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**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Oakley**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	16.08 sq.mi.	16.08 sq.mi.	16.08 sq.mi.
<b>Population (2)</b>	39,609	40,237	41,116
Change from Prior Year	na	1.6%	2.2%
<b>Assessed Value (A.V.) (3)</b>	\$3,161.0 mill.	\$3,417.0 mill.	\$3,693.0 mill.
Change from Prior Year	na	8.1%	8.1%
A.V. per capita	\$79,800	\$84,900	\$89,800
<b>General Fund Revenues (4)</b>			
Property Tax	\$4,833,000	\$5,324,000	\$5,796,000
Sales Tax	\$1,506,000	\$1,753,000	\$1,774,000
Other Revenues	<u>\$4,441,000</u>	<u>\$8,683,000</u>	<u>\$5,060,000</u>
Total GF Revenues	\$10,780,000	\$15,760,000	\$12,630,000
Change from Prior Year	na	46.2%	-19.9%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$1,737,000	\$1,818,000	\$2,323,000
Public Safety	\$4,523,000	\$4,499,000	\$4,009,000
Other (inc. Transfers Out)	<u>\$3,860,000</u>	<u>\$4,913,000</u>	<u>\$9,178,000</u>
Total GF Expenditures	\$10,120,000	\$11,230,000	\$15,510,000
Change from Prior Year	na	11.0%	38.1%
GF Expenditures per capita	\$255	\$279	\$377
<b>Ending Balance, General Fund (6)</b>	\$13,042,000	\$17,570,000	\$14,696,000
Change from Prior Year	5.1%	25.8%	-19.6%
as % of GF Expenditures	128.9%	156.5%	94.8%
<b>Enterprise Expenditures (7)</b>			
<b>Liquidity Ratio (9)</b>			
Governmental Activities	5.4	6.6	7.1
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$140,316,000	\$142,459,000	\$154,123,000
Net Change from Prior Year	-0.4%	1.5%	8.2%
<b>Total Pension Liability (11)</b>	x	\$6,123,455	\$6,945,283
Net Liability	\$1,100,000	\$1,380,000	\$1,730,000

City of Oakley MSR Fiscal Profile (Comprehensive Annual Financial Reports)

1/1/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1

(5) See Table 2

(6) See Table 3

(7) See Table 4. No enterprises.

(8) See Table 4. No enterprises.

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) See Table 8. Total liability not reported in CAFR.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)****Table 1****Summary of General Fund Revenues****City of Oakley**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property taxes	\$4,832,574	\$5,323,685	\$5,796,258
Sales tax	1,506,300	1,752,799	1,773,662
Other taxes	1,494,472	1,645,472	1,810,495
Licenses and permits	1,284,503	2,024,190	2,347,562
Charges for services	74,901	108,808	207,009
Fines and forfeits	135,352	138,383	132,602
Motor vehicle in lieu	15,603	15,651	17,983
Other Intergovernmental	527,342	399,284	583,035
Use of money and property	238,815	248,225	210,675
Miscellaneous	935,706	1,115,821	977,509
Assets transferred from Successor Agency	<u>(274,305)</u>	<u>2,903,630</u>	<u>(1,293,715)</u>
<b>Total Revenues</b>	<b>10,771,263</b>	<b>15,675,948</b>	<b>12,563,075</b>
Change from Prior Year	na	45.5%	-19.9%
<b>OTHER FINANCING SOURCES</b>			
Transfers In (1)	<u>11,852</u>	<u>79,628</u>	<u>67,718</u>
<b>Total Other Financing Sources</b>	<b>11,852</b>	<b>79,628</b>	<b>67,718</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$10,783,115</b>	<b>\$15,755,576</b>	<b>\$12,630,793</b>

Source: City of Oakley CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) Includes "gain from sale of property held for resale"

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of Oakley**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Legislative	\$449,349	\$482,763	\$613,712
Administrative Services	1,287,373	1,335,242	1,709,410
Community Development	1,345,552	1,592,691	1,633,110
Public Works	611,690	618,182	925,202
Housing programs	0	0	0
Law Enforcement	4,523,333	4,498,740	4,008,919
Recreation	433,155	492,798	521,441
Capital outlay	40,000	676,829	793,521
<b>Total Expenditures</b>	<b>8,690,452</b>	<b>9,697,245</b>	<b>10,205,315</b>
Change from Prior Year	na	11.6%	5.2%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>1,432,500</u>	<u>1,530,000</u>	<u>5,300,000</u>
<b>Total Other Financing Uses</b>	<b>1,432,500</b>	<b>1,530,000</b>	<b>5,300,000</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$10,122,952</b>	<b>\$11,227,245</b>	<b>\$15,505,315</b>

Source: City of Oakley CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of Oakley**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$12,381,961	\$13,042,124	\$17,570,455
Net Change	660,163	4,528,331	(2,874,522)
% Change from Prior Year	5.3%	34.7%	-16.4%
<b>Ending Balance, General Fund</b>	<b>\$13,042,124</b>	<b>\$17,570,455</b>	<b>\$14,695,933</b>
<b>Ending Balance/Total GF Operating Expenditures</b>	<b>150.1%</b>	<b>181.2%</b>	<b>144.0%</b>
Unassigned	\$7,938,168	\$9,067,909	\$8,769,443
<b>Total Governmental Activities Ending Net Position</b>	<b>\$188,234,059</b>	<b>\$198,498,356</b>	<b>\$222,479,638</b>
<b>Unrestricted</b>	<b>\$13,897,885</b>	<b>\$17,748,114</b>	<b>\$20,394,741</b>

Source: City of Oakley CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

Summary of Enterprise Changes in Net Position  
City of Oakley

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Oakley reports no enterprises or business type activities

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

Ending Net Position by Enterprise Fund  
City of Oakley

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Moraga reports no enterprises or business type activities

**LIQUIDITY (CAFR)**

Table 6

Liquidity Measures  
City of Oakley

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	5.4	6.6	7.1
Cash and Short-term Investments (2)	31,396,255	30,753,425	37,823,597
Total Current Liabilities (3)	5,795,429	4,671,844	5,303,799

**BUSINESS-TYPE ACTIVITIES (4)**

Source: City of Oakley CAFRs - Statement of Net position

- (1) Cash and Short-term Investments/Total Current Liabilities  
 (2) Available for operations.  
 (3) Excludes long-term debt.  
 (4) Town of Oakley reports no enterprises or business type activities.



**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of Oakley**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	140,931,286	140,316,250	\$142,459,351
Ending Net Value of Capital Assets	140,316,250	142,459,351	154,122,670
Change in Net Value of Capital Assets	(615,036)	2,143,101	11,663,319
% Change in Net Value of Capital Assets	-0.4%	1.5%	8.2%

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES (1)**

Source: City of Oakley CAFRs - Notes to Basic Financial Statements

(1) Town of Oakley reports no enterprises or business type activities.

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of Oakley**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability (1)	5,847,433	6,123,455	6,945,283
Plan Fiduciary Net Position (1)	4,745,200	4,743,045	5,215,960
% Funded	81.2%	77.5%	75.1%
Net Pension Liability	\$1,102,233	\$1,380,410	\$1,729,323

**Net OPEB Liability (2)**

Source: City of Oakley CAFRs - Notes to Basic Financial Statements

(1) City edits to Fiscal Profile

(2) The City has no OPEB liabilities.

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value  
City of Oakley**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	6,690,000	6,415,000	9,715,000
Business Type Activities			
<b>Total Outstanding Debt</b>	6,690,000	6,415,000	9,715,000
<b>Total Debt per Capita</b>	\$169	\$159	\$236
Assessed Value	\$3,161,000,000	\$3,417,000,000	\$3,693,000,000
<b>Coverage Ratio (pledged revenues) (1)</b>			

Source: CAFRs - Ratio of Outstanding Debt, Assessed and Estimated Value

(1) No revenues bonds reported except former redevelopment agency.

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**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	12.8 sq.mi.	12.8 sq.mi.	12.8 sq.mi.
<b>Population (2)</b>	18,578	18,838	19,012
Change from Prior Year	na	1.4%	0.9%
<b>Assessed Value (A.V.) (3)</b>	\$5,387.1 mill.	\$5,835.1 mill.	\$6,157.6 mill.
Change from Prior Year	na	8.3%	5.5%
A.V. per capita	\$290,000	\$309,800	\$323,900
<b>General Fund Revenues (4)</b>			
Property Tax	\$5,653,000	\$6,123,000	\$6,543,000
Sales Tax	\$2,067,000	\$2,121,000	\$2,107,000
Other Revenues (inc. Transfers In)	<u>\$5,324,183</u>	<u>\$5,581,236</u>	<u>\$5,114,653</u>
Total GF Revenues	\$13,044,183	\$13,825,236	\$13,764,653
Change from Prior Year	na	6.0%	-0.4%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$1,834,000	\$2,015,000	\$1,977,000
Public Safety	\$3,960,000	\$4,034,000	\$4,112,000
Other (inc. Transfers Out)	<u>\$6,368,067</u>	<u>\$6,444,523</u>	<u>\$9,791,389</u>
Total GF Expenditures	\$12,162,067	\$12,493,523	\$15,880,389
Change from Prior Year	na	2.7%	27.1%
GF Expenditures per capita	\$655	\$663	\$835
<b>Ending Balance, General Fund (6)</b>	\$7,972,000	\$9,304,000	\$6,939,000
Change from Prior Year	3.3%	14.3%	-38.5%
as % of GF Expenditures	65.5%	74.5%	43.7%
<b>Enterprise Expenditures (7)</b>			
<b>Total Enterprise Net Position (8)</b>			
<b>Liquidity Ratio (9)</b>			
Governmental Activities	5.6	3.6	2.5
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$40,328,000	\$40,092,000	\$47,860,000
Net Change from Prior Year	-1.5%	-0.6%	19.4%
<b>Total Pension Liability (11)</b>			

*City of Orinda MSR Fiscal Profile (Comprehensive Annual Financial Reports)*

1/1/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1, minus debt payments (FY16).

(5) See Table 2, minus debt payments.

(6) See Table 3

(7) See Table 7. Net depreciable assets only.

(8) See Table 4. No enterprises.

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) Town of Orinda provides a defined contribution 401(a) plan.

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**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)****Table 1****Summary of General Fund Revenues****City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property tax and assessments	\$5,653,003	\$6,123,408	\$6,543,094
Sales tax	2,067,331	2,121,297	2,106,881
Franchise tax	1,034,647	1,082,218	1,118,568
Property transfer tax	316,208	250,992	262,260
Rent and interest	114,210	157,267	138,496
Unrealized loss on investments	0	0	(100,919)
Recreation fees	1,964,749	2,115,214	2,052,855
Service fees	1,228,464	1,565,470	1,267,340
Other agencies	33,721	33,589	33,200
Miscellaneous	<u>407,007</u>	<u>136,028</u>	<u>119,665</u>
<b>Total Revenues</b>	12,819,340	13,585,483	13,541,440
Change from Prior Year	na	6.0%	-0.3%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>224,843</u>	<u>8,407,754</u>	<u>223,213</u>
<b>Total Other Financing Sources</b>	224,843	8,407,754	223,213
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$13,044,183	\$21,993,237	\$13,764,653

Source: City of Orinda CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) Includes bonds for 2015-16 (excluded in summary).

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**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
City management	\$445,054	\$517,396	\$573,468
City attorney	529,400	390,800	440,664
City clerk	217,899	245,716	234,249
Administrative services	641,474	860,805	728,704
Parks and recreation	2,386,392	2,557,929	2,761,601
Public works and engineering	2,155,688	2,503,302	3,548,211
Police services	3,959,757	4,033,935	4,112,216
Planning	903,543	1,007,036	921,671
<b>Debt service:</b>			
Principal retirement	369,660	8,030,000	295,000
Interest and fiscal charges	250,000	138,001	262,044
<b>Total Expenditures</b>	<b>11,858,867</b>	<b>20,284,920</b>	<b>13,877,828</b>
Change from Prior Year	na	71.1%	-31.6%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>922,860</u>	<u>376,604</u>	<u>2,559,605</u>
<b>Total Other Financing Uses</b>	<b>922,860</b>	<b>376,604</b>	<b>2,559,605</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$12,781,727</b>	<b>\$20,661,524</b>	<b>\$16,437,433</b>

Source: City of Orinda CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) FY16 includes \$7,945,000 + \$223,001 transfers in for debt service (excluded from summary table).

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$7,709,599	\$7,972,055	\$9,611,395
Net Change	262,456	1,331,713	(2,672,780)
% Change from Prior Year	3.4%	16.7%	-27.8%
Ending Balance, General Fund	\$7,972,055	\$9,303,768	\$6,938,615
<b>Ending Balance/Total GF Operating Expenditures</b>	<b>67.2%</b>	<b>45.9%</b>	<b>50.0%</b>
Unassigned	\$7,972,055	\$9,204,680	\$612,210
<b>Total Governmental Activities Ending Net Position</b>	<b>\$58,288,650</b>	<b>\$60,696,792</b>	<b>\$66,161,081</b>
Unrestricted	\$9,622,488	\$10,916,822	\$7,248,745

Source: City of Orinda CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

**Table 4**  
**Summary of Enterprise Changes in Net Position**  
**City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Orinda reports no enterprises or business type activities

**FUND BALANCES, PROPRIETARY FUNDS**

**Table 5**  
**Ending Net Position by Enterprise Fund**  
**City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of Orinda reports no enterprises or business type activities

**LIQUIDITY (CAFR)**

**Table 6**  
**Liquidity Measures**  
**City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	5.6	3.6	2.5
Cash and Short-term Investments (2)	13,816,336	17,722,097	14,250,418
Total Current Liabilities	2,449,555	4,920,650	5,675,441

Source: City of Orinda CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Excludes "restricted cash".

**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$40,930,024	\$40,328,390	\$40,091,524
Ending Net Value of Capital Assets	40,328,390	40,091,524	47,860,216
Change in Net Value of Capital Assets	(601,634)	(236,866)	7,768,692
% Change in Net Value of Capital Assets	-1.5%	-0.6%	19.4%

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES (1)**

Source: City of Orinda CAFRs - Notes to Basic Financial Statements (INote 3c)

(1) Town of Orinda reports no enterprises or business type activities.

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

**NA Town of Orinda provides a defined contribution 401(a) plan  
Net OPEB Liability**

Source: City of Orinda CAFRs - Notes to Basic Financial Statements

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value  
City of Orinda**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	\$18,280,000	\$17,630,000	\$51,270,000
Total Outstanding Debt	18,280,000	17,630,000	51,270,000
Total Debt per Capita	\$984	\$936	\$2,697
Assessed Value	\$5,387,051,165	\$5,835,129,469	\$6,157,578,113
<b>Coverage Ratio (pledged revenues) (1)</b>	na	na	na

Source: City of Orinda CAFRs - Notes to Basic Financial Statements

(1) Certificates of Participation and debt secured by voter approved non-General Fund revenue.

(2) CAFRs report no revenue bonds.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	11.61 sq.mi.	11.61 sq.mi.	11.61 sq.mi.
<b>Population (2)</b>	18,660	18,827	19,101
Change from Prior Year	na	0.9%	1.5%
<b>Assessed Value (A.V.) (3)</b>	\$1,974.5 mill.	\$2,112.8 mill.	\$2,232.0 mill.
Change from Prior Year	na	7.0%	5.6%
A.V. per capita	\$105,800	\$112,200	\$116,900
<b>General Fund Revenues (4)</b>			
Property Tax	\$5,132,000	\$3,413,000	\$3,491,000
Sales Tax	\$6,120,000	\$7,859,000	\$7,597,000
Other Revenues	<u>\$6,066,000</u>	<u>\$6,120,000</u>	<u>\$6,065,000</u>
Total GF Revenues	\$17,317,575	\$17,391,787	\$17,152,904
Change from Prior Year	na	0.4%	-1.4%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$2,136,000	\$2,685,000	\$2,708,000
Public Safety	\$8,336,000	\$9,025,000	\$9,459,000
Other (inc. Transfers Out)	<u>\$1,550,000</u>	<u>\$2,808,000</u>	<u>\$2,348,000</u>
Total GF Expenditures	\$12,022,000	\$14,518,000	\$14,515,000
Change from Prior Year	na	20.8%	0.0%
GF Expenditures per capita	\$644	\$771	\$760
<b>Ending Balance, General Fund (6)</b>	\$5,292,000	\$9,070,000	\$11,707,000
Change from Prior Year	100.1%	31.7%	22.5%
as % of GF Expenditures	44.0%	62.5%	80.7%
<b>Enterprise Expenditures (7)</b>			
Wastewater Utility	<u>\$4,883,000</u>	<u>\$5,316,000</u>	<u>\$4,597,000</u>
Total Enterprise Expenditures	\$4,883,000	\$5,316,000	\$4,597,000
Change from Prior Year	na	8.9%	-13.5%
<b>Total Enterprise Net Position (8)</b>	\$16,207,000	\$18,454,000	\$20,014,000
Position/Enterprise Expenditures	3.3	3.5	4.4
<b>Liquidity Ratio (9)</b>			
Governmental Activities	4.9	6.0	6.6
Business-type Activities	7.0	30.9	4.6
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$35,100,000	\$27,460,000	\$26,200,000
Net Change from Prior Year	18.6%	-2.6%	-4.7%
Business-type Activities	16,900,000	16,100,000	15,800,000
Net Change from Prior Year	-3.4%	-4.7%	-1.9%
<b>Total Pension Liability (11)</b>			
Net Liability	\$18,570,000	\$21,150,000	\$27,120,000

*City of Pinole MSR Fiscal Profile (Comprehensive Annual Financial Reports)*

*1/2/18*

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1



- (5) See Table 2  
 (6) See Table 3  
 (7) See Table 4  
 (8) See Table 4  
 (9) See Table 6  
 (10) See Table 7. Net depreciable assets only.  
 (11) See Table 8. Total liability and net position not reported in CAFR.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**

**Summary of General Fund Revenues  
 City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Property Taxes</b>	\$5,132,285	\$3,412,893	\$3,491,463
<b>Sales Taxes</b>	6,120,157	7,859,195	7,596,645
<b>Other Taxes</b>	\$2,891,347	\$3,023,447	\$3,411,313
<b>Intergovernmental revenues</b>	1,515,953	1,785,007	83,902
<b>Loan repayments</b>	0	0	0
<b>Contributions</b>	125	1,125	924
<b>Investment earnings</b>	1,045	85,311	(17,854)
<b>Rents and ground leases</b>	95,901	52,285	117,721
<b>Charges for services</b>	999,977	887,723	2,233,571
<b>Fines, forfeitures and penalties</b>	58,863	41,564	43,051
<b>Other revenues</b>	81,988	241,328	192,168
<b>Total Revenues</b>	16,897,641	17,389,878	17,152,904
Change from Prior Year	na	2.9%	-1.4%
<b>OTHER FINANCING SOURCES</b>			
<b>Transfers In (1)</b>	<u>419,934</u>	<u>1,909</u>	<u>0</u>
<b>Total Other Financing Sources</b>	419,934	1,909	0
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$17,317,575	\$17,391,787	\$17,152,904

Source: City of Pinole CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) Includes proceeds from sale of property.

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General administration	\$2,135,828	\$2,684,966	\$2,708,417
Public safety	8,335,562	9,024,926	9,458,536
Public works	724,765	1,303,324	813,107
Recreation	0	2,964	12,784
Community development	0	4,785	7,959
Capital outlay	117,519	376,350	141,640
Debt service:			
Principal retirement	373,007	369,177	363,151
Interest and fiscal charges	<u>290,860</u>	<u>305,569</u>	<u>338,507</u>
<b>Total Expenditures</b>	11,977,541	14,072,061	13,844,101
Change from Prior Year	na	17.5%	-1.6%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>44,375</u>	<u>446,000</u>	<u>671,364</u>
<b>Total Other Financing Uses</b>	44,375	446,000	671,364
<b>TOTAL USES AND TRANSFERS OUT</b>	\$12,021,916	\$14,518,061	\$14,515,465

Source: City of Pinole CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	(\$3,664)	\$6,195,836	\$9,069,562
Net Change	5,295,659	2,873,726	2,637,439
% Change from Prior Year	na	46.4%	29.1%
<b>Ending Balance, General Fund</b>	\$5,291,995	\$9,069,562	\$11,707,001
<b>Ending Balance/Total GF Operating Expenditures</b>	44.2%	64.5%	84.6%
Unassigned	\$4,261,995	\$9,062,287	\$11,700,289
<b>Total Governmental Activities Ending Net Position</b>	\$15,735,207	\$19,340,737	\$19,307,804
<b>Unrestricted</b>	(\$21,819,095)	(\$17,014,950)	(\$31,148,654)

Source: City of Pinole CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$6,912,213	\$7,541,964	\$6,315,563
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	0	0	0
Investment Earnings	<u>8,266</u>	<u>20,137</u>	<u>3,570</u>
Total	\$6,920,479	\$7,562,101	\$6,319,133
Change from Prior Year	na	9.3%	-16.4%
<b>ENTERPRISE EXPENDITURES</b>			
Wastewater utility	<u>\$4,883,256</u>	<u>\$5,316,022</u>	<u>\$4,597,454</u>
Total	\$4,883,256	\$5,316,022	\$4,597,454
Change from Prior Year	na	8.9%	-13.5%
<b>Transfers</b>			
Beginning Net Position	14,170,227	\$16,207,450	\$18,292,291
Change in Net Position	<u>2,037,223</u>	<u>2,246,079</u>	<u>1,721,679</u>
Ending Net Position	\$16,207,450	\$18,453,529	\$20,013,970
% Change from Prior Year	14.4%	13.9%	9.4%
Ending Net Position/Total Expenditures	3.32	3.47	4.35

Source: City of Pinole CAFRs - Statement of Changes in Net position

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**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Wastewater utility	<u>\$16,200,000</u>	<u>\$18,500,000</u>	<u>\$20,000,000</u>
Total Net Position	16,200,000	18,500,000	20,000,000
% change from prior year	n/a	14.2%	8.1%

Source: City of Pinole CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

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**LIQUIDITY (CAFR)**

Table 6

**Liquidity Measures  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	4.9	6.0	6.6
Cash and Short-term Investments (2)	16,191,657	21,383,988	24,513,896
Total Current Liabilities (3)	3,330,733	3,568,849	3,698,343
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	7.0	30.9	4.6
Cash and Short-term Investments	6,833,339	5,579,861	10,241,196
Total Current Liabilities	977,980	180,542	2,216,136

Source: City of Pinole CAFRs - Balance Sheet, Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Includes funds held by fiscal agents.

(3) Includes advances from trust fund.

**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	29,600,000	28,200,000	\$27,500,000
Ending Net Value of Capital Assets	35,100,000	27,460,000	26,200,000
Change in Net Value of Capital Assets	5,500,000	(740,000)	(1,300,000)
% Change in Net Value of Capital Assets	18.6%	-2.6%	-4.7%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	17,500,000	16,900,000	\$16,100,000
Ending Net Value of Capital Assets	16,900,000	16,100,000	15,800,000
Change in Net Value of Capital Assets	(600,000)	(800,000)	(300,000)
% Change in Net Value of Capital Assets	-3.4%	-4.7%	-1.9%

Source: City of Pinole CAFRs - Notes to Basic Financial Statements

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**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
<b>Net Pension Liability</b>	\$18,565,336	\$21,152,561	\$27,123,752
<b>Net OPEB Liability</b>	\$16,056,989	\$19,477,288	\$19,477,288

Source: City of Pinole CAFRs - Notes to Basic Financial Statements

(1) The CAFRs do not report total pension liability or % funded.

**DEBT AND VALUE****Table 9****Debt and Assessed Value  
City of Pinole**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
<b>Governmental Activities</b>	4,713,668	4,344,491	3,981,339
<b>Business Type Activities</b>	<u>8,775,000</u>	<u>8,251,000</u>	<u>7,866,000</u>
<b>Total Outstanding Debt</b>	13,488,668	12,595,491	11,847,339
<b>Total Debt per Capita</b>	\$723	\$669	\$620
<b>Assessed Value</b>	\$1,974,488,120	\$2,112,755,713	\$2,231,990,406
<b>Coverage Ratio (pledged revenues) (1)</b>			

Source: CAFRs - Ratios of Outstanding Debt.

(1) Wastewater revenue bond coverage not reported.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions****City of Pittsburg**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	19.75 sq.mi.	19.75 sq.mi.	19.75 sq.mi.
<b>Population (2)</b>	67,119	68,133	71,342
Change from Prior Year	na	1.5%	4.7%
<b>Assessed Value (A.V.) (3)</b>	\$2,138.4 mill.	\$2,238.3 mill.	\$2,271.4 mill.
Change from Prior Year	na	4.7%	1.5%
A.V. per capita	\$31,900	\$32,900	\$31,800
<b>General Fund Revenues (4)</b>			
Property Tax	\$3,205,000	\$3,301,000	\$3,574,000
Sales Tax	\$11,746,000	\$13,113,000	\$13,372,000
Other Revenues	<u>21,828,757</u>	<u>24,207,941</u>	<u>25,467,362</u>
Total GF Revenues	\$36,779,757	\$40,621,941	\$42,413,362
Change from Prior Year	na	10.4%	4.4%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$8,752,000	\$7,411,000	\$8,104,000
Public Safety	\$21,485,000	\$22,848,000	\$24,110,000
Other (inc. Transfers Out)	<u>\$9,100,172</u>	<u>\$9,152,934</u>	<u>\$9,582,867</u>
Total GF Expenditures	\$39,337,172	\$39,411,934	\$41,796,867
Change from Prior Year	na	0.2%	6.1%
GF Expenditures per capita	\$586	\$578	\$586
<b>Ending Balance, General Fund (6)</b>	\$18,056,000	\$19,266,000	\$19,883,000
Change from Prior Year	-14.2%	6.3%	3.1%
as % of GF Expenditures	45.9%	48.9%	47.6%
<b>Enterprise Expenditures (7)</b>			
Water Utility	\$17,478,000	\$18,553,000	\$25,930,000
Sewer Utility	\$2,264,000	\$2,583,000	\$3,176,000
Marina	\$2,352,000	\$2,424,000	\$2,471,000
Pittsburg Power	\$6,670,000	\$6,597,000	\$6,570,000
Waterfront Operations	<u>\$751,000</u>	<u>\$972,000</u>	<u>\$1,512,000</u>
Total Enterprise Expenditures	\$29,515,000	\$31,129,000	\$39,659,000
Change from Prior Year	na	5.5%	27.4%
<b>Total Enterprise Net Position (8)</b>	\$125,195,000	\$129,754,000	\$130,302,000
Position/Enterprise Expenditures	4.2	4.2	3.3
<b>Liquidity Ratio (9)</b>			
Governmental Activities	3.8	4.1	3.3
Business-type Activities	4.0	4.4	5.3
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$218,899,000	\$212,522,000	\$202,984,000
Net Change from Prior Year	0.9%	-2.9%	-4.5%
Business-type Activities	120,485,000	119,606,000	118,182,000
Net Change from Prior Year	11.7%	-0.7%	-1.2%
<b>Total Pension Liability (11)</b>	\$153,173,389	\$167,532,521	\$175,801,634
% Pension Funded	73.7%	74.2%	71.3%
Net Pension Liability	\$40,285,022	\$43,257,523	\$50,402,455

City of Pittsburg MSR Fiscal Profile (Comprehensive Annual Financial Reports)

1/2/19

(1) Email from Brad Farmer, City of Pittsburg, Aug. 6, 2018. Includes 3 sq.mi. of water.

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

Pittsburg

- (3) See Table 9
- (4) See Table 1
- (5) See Table 2. Public safety includes police and fire.
- (6) See Table 3
- (7) See Table 4
- (8) See Table 4
- (9) See Table 6
- (10) See Table 7. Net depreciable assets only.
- (11) See Table 8

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**  
**Summary of General Fund Revenues**  
**City of Pittsburg**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property tax	\$3,204,965	\$3,300,776	\$3,573,822
Sales tax	11,745,524	13,112,880	13,372,246
Franchise tax	4,171,756	4,476,832	4,545,452
Other taxes	5,662,960	6,104,751	1,712,450
Intergovernmental revenues	1,344,024	2,046,540	7,494,882
Permits, licenses, and fees	981,810	1,093,626	1,056,906
Fines and forfeitures	172,374	307,427	292,235
Special assessments	0	0	0
Service fees	3,426,535	3,859,696	3,685,279
Use of money and property	257,699	366,048	142,904
Other revenues	<u>1,829,070</u>	<u>1,969,896</u>	<u>2,103,960</u>
Service Charges			
<b>Total Revenues</b>	<b>32,796,717</b>	<b>36,638,472</b>	<b>37,980,136</b>
Change from Prior Year	na	11.7%	3.7%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>3,983,040</u>	<u>3,983,469</u>	<u>4,433,226</u>
<b>Total Other Financing Sources</b>	<b>3,983,040</b>	<b>3,983,469</b>	<b>4,433,226</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$36,779,757</b>	<b>\$40,621,941</b>	<b>\$42,413,362</b>

Source: City of Pittsburg CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

## Summary of General Fund Expenditures

## City of Pittsburg

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>General Government</b>	\$4,364,158	\$2,732,149	\$3,143,562
City Council	80,833	70,516	83,145
City Manager and City Clerk	524,063	696,190	687,648
City Attorney	543,898	321,834	459,513
Human resources	815,515	870,737	880,116
Finance and services	2,423,502	2,719,441	2,850,111
Community development and services	5,627,635	5,662,666	5,829,914
Public safety	21,484,994	22,848,398	24,110,402
Public works - administration	85,968	66,518	92,639
Public works - streets	2,036,911	2,013,465	2,243,733
Public works - parks	100,214	120,266	131,094
Capital outlay and improvements			
Debt service:			
Principal retirement	0	0	0
Interest and fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>38,087,691</b>	<b>38,122,180</b>	<b>40,511,877</b>
Change from Prior Year	na	0.1%	6.3%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>1,249,481</u>	<u>1,289,754</u>	<u>1,284,990</u>
<b>Total Other Financing Uses</b>	<b>1,249,481</b>	<b>1,289,754</b>	<b>1,284,990</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$39,337,172</b>	<b>\$39,411,934</b>	<b>\$41,796,867</b>

Source: City of Pittsburg CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

Table 3

## Fund Balance, General Fund

## City of Pittsburg

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Beginning Balance</b>	\$20,613,670	\$18,056,255	\$19,266,262
<b>Net Change</b>	(2,557,415)	1,210,007	616,495
<b>% Change from Prior Year</b>	-12.4%	6.7%	3.2%
<b>Ending Balance, General Fund</b>	<b>\$18,056,255</b>	<b>\$19,266,262</b>	<b>\$19,882,757</b>
<b>Ending Balance/Total GF Operating Expenditures</b>	47.4%	50.5%	49.1%
<b>Unassigned</b>	\$14,613,983	\$15,957,212	\$17,037,283
<b>Total Governmental Activities Ending Net Position</b>	<b>\$258,489,784</b>	<b>\$244,865,938</b>	<b>\$244,926,583</b>
<b>Unrestricted</b>	<b>(\$37,752,882)</b>	<b>(\$39,107,180)</b>	<b>(\$33,347,842)</b>

Source: City of Pittsburg CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds; Statement of Net Position.



**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

**Table 4**  
**Summary of Enterprise Changes in Net Position**  
**City of Pittsburg**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$33,956,795	\$35,597,165	\$36,333,258
Operating Grants and Contributions	2,145,271	1,780,581	200,127
Capital Grants and Contributions	0	0	6,026,102
Other Non-Operating (1)	<u>504,216</u>	<u>665,412</u>	<u>421,910</u>
<b>Total</b>	\$36,606,282	\$38,043,158	\$42,981,397
Change from Prior Year	na	3.9%	13.0%
<b>ENTERPRISE EXPENDITURES</b>			
Water Utility	\$17,477,524	\$18,552,726	\$25,929,659
Sewer Utility	2,264,022	2,583,101	3,176,015
Marina	2,352,274	2,424,083	2,471,440
Pittsburg Power	6,670,282	6,597,065	6,569,528
Waterfront Operations	<u>750,765</u>	<u>972,469</u>	<u>1,512,250</u>
<b>Total</b>	\$29,514,867	\$31,129,444	\$39,658,892
Change from Prior Year	na	5.5%	27.4%
Transfers	(\$2,677,386)	(\$2,354,972)	(\$2,774,890)
Beginning Net Position (w/GASB adj.)	124,646,855	\$125,195,471	\$129,754,213
Change in Net Position (2)	<u>548,616</u>	<u>4,558,742</u>	<u>547,615</u>
Ending Net Position	\$125,195,471	\$129,754,213	\$130,301,828
% Change from Prior Year	0.4%	3.6%	0.4%
Ending Net Position/Total Expenditures	4.24	4.17	3.29

Source: City of Pittsburg CAFRs - Statement of Changes in Net position

(1) Investment earnings and sale of assets.

(2) Change includes GASB adjustment -\$3,865,413 FY2015.

**FUND BALANCES, PROPRIETARY FUNDS**

**Table 5**  
**Ending Net Position by Enterprise Fund**  
**City of Pittsburg**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Water Utility	\$64,807,943	\$67,157,022	\$66,725,655
Sewer Utility	32,771,882	34,908,741	36,032,110
Marina	13,975,992	13,478,812	13,007,826
Pittsburg Power	13,975,093	13,871,833	14,251,615
Waterfront Operations	(117,439)	337,805	284,622
<b>Total Net Position</b>	125,195,471	129,754,213	130,301,828
<b>% change from prior year</b>	0.4%	3.6%	0.4%

Source: City of Pittsburg CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

**LIQUIDITY (CAFR)**

Table 6

## Liquidity Measures

## City of Pittsburg

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	3.8	4.1	3.3
Cash and Short-term Investments	44,182,634	43,387,480	38,847,021
Total Current Liabilities	11,670,778	10,606,118	11,773,638
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	4.0	4.4	5.3
Cash and Short-term Investments	31,524,241	35,002,430	41,742,841
Total Current Liabilities	7,970,852	8,012,332	7,867,897

Source: City of Pittsburg CAFRs - Statement of Net position

**CAPITAL ASSETS**

Table 7

## Capital Assets Being Depreciated

## City of Pittsburg

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$217,010,706	\$218,899,376	\$212,521,792
Ending Net Value of Capital Assets	218,899,376	212,521,792	202,983,986
Change in Net Value of Capital Assets	1,888,670	(6,377,584)	(9,537,806)
% Change in Net Value of Capital Assets		-2.9%	-4.5%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$107,874,608	\$120,485,056	\$119,606,042
Ending Net Value of Capital Assets	120,485,056	119,606,042	118,181,560
Change in Net Value of Capital Assets	12,610,448	(879,014)	(1,424,482)
% Change in Net Value of Capital Assets		-0.7%	-1.2%

Source: City of Pittsburg CAFRs - Notes to Basic Financial Statements

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities**

City of Pittsburg

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability	\$153,173,389	\$167,532,521	\$175,801,634
Plan Fiduciary Net Position	112,888,367	124,274,998	125,399,179
% Funded	73.7%	74.2%	71.3%
Net Pension Liability	\$40,285,022	\$43,257,523	\$50,402,455
Net OPEB Liability	\$22,111,508	\$24,674,996	\$27,226,475

Source: City of Pittsburg CAFRs - Notes to Basic Financial Statements (Note 11 - DEFINED BENEFIT PENSION PLANS)

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value**

City of Pittsburg

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	\$34,365,661	\$34,683,232	\$34,608,747
Business Type Activities	<u>47,563,398</u>	<u>45,516,171</u>	<u>43,655,216</u>
Total Outstanding Debt	81,929,059	80,199,403	78,263,963
Total Debt per Capita	\$1,221	\$1,177	\$1,097
Assessed Value	\$2,138,417,124	\$2,238,252,364	\$2,271,410,220
Coverage Ratio (pledged revenues)	3.72	3.07	3.40

Source: CAFRs - Direct and Overlapping Debt, Ratio of Outstanding Debt, Revenue Bond Coverage

**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Pleasant Hill**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	8.1 sq.mi.	8.1 sq.mi.	8.1 sq.mi.
<b>Population (2)</b>	33,918	34,232	34,944
Change from Prior Year	na	0.9%	2.1%
<b>Assessed Value (A.V.) (3)</b>	\$4,982.1 mill.	\$5,317.9 mill.	\$5,581.9 mill.
Change from Prior Year	na	6.7%	5.0%
A.V. per capita	\$146,900	\$155,300	\$159,700
<b>General Fund Revenues (4)</b>			
Property Tax	\$5,518,000	\$5,760,000	\$6,111,000
Sales Tax	\$7,737,000	\$8,598,000	\$8,437,000
Other Revenues	<u>\$7,939,000</u>	<u>\$8,583,000</u>	<u>\$9,596,000</u>
Total GF Revenues	\$21,194,000	\$22,941,000	\$24,144,000
Change from Prior Year	na	8.2%	5.2%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$4,283,000	\$4,323,000	\$5,099,000
Public Safety	\$8,758,000	\$9,499,000	\$10,190,000
Other (inc. Transfers Out)	<u>\$8,160,000</u>	<u>\$8,870,000</u>	<u>\$9,808,000</u>
Total GF Expenditures	\$21,201,000	\$22,692,000	\$25,097,000
Change from Prior Year	na	7.0%	10.6%
GF Expenditures per capita	\$625	\$663	\$718
<b>Ending Balance, General Fund (6)</b>	\$14,060,000	\$14,310,000	\$13,357,000
Change from Prior Year	0.0%	1.7%	-7.1%
as % of GF Expenditures	66.3%	63.1%	53.2%
<b>Enterprise Expenditures (7)</b>			
Water Utility	<u>\$253,000</u>	<u>\$218,000</u>	<u>\$244,000</u>
Total Enterprise Expenditures	\$253,000	\$218,000	\$244,000
Change from Prior Year	na	-13.8%	11.9%
<b>Total Enterprise Net Position (8)</b>	\$1,063,000	\$1,166,000	\$1,261,000
Position/Enterprise Expenditures	4.2	5.3	5.2
<b>Liquidity Ratio (9)</b>			
Governmental Activities	3.9	7.9	2.9
Business-type Activities	46.7	14.8	13.4
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$66,700,000	\$67,100,000	\$66,600,000
Net Change from Prior Year	-2.3%	0.6%	-0.7%
Business-type Activities	533,000	524,000	508,000
Net Change from Prior Year	27.5%	-1.6%	-3.1%
<b>Total Pension Liability (11)</b>			
Net Liability	\$24,410,000	\$26,950,000	\$34,710,000

City of Pleasant Hill MSR Fiscal Profile (Comprehensive Annual Financial Reports)

1/4/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1

(5) See Table 2

(6) See Table 3

(7) See Table 4

(8) See Table 4

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) See Table 8. Total liability and % funded not reported.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)****Table 1****Summary of General Fund Revenues  
City of Pleasant Hill**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property taxes	\$5,517,709	\$5,760,391	\$6,111,248
Sales taxes	7,736,714	8,598,230	8,437,462
Measure K transactions & use tax	0	0	794,882
special assessments	6,509,744	6,830,248	7,130,833
Licenses and permits	532,040	713,527	672,519
Intergovernmental	236,878	138,457	50,657
Charges for services	437,359	541,702	468,557
Fines and forfeitures	53,895	59,158	88,328
Use of money and property	45,595	61,080	14,645
Other	24,548	17,578	274,902
<b>Total Revenues</b>	<b>21,094,482</b>	<b>22,720,371</b>	<b>24,044,033</b>
Change from Prior Year	na	7.7%	5.8%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>100,000</u>	<u>221,023</u>	<u>100,069</u>
<b>Total Other Financing Sources</b>	<b>100,000</b>	<b>221,023</b>	<b>100,069</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$21,194,482</b>	<b>\$22,941,394</b>	<b>\$24,144,102</b>

Source: City of Pleasant Hill CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 2**  
**Summary of General Fund Expenditures**  
**City of Pleasant Hill**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General Government	\$4,283,009	\$4,322,865	\$5,099,075
Public safety	8,758,244	9,499,370	10,190,049
Transportation	2,835,800	3,084,479	3,631,821
Community development	2,041,476	2,346,799	2,449,110
Debt service:			
Principal retirement	789,000	815,000	843,000
Interest and fiscal charges	101,262	74,554	46,875
<b>Total Expenditures</b>	<b>18,808,791</b>	<b>20,143,067</b>	<b>22,259,930</b>
Change from Prior Year	na	7.1%	10.5%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>2,391,777</u>	<u>2,548,576</u>	<u>2,837,440</u>
<b>Total Other Financing Uses</b>	<b>2,391,777</b>	<b>2,548,576</b>	<b>2,837,440</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$21,200,568</b>	<b>\$22,691,643</b>	<b>\$25,097,370</b>

Source: City of Pleasant Hill CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

**Table 3**  
**Fund Balance, General Fund**  
**City of Pleasant Hill**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$14,066,351	\$14,060,265	\$14,310,016
Net Change	(6,086)	249,751	(953,268)
% Change from Prior Year	0.0%	1.8%	-6.7%
Ending Balance, General Fund	\$14,060,265	\$14,310,016	\$13,356,748
Ending Balance/Total GF Operating Expenditures	74.8%	71.0%	60.0%
Unassigned	\$5,031,285	\$5,175,170	\$3,386,999
<b>Total Governmental Activities Ending Net Position</b>	<b>\$56,656,048</b>	<b>\$59,882,828</b>	<b>\$55,473,031</b>
<b>Unrestricted</b>	<b>(\$19,918,513)</b>	<b>(\$18,511,367)</b>	<b>(\$20,106,826)</b>

Source: City of Pleasant Hill CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds; Statement of Net Position

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

Summary of Enterprise Changes in Net Position  
City of Pleasant Hill

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$134,520	\$134,235	\$134,235
Other Non-Operating	<u>169,628</u>	<u>186,664</u>	<u>204,854</u>
Total	\$304,148	\$320,899	\$339,089
Change from Prior Year	na	5.5%	5.7%
<b>ENTERPRISE EXPENDITURES</b>			
Diablo Vista Water System	<u>\$253,159</u>	<u>\$217,928</u>	<u>\$244,104</u>
Total	\$253,159	\$217,928	\$244,104
Change from Prior Year	na	-13.9%	12.0%
Beginning Net Position	1,011,895	\$1,062,884	\$1,165,855
Change in Net Position (1)	<u>50,989</u>	<u>102,971</u>	<u>94,985</u>
Ending Net Position	\$1,062,884	\$1,165,855	\$1,260,840
% Change from Prior Year	5.0%	9.7%	8.1%
Ending Net Position/Total Expenditures	4.20	5.35	5.17

Source: City of Pleasant Hill CAFRs - Statement of Changes in Net position

(1) Note: change in position in CAFR FY17 does not match revenue and expenditure changes

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

Ending Net Position by Enterprise Fund  
City of Pleasant Hill

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Diablo Vista Water System	<u>\$1,062,884</u>	<u>\$1,165,855</u>	<u>\$1,260,840</u>
Total Net Position	1,062,884	1,165,855	1,260,840
% change from prior year	n/a	9.7%	8.1%

Source: City of Pleasant Hill CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary

**LIQUIDITY (CAFR)**

Table 6

Liquidity Measures  
City of Pleasant Hill

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	3.9	7.9	2.9
Cash and Short-term Investments	20,742,673	18,387,306	17,451,674
Total Current Liabilities (2)	5,298,555	2,333,867	5,934,104
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	46.7	14.8	13.4
Cash and Short-term Investments	553,731	687,062	811,565
Total Current Liabilities	11,863	46,431	60,748

Source: City of Pleasant Hill CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities.

(2) Includes compensated absences due within one year.

**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of Pleasant Hill**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$68,300,000	\$66,700,000	\$67,100,000
Ending Net Value of Capital Assets	66,700,000	67,100,000	66,600,000
Change in Net Value of Capital Assets	(1,600,000)	400,000	(500,000)
% Change in Net Value of Capital Assets	-2.3%	0.6%	-0.7%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$418,115	\$532,590	\$524,375
Ending Net Value of Capital Assets	532,590	524,375	508,158
Change in Net Value of Capital Assets	114,475	(8,215)	(16,217)
% Change in Net Value of Capital Assets	27.4%	-1.5%	-3.1%

Source: City of Pleasant Hill CAFRs - Notes to Basic Financial Statements

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of Pleasant Hill**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Net Pension Liability	\$24,412,267	\$26,950,066	\$34,709,774
<b>Net OPEB Liability (2)</b>	na	na	na

Source: City of Pleasant Hill CAFRs - Notes to Basic Financial Statements

(1) The CAFRs do not report total pension liability or % funded.

(2) No OPEB obligations.

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value  
City of Pleasant Hill**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	<u>4,090,000</u>	<u>2,540,000</u>	<u>872,000</u>
Total Outstanding Debt	4,090,000	2,540,000	872,000
Total Debt per Capita	\$121	\$74	\$25
Assessed Value	\$4,982,119,158	\$5,317,935,076	\$5,581,884,642
Coverage Ratio (pledged revenues)	na	na	na

Source: CAFRs - Ratio of Outstanding Debt, Assessed and Actual Assessed Value

(1) No revenue bonds reported in CAFR.



**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Richmond**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	52.6 sq.mi.	52.6 sq.mi.	52.6 sq.mi.
<b>Population (2)</b>	109,568	110,866	110,114
Change from Prior Year	na	1.2%	-0.7%
<b>Assessed Value (A.V.) (3)</b>	\$12,429.6 mill.	\$13,539.6 mill.	\$14,322.8 mill.
Change from Prior Year	na	8.9%	5.8%
A.V. per capita	\$113,400	\$122,100	\$130,100
<b>General Fund Revenues (4)</b>			
Property Tax	\$30,905,000	\$33,232,000	\$36,970,000
Sales Tax	\$33,131,000	\$40,877,000	\$41,620,000
Other Revenues	<u>\$80,494,000</u>	<u>\$72,466,000</u>	<u>\$85,815,000</u>
Total GF Revenues	\$144,529,612	\$146,575,079	\$164,405,410
Change from Prior Year	na	1.4%	12.2%
<b>General Fund Expenditures (5)</b>			
General Government	\$21,242,000	\$22,372,000	\$25,517,000
Public Safety	\$83,960,000	\$86,860,000	\$92,617,000
Other (inc. Transfers Out)	<u>\$38,188,000</u>	<u>\$36,627,420</u>	<u>\$40,251,915</u>
Total GF Expenditures	\$143,389,704	\$145,859,420	\$158,385,915
Change from Prior Year	na	1.7%	8.6%
GF Expenditures per capita	\$1,309	\$1,316	\$1,438
<b>Ending Balance, General Fund (6)</b>	\$28,682,000	\$29,397,000	\$35,417,000
Change from Prior Year	4.0%	2.4%	17.0%
as % of GF Expenditures	20.0%	20.2%	22.4%
<b>Enterprise Expenditures (7)</b>			
Richmond Housing Authority	\$28,049,000	\$26,385,000	\$26,242,000
Port of Richmond	\$9,923,000	\$8,265,000	\$10,102,000
Richmond Marina	\$235,000	\$0	\$231,000
Municipal Sewer	\$15,966,000	\$11,752,000	\$17,721,000
Storm Sewer	\$3,282,000	\$4,618,000	\$2,321,000
Cable TV	<u>\$948,000</u>	<u>\$0</u>	<u>\$1,028,000</u>
Total Enterprise Expenditures	\$58,403,000	\$51,020,000	\$57,645,000
Change from Prior Year	na	-12.6%	13.0%
<b>Total Enterprise Net Position (8)</b>	\$65,898,000	\$49,032,000	\$56,345,000
Position/Enterprise Expenditures	1.1	1.0	1.0
<b>Liquidity Ratio (9)</b>			
Governmental Activities	0.3	0.4	0.7
Business-type Activities	1.3	0.4	0.9
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$237,534,000	\$216,807,000	\$213,949,000
Net Change from Prior Year	2.7%	-8.7%	-1.3%
Business-type Activities	152,994,000	143,679,000	136,919,000
Net Change from Prior Year	-4.3%	-6.1%	-4.7%
<b>Total Pension Liability (11)</b>	\$989,701,420	\$1,026,410,696	n/a
% Pension Funded	77.7%	75.5%	n/a
Net Pension Liability	\$220,268,195	\$251,364,766	\$311,999,225

City of Richmond MSR Fiscal Profile (Comprehensive Annual Financial Reports)

1/4/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

Richmond

- (2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)
- (3) See Table 9
- (4) See Table 1
- (5) See Table 2
- (6) See Table 3
- (7) See Table 4
- (8) See Table 4
- (9) See Table 6
- (10) See Table 7. Net depreciable assets only.
- (11) See Table 8

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**

**Summary of General Fund Revenues  
City of Richmond**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property taxes	\$30,904,650	\$33,232,037	\$36,970,269
Sales taxes	33,131,486	40,877,125	41,620,189
Utility user taxes	48,299,958	43,365,249	44,966,489
Other taxes	9,918,447	11,628,519	12,566,579
Licenses, permits and fees	2,439,359	2,542,704	5,038,585
Fines, forfeitures and penalties	482,567	398,098	1,048,582
Use of money and property	77,228	35,493	73,408
Intergovernmental	4,097,963	1,954,943	4,056,470
Charges for services	9,141,441	8,284,694	7,264,336
Rent	809,113	765,753	836,221
Other	<u>768,619</u>	<u>353,991</u>	<u>440,174</u>
<b>Total Revenues</b>	140,070,831	143,438,606	154,881,302
Change from Prior Year	na	2.4%	8.0%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>4,458,781</u>	<u>3,136,473</u>	<u>9,524,108</u>
<b>Total Other Financing Sources</b>	4,458,781	3,136,473	9,524,108
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$144,529,612	\$146,575,079	\$164,405,410

Source: City of Richmond CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 2**  
**Summary of General Fund Expenditures**  
**City of Richmond**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General government	\$21,241,969	\$22,371,710	\$25,516,856
Public safety	83,960,461	86,859,602	92,616,949
Public works	18,686,952	17,899,366	21,827,896
Community development	0	0	0
Cultural and recreational	9,658,457	9,952,449	10,091,329
Housing and redevelopment	0	0	0
Capital outlay	256,353	404,053	100,891
Debt service:			
Principal retirement	1,320,695	1,079,062	790,346
Interest and fiscal charges	610,575	318,574	282,512
<b>Total Expenditures</b>	<b>135,735,462</b>	<b>138,884,816</b>	<b>151,226,779</b>
Change from Prior Year	na	2.3%	8.9%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>7,654,242</u>	<u>6,974,604</u>	<u>7,159,136</u>
<b>Total Other Financing Uses</b>	<b>7,654,242</b>	<b>6,974,604</b>	<b>7,159,136</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$143,389,704</b>	<b>\$145,859,420</b>	<b>\$158,385,915</b>

Source: City of Richmond CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

**Table 3**  
**Fund Balance, General Fund**  
**City of Richmond**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$27,541,828	\$28,681,736	\$29,397,395
Net Change	1,139,908	715,659	6,019,495
% Change from Prior Year	4.1%	2.5%	20.5%
Ending Balance, General Fund	\$28,681,736	\$29,397,395	\$35,416,890
Ending Balance/Total GF Operating Expenditures	21.1%	21.2%	23.4%
Unassigned	\$9,949,120	\$10,988,266	\$19,709,197
<b>Total Governmental Activities Ending Net Position</b>	<b>(\$207,237,330)</b>	<b>(\$210,366,203)</b>	<b>(\$194,173,097)</b>
<b>Unrestricted</b>	<b>(\$479,961,080)</b>	<b>(\$508,981,299)</b>	<b>(\$504,602,583)</b>

Source: City of Richmond CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, (1) calculated

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
City of Richmond**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Operating Revenues	\$34,141,000	\$35,494,000	\$37,890,000
Grants	22,112,000	21,951,000	22,637,000
Other Non-Operating (grants, settlements)	2,190,000	2,657,000	970,000
Interest (net)	(563,000)	<u>(10,838,000)</u>	<u>3,549,000</u>
Total	\$57,880,000	\$49,264,000	\$65,046,000
Change from Prior Year	na	-14.9%	32.0%
<b>ENTERPRISE OPERATING EXPENDITURES</b>			
Richmond Housing Authority	\$28,049,000	\$26,385,000	\$26,242,000
Port of Richmond	9,923,000	8,265,000	10,102,000
Richmond Marina	235,000		231,000
Municipal Sewer	15,966,000	11,752,000	17,721,000
Other	3,282,000	4,618,000	2,321,000
Cable TV	<u>948,000</u>		<u>1,028,000</u>
Total	\$58,403,000	\$51,020,000	\$57,645,000
Change from Prior Year	na	-12.6%	13.0%
Transfers and Special Items	(\$179,000)	(\$15,110,000)	(\$87,000)
Beginning Net Position (1)	66,600,000	\$65,898,000	\$49,031,000
Change in Net Position (1)	<u>(702,000)</u>	<u>(16,866,000)</u>	<u>7,314,000</u>
Ending Net Position (1)	\$65,898,000	\$49,032,000	\$56,345,000
% Change from Prior Year	-1.1%	-25.6%	14.9%
Ending Net Position/Total Expenditures	1.13	0.96	0.98

Source: City of Richmond CAFRs - Statement of Changes in Net position

(1) Note: totals may differ slightly from CAFRs due to rounding.

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
City of Richmond**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Richmond Housing Authority	\$38,890,311	\$23,152,215	\$22,773,813
Port of Richmond	7,678,574	7,139,943	7,231,960
Municipal Sewer	19,876,011	20,883,832	28,248,897
Other Enterprises	<u>(546,946)</u>	<u>(2,145,383)</u>	<u>(1,909,316)</u>
Total Net Position	65,897,950	49,030,607	56,345,354
% change from prior year	n/a	-25.6%	14.9%

Source: City of Richmond CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds

**LIQUIDITY (CAFR)**

Table 6

## Liquidity Measures

City of Richmond

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	0.3	0.4	0.7
Cash and Short-term Investments	22,387,954	33,542,030	55,633,622
Total Current Liabilities	88,538,000	92,803,000	81,909,000
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	1.3	0.4	0.9
Cash and Short-term Investments	27,034,707	25,066,043	18,230,691
Total Current Liabilities	20,581,000	57,409,000	20,917,000

Source: City of Richmond CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

**CAPITAL ASSETS**

Table 7

## Capital Assets Being Depreciated

City of Richmond

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	231,286,772	237,534,283	216,806,867
Ending Net Value of Capital Assets	237,534,283	216,806,867	\$213,949,181
Change in Net Value of Capital Assets	6,247,511	(20,727,416)	(2,857,686)
% Change in Net Value of Capital Assets	2.7%	-8.7%	-1.3%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	159,789,090	152,994,468	143,678,600
Ending Net Value of Capital Assets	152,994,468	143,678,600	\$136,918,776
Change in Net Value of Capital Assets	(6,794,622)	(9,315,868)	(6,759,824)
% Change in Net Value of Capital Assets	-4.3%	-6.1%	-4.7%

Source: City of Richmond CAFRs - Notes to Basic Financial Statements (Note 6 - CAPITAL ASSETS)

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities  
City of Richmond**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability (1)	\$989,701,420	\$1,026,410,696	n/a
Plan Fiduciary Net Position			n/a
% Funded	77.7%	75.5%	n/a
Net Pension Liability (2)	\$220,268,195	\$251,364,766	\$311,999,225
Net OPEB Liability (3)	not reported	not reported	182,135,389

Source: City of Richmond CAFRs - Statement of Net Position and Notes 10-12

(1) Total liability for Misc. and Safety Plans.

(2) Statement of Net Position, Gov'l and Enterprises.

(3) Net OPEB liability not reported until GASB 74 req'ment FY17.

**DEBT AND VALUE****Table 9****Debt and Assessed Value  
City of Richmond**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	265,879,160	280,377,609	275,199,962
Business Type Activities	<u>131,713,319</u>	<u>126,775,985</u>	<u>122,303,791</u>
Total Outstanding Debt	397,592,479	407,153,594	397,503,753
Total Debt per Capita	\$3,629	\$3,672	\$3,610
Assessed Value	\$12,429,550,000	\$13,539,643,000	\$14,322,848,000
Coverage Ratio (pledged revenues)	1.44	1.50	1.51

Source: CAFRs - Ratio of Outstanding Debt by Type, Assessed and Actual Value, Revenue Bond Coverage

**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	2.5 sq.mi.	2.5 sq.mi.	2.5 sq.mi.
<b>Population (2)</b>	29,499	30,829	31,053
Change from Prior Year	na	4.5%	0.7%
<b>Assessed Value (A.V.) (3)</b>	\$1,464.2 mill.	\$1,727.7 mill.	\$1,840.1 mill.
Change from Prior Year	na	18.0%	6.5%
A.V. per capita	\$49,600	\$56,000	\$59,300
<b>General Fund Revenues (4)</b>			
Property Tax	\$837,000	\$720,000	\$873,000
Sales Tax	\$3,199,000	\$3,304,000	\$3,747,000
Other Revenues	<u>\$34,722,000</u>	<u>\$39,504,000</u>	<u>\$36,449,000</u>
Total GF Revenues	\$38,757,685	\$43,527,828	\$41,068,515
Change from Prior Year	na	12.3%	-5.6%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$5,803,000	\$9,612,000	\$9,418,000
Public Safety	\$15,436,000	\$13,735,000	\$14,928,000
Other (inc. Transfers Out)	<u>\$6,696,000</u>	<u>\$5,909,000</u>	<u>\$13,629,000</u>
Total GF Expenditures	\$27,935,000	\$29,256,000	\$37,975,000
Change from Prior Year	na	4.7%	29.8%
GF Expenditures per capita	\$947	\$949	\$1,223
<b>Ending Balance, General Fund (6)</b>	\$43,144,000	\$57,416,000	\$60,509,000
Change from Prior Year	25.1%	24.9%	5.1%
as % of GF Expenditures	154.4%	196.3%	159.3%
<b>Enterprise Expenditures (7)</b>			
<b>Total Enterprise Net Position (8)</b>			
<b>Liquidity Ratio (9)</b>			
Governmental Activities	11.8	12.1	9.2
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$58,539,000	\$65,241,000	\$67,231,000
Net Change from Prior Year	10.3%	11.4%	3.1%
<b>Total Pension Liability (11)</b>			
Net Pension Liability	\$22,070,000	\$27,190,000	\$34,870,000

*City of San Pablo MSR Fiscal Profile (Comprehensive Annual Financial Reports)*

*1/4/19*

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) City of San Pablo Comments on MSR Fiscal Profile.

(3) See Table 9

(4) See Table 1

(5) See Table 2

(6) See Table 3

(7) See Table 4. No enterprises.

(8) See Table 4. No enterprises.

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) See Table 8. CAFR does not report total liability or % funded.

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**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 1

**Summary of General Fund Revenues  
City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Intergovernmental		6,125,560	2,749,495
Property taxes	\$836,806	\$719,960	\$872,985
Sales tax	3,199,425	3,304,334	3,746,816
In-lieu sales tax	490,239	406,799	
Utility users tax	2,467,509	2,572,145	2,686,980
Business license tax	19,390,922	22,665,705	23,876,317
Other taxes	3,304,319	3,334,876	3,474,030
Fines and forfeitures	250,670	253,290	242,120
Motor vehicle in lieu	1,961,310	0	0
Other	2,518,713	0	0
Charges for services	691,632	629,254	599,671
Use of money and property	642,072	1,063,595	1,094,542
Miscellaneous	<u>167,020</u>	<u>211,478</u>	<u>294,696</u>
<b>Total Revenues</b>	<b>35,920,637</b>	<b>41,286,996</b>	<b>39,637,652</b>
Change from Prior Year	na	14.9%	-4.0%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>2,837,048</u>	<u>2,240,832</u>	<u>1,430,863</u>
<b>Total Other Financing Sources</b>	<b>2,837,048</b>	<b>2,240,832</b>	<b>1,430,863</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$38,757,685</b>	<b>\$43,527,828</b>	<b>\$41,068,515</b>

Source: City of San Pablo CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

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**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General government	\$5,803,306	\$9,612,295	\$9,418,355
Recreation	1,321,969	1,490,995	73,015
Development	0	0	2,496,976
Public Works & Engineering	283,809	275,565	275,878
Police	15,435,567	13,735,117	14,927,935
Capital outlay	529,202	308,912	182,901
Debt service:			
Principal retirement	85,000	144,982	160,234
Interest and fiscal charges	0	25,882	10,630
<b>Total Expenditures</b>	<b>23,458,853</b>	<b>25,593,748</b>	<b>27,545,924</b>
Change from Prior Year	na	9.1%	7.6%
<b>OTHER FINANCING USES</b>			
Transfers Out (1)	<u>4,475,960</u>	<u>3,662,125</u>	<u>10,429,280</u>
<b>Total Other Financing Uses</b>	<b>4,475,960</b>	<b>3,662,125</b>	<b>10,429,280</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$27,934,813</b>	<b>\$29,255,873</b>	<b>\$37,975,204</b>

Source: City of San Pablo CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) See CAFR Note 4A re: transfers (primarily to fund capital).

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$32,321,326	\$43,144,198	\$57,416,153
Net Change	10,822,872	14,271,955	3,093,311
% Change from Prior Year	33.5%	33.1%	5.4%
Ending Balance, General Fund	\$43,144,198	\$57,416,153	\$60,509,464
Ending Balance/Total GF Operating Expenditures	183.9%	224.3%	219.7%
Unassigned	\$37,596,248	\$50,715,535	\$54,246,048
<b>Total Governmental Activities Ending Net Position</b>	<b>\$115,023,046</b>	<b>\$126,830,398</b>	<b>\$130,642,337</b>
Unrestricted	\$30,508,198	\$41,969,726	\$39,526,263

Source: City of San Pablo CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

**Table 4**  
**Summary of Enterprise Changes in Net Position**  
**City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of San Pablo reports no enterprises or business type activities

**FUND BALANCES, PROPRIETARY FUNDS**

**Table 5**  
**Ending Net Position by Enterprise Fund**  
**City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Town of San Pablo reports no enterprises or business type activities

**LIQUIDITY (CAFR)**

**Table 6**  
**Liquidity Measures**  
**City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	11.8	12.1	9.2
Cash and Short-term Investments (2)	\$44,977,565	\$58,384,405	\$65,933,925
Total Current Liabilities	3,810,827	4,806,767	7,161,607

Source: City of San Pablo CAFRs - Governmental Funds Balance Sheet

- (1) Cash and Short-term Investments/Total Current Liabilities
- (2) Available for operations.
- (3) CAFR reports no enterprises.

**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$53,094,772	\$58,538,540	\$65,240,811
Ending Net Value of Capital Assets	58,538,540	65,240,811	67,231,310
Change in Net Value of Capital Assets	5,443,768	6,702,271	1,990,499
% Change in Net Value of Capital Assets	10.3%	11.4%	3.1%

Source: City of San Pablo CAFRs - Notes to Basic Financial Statements (Note 6A - CAPITAL ASSETS)

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**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability	\$123,017,040	\$125,692,251	132,030,081
Plan Fiduciary Net Position	\$100,949,542	\$98,501,954	97,157,344
% Funded	82%	78%	74%
Net Pension Liability	\$22,067,498	\$27,190,297	\$34,872,747
Net OPEB Liability (Asset)	(\$4,271,510)	(\$4,409,069)	(\$4,291,233)

Source: City of San Pablo CAFRs - Notes to Basic Financial Statements (Note 9-10 PENSION PLANS)

(1) CAFR does not report total liability or % funded.

(2) Irrevocable trust.

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**DEBT AND VALUE**

**Table 9**

**Debt and Assessed Value  
City of San Pablo**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	25,922,750	25,865,708	25,700,486
<b>Total Outstanding Debt</b>	25,922,750	25,865,708	25,700,486
<b>Total Debt per Capita</b>	\$879	\$839	\$828
<b>Assessed Value</b>	\$1,464,234,968	\$1,727,734,829	\$1,840,113,313
<b>Coverage Ratio (pledged revenues)</b>			

*Source: CAFRs - Ratio of Outstanding Debt, Assessed and Actual Value*

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**SUMMARY PROFILE****Table S****Summary of Financial Conditions****City of San Ramon**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	18.66 sq.mi.	18.66 sq.mi.	18.66 sq.mi.
<b>Population (2)</b>	78,561	78,363	80,550
Change from Prior Year	na	-0.3%	2.8%
<b>Assessed Value (A.V.) (3)</b>	\$16,984.0 mill.	\$18,513.0 mill.	\$19,411.5 mill.
Change from Prior Year	na	9.0%	4.9%
A.V. per capita	\$216,200	\$236,200	\$241,000
<b>General Fund Revenues (4)</b>			
Property Tax	\$16,092,000	\$17,241,000	\$18,479,000
Sales Tax	\$9,143,000	\$10,485,000	\$9,329,000
Other Revenues	<u>\$20,614,000</u>	<u>\$23,300,000</u>	<u>\$22,516,000</u>
Total GF Revenues	\$45,849,000	\$51,026,000	\$50,324,000
Change from Prior Year	na	11.3%	-1.4%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$4,807,000	\$5,587,000	\$5,944,000
Public Safety	\$11,381,000	\$12,041,000	\$12,579,000
Other (inc. Transfers Out)	<u>\$30,723,000</u>	<u>\$31,187,000</u>	<u>\$35,038,000</u>
Total GF Expenditures	\$46,911,000	\$48,815,000	\$53,561,000
Change from Prior Year	na	4.1%	9.7%
GF Expenditures per capita	\$597	\$623	\$665
<b>Ending Balance, General Fund (6)</b>	\$10,679,000	\$13,147,000	\$9,910,000
Change from Prior Year	-9.9%	16.8%	-32.7%
as % of GF Expenditures	22.8%	26.9%	18.5%
<b>Enterprise Expenditures (7)</b>			
<b>Total Enterprise Net Position (8)</b>			
<b>Liquidity Ratio (9)</b>			
Governmental Activities	5.1	3.9	5.4
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$369,697,000	\$384,770,000	\$393,419,000
Net Change from Prior Year	1.2%	4.1%	2.2%
<b>Total Pension Liability (11)</b>	\$220,642,000	\$229,975,000	
Net Liability (all plans)	\$14,490,000	\$23,390,000	n/a

*City of San Ramon MSR Fiscal Profile (Comprehensive Annual Financial Reports)*

2/22/19

(1) City of San Ramon edits to MSR Profile.

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1. CAFRs do not distinguish General Fund property or sales tax.

(5) See Table 2

(6) See Table 3

(7) See Table 4. No enterprises.

(8) See Table 4. No enterprises.

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) See Table 8. (Safety Plan Total Liability and % Funded not reported in CAFR).

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)****Table 1****Summary of General Fund Revenues  
City of San Ramon**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property Tax (1)	\$16,091,598	\$17,240,799	\$18,478,700
Sales Tax (1)	9,142,892	10,484,639	9,328,801
Licenses and permits	1,371,771	1,712,228	2,005,548
Intergovernmental	450,788	353,783	346,197
Charges for services	6,157,283	7,703,805	6,537,626
Fines and forfeitures	336,050	415,083	341,487
Investment income	425,939	167,411	59,969
Miscellaneous	2,137,781	2,435,622	2,558,531
Other Taxes (1)	<u>7,467,297</u>	<u>8,144,757</u>	<u>8,389,545</u>
<b>Total Revenues</b>	43,581,399	48,658,127	48,046,404
Change from Prior Year	na	11.6%	-1.3%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>2,267,507</u>	<u>2,368,194</u>	<u>2,278,004</u>
<b>Total Other Financing Sources</b>	2,267,507	2,368,194	2,278,004
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$45,848,906	\$51,026,321	\$50,324,408

Source: City of San Ramon CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) See CAFR17 pg. 157 for "Tax" detail.

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
City of San Ramon**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General Government	\$4,807,260	\$5,587,406	\$5,943,627
Community development	3,410,224	3,559,111	3,051,027
Police services	11,380,748	12,041,075	12,579,008
Public works	11,864,097	12,498,880	14,054,064
Parks and community services	7,894,989	8,464,188	8,052,418
Debt service:			
Principal retirement	35,822	37,208	38,648
Interest and fiscal charges	7,489	6,103	4,663
<b>Total Expenditures</b>	<b>39,400,629</b>	<b>42,193,971</b>	<b>43,723,455</b>
Change from Prior Year	na	7.1%	3.6%
<b>OTHER FINANCING USES</b>			
Transfers Out (1)	<u>7,510,449</u>	<u>6,620,897</u>	<u>9,837,779</u>
<b>Total Other Financing Uses</b>	<b>7,510,449</b>	<b>6,620,897</b>	<b>9,837,779</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$46,911,078</b>	<b>\$48,814,868</b>	<b>\$53,561,234</b>

Source: City of San Ramon CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) See CAFR Note 4c for transfers.

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
City of San Ramon**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$11,741,501	\$10,935,176	\$13,146,629
Net Change	(1,062,172)	2,211,453	(3,236,826)
% Change from Prior Year	-9.0%	20.2%	-24.6%
Ending Balance, General Fund	\$10,679,329	\$13,146,629	\$9,909,803
Ending Balance/Total GF Operating Expenditures	27.1%	31.2%	22.7%
Unassigned	\$5,975,668	\$6,890,959	\$9,399,666
<b>Total Governmental Activities Ending Net Position</b>	<b>\$476,302,181</b>	<b>\$486,530,043</b>	<b>\$504,277,905</b>
<b>Unrestricted</b>	<b>(\$16,685,507)</b>	<b>(\$11,892,459)</b>	<b>(\$11,565,936)</b>

Source: City of San Ramon CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

Summary of Enterprise Changes in Net Position  
City of San Ramon

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA City of San Ramon reports no enterprises or business type activities

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

Ending Net Position by Enterprise Fund  
City of San Ramon

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA City of San Ramon reports no enterprises or business type activities

**LIQUIDITY (CAFR)**

Table 6

Liquidity Measures  
City of San Ramon

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	5.1	3.9	5.4
Cash and Short-term Investments (2)	\$67,509,686	\$68,146,337	\$70,661,339
Total Current Liabilities (3)	13,287,576	17,570,122	13,095,151

Source: City of San Ramon CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Unrestricted.

(3) Total liabilities (includes advances from other funds).



**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
City of San Ramon**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$365,379,762	\$369,696,685	\$384,770,194
Ending Net Value of Capital Assets	369,696,685	384,770,194	393,419,227
Change in Net Value of Capital Assets	4,316,923	15,073,509	8,649,033
% Change in Net Value of Capital Assets	1.2%	4.1%	2.2%

Source: City of San Ramon CAFRs - Notes to Basic Financial Statements (Note 7 - CAPITAL ASSETS)

**PENSIONS (CAFR)**

Table 8

**Pension and OPEB Liabilities  
City of San Ramon**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY (1)</b>			
Total Pension Liability (Misc. Plan)	\$115,635,997	\$124,159,270	n/a
Plan Fiduciary Net Position (Misc. Plan)	105,006,502	105,815,832	n/a
% Funded (Misc. Plan)	90.8%	85.2%	n/a
Net Liability (Misc. Plan)	\$10,629,495	\$18,343,438	n/a
Net Liability (Public Safety)	\$3,861,735	\$5,049,024	n/a
<b>Net OPEB Liability (Asset)</b>	<b>\$1,865</b>	<b>(\$1,885,781)</b>	<b>(\$235,125)</b>

Source: City of San Ramon CAFRs - Notes to Basic Financial Statements (Notes 10-12)

(1) Balances valued end of prior FY and rolled forward to end of FY shown.

**DEBT AND VALUE**

Table 9

**Debt and Assessed Value  
City of San Ramon**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	29,703,399	27,750,915	25,672,456
Business Type Activities	na	na	na
<b>Total Outstanding Debt</b>	29,703,399	27,750,915	25,672,456
<b>Total Debt per Capita</b>	\$378	\$354	\$319
<b>Assessed Value</b>	\$16,983,981,965	\$18,512,979,526	\$19,411,536,727
<b>Coverage Ratio (pledged revenues) (1)</b>			

Source: CAFRs - Ratios of Debt Outstanding, Assessed Value and Actual Value

(1) No bonds requiring pledged revenues reported in CAFR.

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**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
City of Walnut Creek**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	19.5 sq.mi.	19.5 sq.mi.	19.5 sq.mi.
<b>Population (2)</b>	66,319	70,018	70,974
Change from Prior Year	na	5.6%	1.4%
<b>Assessed Value (A.V.) (3)</b>	\$14,204.4 mill.	\$15,304.8 mill.	\$16,470.3 mill.
Change from Prior Year	na	7.7%	7.6%
A.V. per capita	\$214,200	\$218,600	\$232,100
<b>General Fund Revenues (4)</b>			
Property Tax	\$22,261,000	\$24,923,000	\$24,022,000
Sales Tax	\$18,492,000	\$19,961,000	\$21,596,000
Other Revenues	<u>\$45,387,000</u>	<u>\$44,086,000</u>	<u>\$42,699,000</u>
Total GF Revenues	\$86,140,000	\$88,970,000	\$88,317,000
Change from Prior Year	na	3.3%	-0.7%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$4,950,000	\$4,733,000	\$5,602,000
Public Safety	\$23,250,000	\$24,385,000	\$25,338,000
Other (inc. Transfers Out)	<u>\$49,340,000</u>	<u>\$52,689,000</u>	<u>\$54,136,000</u>
Total GF Expenditures	\$77,540,000	\$81,807,000	\$85,076,000
Change from Prior Year	na	5.5%	4.0%
GF Expenditures per capita	\$1,169	\$1,168	\$1,199
<b>Ending Balance, General Fund (6)</b>	\$44,337,000	\$51,499,000	\$54,740,000
Change from Prior Year	19.4%	13.9%	5.9%
as % of GF Expenditures	57.2%	63.0%	64.3%
<b>Enterprise Expenditures (7)</b>			
Golf Course Administration	\$299,000	\$309,000	\$468,000
Boundary Oak Golf Course Operations	\$4,248,000	\$4,411,000	\$4,917,000
Downtown Parking	<u>\$5,340,000</u>	<u>\$5,353,000</u>	<u>\$6,016,000</u>
Total Enterprise Expenditures	\$9,887,000	\$10,073,000	\$11,401,000
Change from Prior Year	na	1.9%	13.2%
<b>Total Enterprise Net Position (8)</b>	\$15,982,000	\$16,823,000	\$16,797,000
Position/Enterprise Expenditures	1.6	1.7	1.5
<b>Liquidity Ratio (9)</b>			
Governmental Activities	6.8	8.3	6.9
Business-type Activities	7.5	5.2	4.7
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$173,578,000	\$167,902,000	\$159,683,000
Net Change from Prior Year	-5.5%	-3.3%	-4.9%
Business-type Activities	9,386,000	8,762,000	8,206,000
Net Change from Prior Year	2.4%	-6.7%	-6.3%
<b>Total Pension Liability (11)</b>			
Net Pension Liability (12)	\$73,370,000	\$83,000,000	\$101,820,000

City of Walnut Creek MSR Fiscal Profile (Comprehensive Annual Financial Reports)

1/4/18

(2) Dept of Finance E-1\_2018, 2017, 2016 (most recent estimate is used for a given year)

(3) See Table 9

(4) See Table 1

(5) See Table 2

(6) See Table 3

- (7) See Table 4  
 (8) See Table 4  
 (9) See Table 6  
 (10) See Table 7. Net depreciable assets only.  
 (11) See Table 8. CAFRs don't report total liability and % funded for each plan.  
 (12) Net of Plan assets.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**

**Summary of General Fund Revenues  
 City of Walnut Creek**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Sales and use	\$22,260,634	\$24,923,015	\$24,021,800
Property	18,491,518	19,961,446	21,595,755
Business license	2,223,848	2,395,129	2,429,669
Franchise	3,425,481	3,580,225	3,648,456
Transient occupancy tax	1,941,665	2,077,190	2,093,907
Other	743,599	794,802	942,015
Intergovernmental	692,903	188,509	156,197
Investment and rental income	1,021,718	1,542,157	634,493
Charges for services	18,677,168	18,131,003	18,506,019
Licenses, permits and fees	2,251,823	3,262,566	3,118,723
Fines, forfeitures and penalties	<u>10,828,777</u>	<u>11,064,958</u>	<u>10,323,924</u>
<b>Total Revenues</b>	<b>82,559,134</b>	<b>87,921,000</b>	<b>87,470,958</b>
Change from Prior Year	na	6.5%	-0.5%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>3,580,729</u>	<u>1,048,951</u>	<u>845,895</u>
<b>Total Other Financing Sources</b>	<b>3,580,729</b>	<b>1,048,951</b>	<b>845,895</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$86,139,863</b>	<b>\$88,969,951</b>	<b>\$88,316,853</b>

Source: City of Walnut Creek CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 2**  
**Summary of General Fund Expenditures**  
**City of Walnut Creek**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Public protection	\$23,250,156	\$24,384,748	\$25,337,630
Public works	17,353,746	19,125,449	20,908,147
Community and economic development	6,487,100	6,552,593	7,343,575
Arts, recreation and community services	14,648,772	15,316,110	15,993,376
Administrative services	4,259,920	4,388,092	4,901,030
Human resources	1,270,976	1,262,404	1,176,187
General government	4,949,928	4,732,811	5,601,705
Capital outlay	49,404	0	0
Debt service:			
Principal retirement	39,498	53,793	61,199
Interest and fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>72,309,500</b>	<b>75,816,000</b>	<b>81,322,849</b>
Change from Prior Year	na	4.8%	7.3%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>5,230,149</u>	<u>5,991,230</u>	<u>3,753,050</u>
<b>Total Other Financing Uses</b>	<b>5,230,149</b>	<b>5,991,230</b>	<b>3,753,050</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$77,539,649</b>	<b>\$81,807,230</b>	<b>\$85,075,899</b>

Source: City of Walnut Creek CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

**Table 3**  
**Fund Balance, General Fund**  
**City of Walnut Creek**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$35,736,436	\$44,336,650	\$51,499,371
Net Change	8,600,214	7,162,721	3,240,954
% Change from Prior Year	24.1%	16.2%	6.3%
Ending Balance, General Fund	\$44,336,650	\$51,499,371	\$54,740,325
Ending Balance/Total GF Operating Expenditures	61.3%	67.9%	67.3%
Unassigned	\$14,082,798	\$17,940,395	\$3,593,630
<b>Total Governmental Activities Ending Net Position</b>	<b>\$255,062,521</b>	<b>\$275,406,440</b>	<b>\$277,447,465</b>
<b>Unrestricted</b>	<b>(\$19,886,556)</b>	<b>(\$10,686,182)</b>	<b>(\$3,856,154)</b>

Source: City of Walnut Creek CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds, Balance Sheet

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
City of Walnut Creek**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$9,695,139	\$9,210,709	\$9,904,325
Fines, forfeitures and penalties	2,032,418	1,503,512	1,534,138
Other revenue	40,512	10,321	11,394
Other Non-Operating	<u>162,934</u>	<u>129,075</u>	<u>222,739</u>
Total	\$11,931,003	\$10,853,617	\$11,672,596
Change from Prior Year	na	-9.0%	7.5%
<b>ENTERPRISE EXPENDITURES</b>			
Golf Course Administration	\$298,507	\$308,777	\$467,764
Boundary Oak	4,248,470	4,410,625	4,916,930
Downtown Parking	<u>5,340,004</u>	<u>5,353,404</u>	<u>6,016,385</u>
Total	\$9,886,981	\$10,072,806	\$11,401,079
Change from Prior Year	na	1.9%	13.2%
Transfers	\$421,845	\$60,857	(\$297,555)
Beginning Net Position	13,515,688	\$15,981,555	\$16,823,223
Change in Net Position	<u>2,465,867</u>	<u>841,668</u>	<u>(26,038)</u>
Ending Net Position	\$15,981,555	\$16,823,223	\$16,797,185
% Change from Prior Year	18.2%	5.3%	-0.2%
Ending Net Position/Total Expenditures	1.62	1.67	1.47

Source: City of Walnut Creek CAFRs - Statement of Changes in Net position

**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
City of Walnut Creek**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Golf Course Administration	\$4,101,846	\$4,981,144	\$5,235,350
Boundary Oak Golf Course Operations	(15,198)	(419,441)	(545,982)
Downtown Parking	<u>11,894,907</u>	<u>12,261,520</u>	<u>12,107,817</u>
Total Net Position	15,981,555	16,823,223	16,797,185
% change from prior year	n/a	5.3%	-0.2%

Source: City of Walnut Creek CAFRs - Statement of Revenues, Expenses and Changes in Net Position Proprietary

(1)

**LIQUIDITY (CAFR)**

Table 6

Liquidity Measures  
City of Walnut Creek

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	6.8	8.3	6.9
Cash and Short-term Investments	92,764,286	107,476,243	111,949,248
Total Current Liabilities	13,627,463	12,945,021	16,220,737
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	7.5	5.2	4.7
Cash and Short-term Investments	8,688,089	7,296,712	7,966,742
Total Current Liabilities	1,151,539	1,405,889	1,708,788

Source: City of Walnut Creek CAFRs - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

**CAPITAL ASSETS**

Table 7

Capital Assets Being Depreciated  
City of Walnut Creek

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$183,707,113	\$173,578,114	\$167,901,515
Ending Net Value of Capital Assets	173,578,114	167,901,515	159,682,996
Change in Net Value of Capital Assets	(10,128,999)	(5,676,599)	(8,218,519)
% Change in Net Value of Capital Assets	-5.5%	-3.3%	-4.9%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$9,165,687	\$9,386,490	\$8,762,412
Ending Net Value of Capital Assets	9,386,490	8,762,312	8,205,731
Change in Net Value of Capital Assets	220,803	(624,178)	(556,681)
% Change in Net Value of Capital Assets	2.4%	-6.6%	-6.4%

Source: City of Walnut Creek CAFRs - Notes to Basic Financial Statements (Note 6 - CAPITAL ASSETS)

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities**

City of Walnut Creek

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
<b>Net Pension Liability (1, 2)</b>	\$73,369,867	\$82,998,021	\$101,822,611
<b>Net OPEB Liability (3)</b>			

Source: City of Walnut Creek CAFRs - Notes to Basic Financial Statements

(Note 11 - DEFINED BENEFIT PENSION PLANS)

(1) CAFRs don't report total liability and % funded for each plan.

(2) Includes Misc. Plan and Public Safety Plan

(3) The City does not provide OPEB and therefore have no OPEB obligations.

**DEBT AND VALUE****Table 9****Debt and Assessed Value**

City of Walnut Creek

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
<b>Governmental Activities</b>	308,845	444,045	463,227
<b>Business Type Activities</b>	<u>3,323,164</u>	<u>3,345,355</u>	<u>3,244,682</u>
<b>Total Outstanding Debt</b>	3,632,009	3,789,400	3,707,909
<b>Total Debt per Capita</b>	\$55	\$54	\$52
<b>Assessed Value</b>	\$14,204,356,497	\$15,304,825,412	\$16,470,347,145
<b>Coverage Ratio (pledged revenues)</b>	0.0%	744.0%	134.0%

Source: CAFRs - Ratios of Debt Outstanding, Estimated and Actual Values, Pledged Revenue Coverage



**SUMMARY PROFILE****Table S****Summary of Financial Conditions****Crockett CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	1.07 sq.mi.	1.07 sq.mi.	1.07 sq.mi.
<b>Population (2)</b>	2,273	2,273	2,273
Change from Prior Year	na	0.0%	0.0%
<b>Assessed Value (A.V.) (3)</b>			\$446,490,898
Change from Prior Year			
A.V. per capita			\$196,432
<b>Government Activity Fund Revenues (4)</b>			
Property Tax	\$419,000	\$177,000	\$461,000
Other (Fees and Charges for Service)	<u>\$539,000</u>	<u>\$846,000</u>	<u>\$560,000</u>
Total GF Revenues	\$958,000	\$1,023,000	\$1,021,000
Change from Prior Year	na	6.8%	-0.2%
<b>Government Activity Fund Expenditures (5)</b>			
General Government & Admin.	\$455,000	\$464,000	\$521,000
Public Safety	0	0	0
Other (inc. Cash Transfers Out)	<u>\$397,907</u>	<u>\$416,088</u>	<u>\$487,214</u>
Total Expenditures	\$853,000	\$880,000	\$1,008,000
Change from Prior Year	na	3.2%	14.5%
GF Expenditures per capita	\$375	\$387	\$443
<b>Ending Balance, General Fund (6)</b>	\$789,000	\$1,960,000	\$1,974,000
Change from Prior Year	-129.6%	1.6%	0.6%
as % of GF Expenditures	92.5%	222.7%	195.8%
<b>Enterprise Expenditures (7)</b>			
Port Costa	\$98,000	\$143,000	\$134,000
Crockett Operating	\$1,132,000	\$935,000	\$1,173,000
Crockett Construction Fund	\$0	\$0	\$0
Crockett Reserve Fund	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Enterprise Expenditures	\$1,230,000	\$1,078,000	\$1,307,000
Change from Prior Year	na	-12.4%	21.2%
<b>Total Enterprise Net Position (8)</b>	\$7,767,000	\$7,281,000	\$7,809,000
Position/Enterprise Expenditures	6.3	6.8	6.0
<b>Liquidity Ratio (9)</b>			
Governmental Activities	147.7	na	216.9
Business-type Activities	7.9	4.7	5.6
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$1,484,000	\$1,391,000	\$1,336,000
Net Change from Prior Year		-6.3%	-3.9%
Business-type Activities		5,350,000	5,328,000
Net Change from Prior Year		0.4%	-1.3%
<b>Total Pension Liability (11)</b>			
Net Pension Liability (12)			\$99,485

Crockett CSD MSR Fiscal Profile (Comprehensive Annual Financial Reports)

1/4/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Contra Costa LAFCO Directory of County and Cities, 2017

- (3) See Table 9. A.V. not reported in Financial Statements.
  - (4) See Table 1
  - (5) See Table 2
  - (6) See Table 3
  - (7) See Table 4
  - (8) See Table 4
  - (9) See Table 6
  - (10) See Table 7. Net depreciable assets only.
  - (11) See Table 8. Total liability and plan assets not reported.
  - (12) Net of Plan assets.
- 

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**  
**Summary of Governmental Activities Fund Revenues**  
**Crockett CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Operating Revenue (1)</b>	378,542	360,520	394,622
<b>Property Taxes (2)</b>	419,398	177,485	460,677
<b>Other Non-Operating Revenues (3)</b>	<u>61,339</u>	<u>93,571</u>	<u>111,205</u>
<b>Total Revenues</b>	859,279	631,576	966,504
Change from Prior Year	na	-26.5%	53.0%
<b>OTHER FINANCING SOURCES</b>			
<b>Transfers In</b>	127,658	349,573	35,326
<b>GASB Adjustments</b>	(29,431)	42,328	19,380
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$957,506	\$1,023,477	\$1,021,210
		106.9%	99.8%

Source: Crockett Community Services District CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) Community Services, Recreation & Maintenance Funds.

(2) FY16 property taxes appear in Sanitary/Crockett Operating Fund. Property taxes transferred to Sanitary/Crockett Operating Fund; balance of property taxes primarily allocated to Recreation Fund. Transfers In vs. (Out) not separately shown for each fund; transfers shown as "capital contributions".

(3) Grants, cost recovery, and interest.

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**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)****Table 2****Summary of Governmental Activities Fund Expenditures  
Crockett CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Operating Expenditures (1)	\$454,506	\$463,976	\$521,495
Non-Operating Expenditures (2)	<u>131,201</u>	<u>108,260</u>	<u>167,214</u>
<b>Total Expenditures</b>	585,707	572,236	688,709
Change from Prior Year	na	-2.3%	20.4%
<b>OTHER FINANCING USES</b>			
Transfers (Out) Cash	(266,706)	(307,828)	(320,000)
Net Capital Asset Transfers (Out)	<u>(1,127,647)</u>	<u>(110,908)</u>	<u>0</u>
<b>TOTAL USES AND TRANSFERS OUT</b>	\$1,980,060	\$990,972	\$1,008,709

Source: Crockett Community Services District CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

(1) Community Services, Recreation & Maintenance Fund.

(2) Includes depreciation.

**FUND BALANCE, GENERAL FUND****Table 3****Governmental Activities Net Position  
Crockett CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance (1)	\$1,811,548	\$1,927,675	\$1,961,339
Net Change	(1,022,554)	32,505	(375,589)
% Change from Prior Year		1.7%	-19.1%
Ending Balance, Governmental	\$789,002	\$1,960,180	\$1,973,840
Ending Balance/Total Gov'l Operating Expenditures Unrestricted (2)	134.7% (\$1,035,863)	342.5% \$117,893	286.6% \$1,798,027

Source: Crockett CSD Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances,

(1) Note: Beginning Balances may not match prior year due to GASB 68 "restatement".

(2) Community Services FY15 long-term liability of \$1,138,673 does not appear in FY16, nor any repayment.

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**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
Crockett CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Port Costa	\$220,909	\$227,261	\$227,776
Crockett Operating	1,422,269	1,434,095	1,469,060
Crockett Construction	0	0	4,850
Crockett Reserve	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$1,643,178	\$1,661,356	\$1,701,686
Change from Prior Year	na	1.1%	2.4%
<b>Non-Operating Revenues</b>	\$87,040	\$342,949	\$124,834
<b>ENTERPRISE EXPENDITURES</b>			
Port Costa	\$98,276	\$142,779	\$134,234
Crockett Operating	1,132,216	935,061	1,172,826
Crockett Construction Fund	0	0	39
Crockett Reserve Fund	<u>(4)</u>	<u>4</u>	<u>4</u>
Total	\$1,230,488	\$1,077,844	\$1,307,103
Change from Prior Year	na	-12.4%	21.3%
<b>Non-Operating Expenditures</b>	\$280,598	\$309,293	\$296,393
Transfers in	\$223,726	\$242,620	\$284,674
Transfers in or (out) Capital Assets	\$1,043,118	(\$207,326)	\$0
GASB 68 Adjustment	(\$67,031)		
<b>Beginning Net Position (restated)</b>	\$6,280,965	\$6,628,103	\$7,300,936
<b>Change in Net Position</b>	<u>1,485,976</u>	<u>652,462</u>	<u>507,698</u>
<b>Ending Net Position</b>	\$7,766,941	\$7,280,565	\$7,808,634
<b>% Change from Prior Year (1)</b>	23.7%	na	7.0%
<b>Ending Net Position/Total Expenditures</b>	6.31	6.75	5.97

Source: Crockett CSD Financial Statements - Statement of Revenues, Expenses, and Changes in Net position

(1) FY16 CAFR does not show re-statement of beginning position, therefore % change from prior year is not shown here.

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**FUND BALANCES, PROPRIETARY FUNDS****Table 5****Ending Net Position by Sanitary Fund (Total Net Assets)****Crockett CSD**

<b>Item</b>	<b>Fiscal Year</b>		
	<b>FY2014-15</b>	<b>FY2015-16</b>	<b>FY2016-17</b>
<b>Port Costa</b>	\$1,296,538	\$1,039,888	\$895,505
<b>Crockett Operating</b>	5,627,003	5,422,704	6,012,251
<b>Crockett Construction</b>	776,759	809,849	833,740
<b>Crockett Reserve</b>	<u>66,476</u>	<u>66,710</u>	<u>67,138</u>
<b>Total Net Position</b>	7,766,776	7,339,151	7,808,634
<b>% change from prior year</b>	n/a	-5.5%	6.4%

Source: Crockett CSD Financial Statements - Statement of Net Assets

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**LIQUIDITY (CAFR)****Table 6****Liquidity Measures  
Crockett CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES (1)</b>			
Liquidity Ratio (2)	147.7	na	216.9
Cash and Short-term Investments	476,192	620,809	711,284
Total Current Liabilities (3)	3,225	(177)	3,280
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (2)	7.9	4.7	5.6
Cash and Short-term Investments (4)	2,600,661	2,779,118	3,171,818
Total Current Liabilities	328,269	592,068	569,181

Source: Crockett CSD Financial Statements - Statement of Fund Net position

(1) See CAFR Note 2. Community Services, Recreation & Maintenance Fund.

(2) Cash and Short-term Investments/Total Current Liabilities.

(3) Excludes pension liability.

(4) See CAFR Note 2 (includes reserves).

**CAPITAL ASSETS****Table 7****Capital Assets Being Depreciated  
Crockett CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	1,497,555	1,483,870	1,390,919
Ending Net Value of Capital Assets	1,483,870	1,390,919	\$1,336,150
Change in Net Value of Capital Assets	(13,685)	(92,951)	(54,769)
% Change in Net Value of Capital Assets	-0.9%	-6.3%	-3.9%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	5,357,159	5,349,559	5,328,162
Ending Net Value of Capital Assets	5,349,559	5,328,162	5,398,547
Change in Net Value of Capital Assets	(7,600)	(21,397)	70,385
% Change in Net Value of Capital Assets	-0.1%	-0.4%	1.3%

Source: Crockett CSD Financial Statements - Notes to Financial Statements

(1) Community Services & Recreation

(2) Sanitary (Financial Statements do not organize by "Enterprise")

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities****Crockett CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
<b>Net Pension Liability (2)</b>	na	na	\$99,485
<b>Net OPEB Liability (3)</b>	na	na	na

Source: Crockett CSD Financial Statements - Notes to Financial Statements

(1) Financial statements don't report total liability and % funded for each plan.

(2) Note: pg. 21 of FY17 Statement says \$99,584 vs. \$99,485 on pg. 15. Prior years not reported in Financial Statements.

(3) Financial statements report no OPEB liabilities.

**DEBT AND VALUE****Table 9****Crockett CSD**

Item	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
<b>Governmental Activities</b>	na	na	na
<b>Business Type Activities (2)</b>	\$1,071,418	\$648,920	\$642,412
<b>Enterprise Debt as % of Enterprise Revenues</b>	65%	39%	38%
<b>Total Debt per Capita</b>	\$471	\$285	\$283
<b>Assessed Value (1)</b>			\$446,490,898
<b>Coverage Ratio (pledged revenues) (3)</b>			

Source: Crockett CSD Financial Statements - Notes to Financial Statements

(1) Assessed value not reported in CAFRs; value is from County Roll Rpt 3211 (Dist. 3240)

(2) Debt associated with Crockett sewer improvements.

(3) No pledged revenues or coverage reported in Financial Statements.

**SUMMARY PROFILE****Table S****Summary of Financial Conditions****Diablo CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	1.16 sq.mi.	1.16 sq.mi.	1.16 sq.mi.
<b>Population (2)</b>	807	807	807
<b>Assessed Value (A.V.) (3)</b>			\$648,611,577
A.V. per capita	\$0	\$0	\$803,700
<b>General Fund Revenues (4)</b>			
Property Tax	\$364,371	\$394,698	\$424,275
Sales Tax			
Other Revenues	<u>\$229,193</u>	<u>\$235,593</u>	<u>\$253,705</u>
Total GF Revenues	\$593,564	\$630,291	\$677,980
Change from Prior Year	-10.2	6.2%	7.6%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$75,526	\$83,776	\$86,219
Public Safety	\$332,554	\$356,547	\$361,421
Other	<u>\$685,487</u>	<u>\$323,288</u>	<u>\$641,855</u>
Total GF Expenditures	\$1,093,567	\$763,611	\$1,089,495
Change from Prior Year	51.4%	-30.2%	42.7%
GF Expenditures per capita	\$1,355	\$946	\$1,350
<b>Ending Balance, General Fund (6)</b>	\$776,958	\$643,638	\$232,123
Change from Prior Year	-39.2%	-17.2%	-63.9%
as % of GF Expenditures	71.0%	84.3%	21.3%
<b>Enterprise Expenditures (7)</b>			
<b>Total Enterprise Net Position (8)</b>			
<b>Liquidity Ratio (9)</b>			
Governmental Activities	21.7	17.7	6.8
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$2,763	\$3,309	\$38,733
Net Change from Prior Year	-36.4%	19.8%	1070.5%

**Total Pension Liability (11)***Diablo CSD MSR Fiscal Profile (Comprehensive Annual Financial Reports)*

2/20/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Contra Costa LAFCO Directory of County and Cities, 2017

(3) See Table 9. A.V. not reported in Financial Statements.

(4) See Table 1

(5) See Table 2

(6) See Table 3

(7) No enterprises reported.

(8) No enterprises reported.

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) No pension or OPEB obligations reported.

**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**



**Table 1**  
**Summary of General Fund Revenues**  
**Diablo CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property taxes	\$364,371	\$394,698	\$424,275
Road and security fees	225,733	232,159	239,579
Traffic fines	3,319	3,355	4,478
Interest income	141	79	69
Other income	0	0	<u>9,579</u>
<b>Total Revenues</b>	593,564	630,291	677,980
Change from Prior Year	-10.2	6.2%	7.6%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Other Financing Sources</b>	0	0	0
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$593,564	\$630,291	\$677,980

*Source: Diablo CSD Financial Statements- Statement of Revenues, Expenditures and Changes in Fund Balances*

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
Diablo CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
General government	\$75,526	\$83,776	\$86,219
Public safety	332,554	356,547	361,421
Public works	685,487	323,288	599,038
Capital Outlay	0	0	<u>42,817</u>
<b>Total Expenditures</b>	<b>1,093,567</b>	<b>763,611</b>	<b>1,089,495</b>
Change from Prior Year	51.4%	-30.2%	42.7%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Other Financing Uses</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$1,093,567</b>	<b>\$763,611</b>	<b>\$1,089,495</b>

Source: Diablo CSD Financial Statements- Statement of Revenues, Expenditures and Changes in Fund Balances

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
Diablo CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$1,276,961	\$776,958	\$643,638
Net Change	(500,003)	(133,320)	(411,515)
% Change from Prior Year	-39.2%	-17.2%	-63.9%
<b>Ending Balance, General Fund</b>	<b>\$776,958</b>	<b>\$643,638</b>	<b>\$232,123</b>
<b>Ending Balance/Total GF Operating Expenditures</b>	<b>71.0%</b>	<b>84.3%</b>	<b>21.3%</b>
<b>Unassigned</b>	<b>\$776,958</b>	<b>\$643,638</b>	<b>\$232,123</b>
<b>Total Governmental Activities Ending Net Position</b>	<b>\$779,721</b>	<b>\$646,947</b>	<b>\$270,856</b>
<b>Unrestricted</b>	<b>\$776,958</b>	<b>\$643,638</b>	<b>\$232,123</b>

Source: Diablo CSD Financial Statements- Statement of Revenues, Expenditures and Changes in Fund Balances;  
Statement of Net Position

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

## Summary of Enterprise Changes in Net Position

Diablo CSD

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Diablo CSD reports no enterprises or business type activities

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**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

## Ending Net Position by Enterprise Fund

Diablo CSD

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NA Diablo CSD reports no enterprises or business type activities

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**LIQUIDITY (CAFR)**

Table 6

## Liquidity Measures

Diablo CSD

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	21.7	17.7	6.8
Cash and Short-term Investments	814,134	640,090	269,650
Total Current Liabilities	37,546	36,140	39,943

Source: Diablo CSD Financial Statements - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

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**CAPITAL ASSETS****Table 7****Capital Assets Being Depreciated  
Diablo CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
		\$2,763	
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets (1)	\$4,342	\$2,763	\$3,309
Ending Net Value of Capital Assets	\$2,763	\$3,309	38,733
Change in Net Value of Capital Assets	(1,579)	546	35,424
% Change in Net Value of Capital Assets	-36.4%	19.8%	1070.5%

Source: Diablo CSD Financial Statements

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**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities  
Diablo CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY (1)</b>			
Total Pension Liability			
Plan Fiduciary Net Position			
% Funded			
<b>Net OPEB Liability (2)</b>			

Source: Diablo CSD Financial Statements

(1) No pension obligations reported in Financial Statements.

(2) No OPEB obligations reported in Financial Statements.

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**DEBT AND VALUE**

**Table 9**

**Debt and Assessed Value**

**Diablo CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT (1)</b>			
<b>Governmental Activities</b>			
<b>Assessed Value</b>			\$648,611,577
<b>Coverage Ratio (pledged revenues) (1)</b>			

Source:

(1) No debt reported in Financial Statements.

(2) Assessed value not reported in CAFRs; value is from County Roll Rpt 3211 (Dist. 3260)

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**SUMMARY PROFILE****Table S****Summary of Financial Conditions  
Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	9 sq.mi.	9 sq.mi.	9 sq.mi.
<b>Population (2)</b>	14,765	14,765	14,765
<b>Assessed Value (A.V.) (3)</b>			\$2,662,217,186
Change from Prior Year			
A.V. per capita			\$180,306
<b>General Fund Revenues (4)</b>			
Property Tax	\$0	\$0	\$0
Other Revenues (exc. Transfers In)	<u>\$629,000</u>	<u>\$473,000</u>	<u>\$272,000</u>
Total GF Revenues	\$629,000	\$473,000	\$272,000
Change from Prior Year	na	-24.8%	-42.5%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$396,000	\$349,000	\$147,000
Other (inc. Transfers Out)	<u>\$93,000</u>	<u>\$39,000</u>	<u>\$391,000</u>
Total GF Expenditures	\$489,000	\$388,000	\$538,000
Change from Prior Year	na	-20.7%	38.7%
GF Expenditures per capita	\$33	\$26	\$36
<b>Ending Balance, General Fund (6)</b>	\$115,000	\$527,000	\$267,000
Change from Prior Year	121.4%	78.1%	-97.5%
as % of GF Expenditures	23.5%	135.8%	49.6%
<b>Enterprise Expenditures (7)</b>			
Water	\$2,341,000	\$2,312,000	\$2,884,000
Sewer	\$4,312,000	\$4,224,000	\$4,572,000
Financing authority	<u>\$516,000</u>	<u>\$508,000</u>	<u>\$750,000</u>
Total Enterprise Expenditures	\$7,169,000	\$7,044,000	\$8,206,000
Change from Prior Year	na	-1.7%	16.5%
<b>Total Enterprise Net Position (8)</b>	\$40,296,000	\$41,872,000	\$42,647,000
Position/Enterprise Expenditures	5.6	5.9	5.2
<b>Liquidity Ratio (9)</b>			
Governmental Activities	10.5	10.7	11.1
Business-type Activities	7.2	11.4	9.6
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$2,053,000	\$1,919,000	\$1,851,000
Net Change from Prior Year	0.8%	-6.5%	-3.6%
Business-type Activities	30,386,000	35,472,000	43,215,000
Net Change from Prior Year	-14.3%	-17.9%	4.7%
<b>Total Pension Liability (11)</b>			

Discovery Bay CSD Fiscal Profile (Comprehensive Annual Financial Reports)

5/6/19

(1) CSD Comments on Public Review Draft

(2) Public Review Draft

(3) See Table 9. A.V. not reported in Financial Statements.

(4) See Table 1. Includes transfers from the Lighting and Landscaping Zones.

(5) See Table 2

(6) See Table 3

- (7) See Table 4  
 (8) See Table 4  
 (9) See Table 6  
 (10) See Table 7. Net depreciable assets only.  
 (11) See Table 8. No pension obligations reported.

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**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

**Table 1**

**Summary of General Fund Revenues  
 Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property taxes (1)	\$0	0	\$0
Reimbursements (2)	622,750	467,215	269,395
Other	<u>6,097</u>	<u>5,600</u>	<u>2,650</u>
<b>Total Revenues</b>	628,847	472,815	272,045
Change from Prior Year	na	-24.8%	-42.5%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>0</u>	<u>327,109</u>	<u>5,912</u>
<b>Total Other Financing Sources</b>	0	327,109	5,912
<b>TOTAL REVENUES AND TRANSFERS IN</b>	\$628,847	\$799,924	\$277,957

Source: Discovery Bay Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

- (1) "Property Taxes" in the CAFR are assessments collected by the County and are deposited to Lighting and Landscape  
 (2) Reimbursements not detailed in financial statements.
-

**GENERAL FUND EXPENDITURES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)**

Table 2

**Summary of General Fund Expenditures  
Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Payroll	\$176,403	113,546	\$114,537
Repairs and maintenance	0	235,883	32,247
Utilities	0	0	0
Other	219,938	0	0
Insurance	0	0	0
Professional fees	0	0	0
Capital outlay	0	0	0
Debt service:			
Principal retirement	0	0	0
Interest and fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>396,341</b>	<b>349,429</b>	<b>146,784</b>
Change from Prior Year	na	-11.8%	-58.0%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>92,434</u>	<u>38,751</u>	<u>391,490</u>
<b>Total Other Financing Uses</b>	<b>92,434</b>	<b>38,751</b>	<b>391,490</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$488,775</b>	<b>\$388,180</b>	<b>\$538,274</b>

Source: Discovery Bay Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	(\$24,577)	\$115,495	\$527,239
Net Change	140,072	411,744	(260,317)
% Change from Prior Year	-569.9%	356.5%	-49.4%
<b>Ending Balance, General Fund</b>	<b>\$115,495</b>	<b>\$527,239</b>	<b>\$266,922</b>
Ending Balance/Total GF Operating Expenditures	29.1%	150.9%	181.8%
Unassigned	\$115,495	\$527,239	\$266,922
<b>Total Governmental Activities Ending Net Position</b>	<b>\$3,643,326</b>	<b>\$4,008,263</b>	<b>\$3,686,397</b>
Unrestricted	\$1,174,013	\$1,672,956	\$1,419,801

Source: Discovery Bay CAFRs - Statement of Revenues, Expenditures and Changes in Fund Balances, Balance Sheet



**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

Table 4

**Summary of Enterprise Changes in Net Position  
Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>ENTERPRISE REVENUES</b>			
Charges for Services	\$7,501,141	\$8,333,833	\$8,729,817
Operating Grants and Contributions	0	0	0
Investment income	214	97	2,671
Other	<u>262,608</u>	<u>587,143</u>	<u>78,284</u>
Total	\$7,763,963	\$8,921,073	\$8,810,772
Change from Prior Year	na	14.9%	-1.2%
<b>ENTERPRISE EXPENDITURES</b>			
Water	\$2,340,562	\$2,312,379	\$2,884,204
Sewer	4,312,170	4,223,813	4,571,601
Financing authority	<u>515,707</u>	<u>508,210</u>	<u>750,025</u>
Total	\$7,168,439	\$7,044,402	\$8,205,830
Change from Prior Year	na	-1.7%	16.5%
Transfers	(\$21,634)	(\$301,341)	\$170,387
Beginning Net Position	39,722,385	\$40,296,275	\$41,871,605
Change in Net Position	<u>573,890</u>	<u>1,575,330</u>	<u>775,329</u>
Ending Net Position	\$40,296,275	\$41,871,605	\$42,646,934
% Change from Prior Year	1.4%	3.9%	1.9%
Ending Net Position/Total Expenditures	5.62	5.94	5.20

Source: Discovery Bay Financial Statements - Statement of Changes in Net position

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**FUND BALANCES, PROPRIETARY FUNDS**

Table 5

**Ending Net Position by Enterprise Fund  
Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Water	\$9,915,784	\$11,029,362	\$11,749,669
Sewer	30,143,872	30,636,658	31,072,928
Financing authority	<u>236,619</u>	<u>205,585</u>	<u>(175,663)</u>
Total Net Position	40,296,275	41,871,605	42,646,934
% change from prior year	n/a	3.9%	1.9%

Source: Discovery Bay Financial Statements - Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds

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**LIQUIDITY (CAFR)**

Table 6

**Liquidity Measures  
Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	10.5	10.7	11.1
Cash and Short-term Investments	\$1,190,542	\$1,731,599	\$1,515,365
Total Current Liabilities	113,921	161,141	136,422
<b>BUSINESS-TYPE ACTIVITIES</b>			
Liquidity Ratio (1)	7.2	11.4	9.6
Cash and Short-term Investments	\$10,715,818	\$12,192,885	\$16,835,785
Total Current Liabilities	1,490,716	1,069,660	1,749,319

Source: Discovery Bay Financial Statements - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

**CAPITAL ASSETS**

Table 7

**Capital Assets Being Depreciated  
Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$2,037,095	\$2,053,383	\$1,919,377
Ending Net Value of Capital Assets	2,053,383	1,919,377	1,850,666
Change in Net Value of Capital Assets	16,288	(134,006)	(68,711)
% Change in Net Value of Capital Assets	0.8%	-6.5%	-3.6%
<b>ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES</b>			
Beginning Net Value of Capital Assets	\$30,385,531	\$35,471,576	\$43,214,850
Ending Net Value of Capital Assets	35,471,576	43,214,850	41,257,210
Change in Net Value of Capital Assets	5,086,045	7,743,274	(1,957,640)
% Change in Net Value of Capital Assets	14.3%	17.9%	-4.7%

Source: Discovery Bay Financial Statements - Note E

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities****Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
<b>Total Pension Liability</b>			
<b>Plan Fiduciary Net Position</b>			
<b>% Funded</b>			
<b>Net Pension Liability (1)</b>			
<b>Net OPEB Liability (2)</b>			

Source: Discovery Bay Financial Statements

(1) No pension obligations shown in financial statements.

(2) No OPEB obligations shown in financial statements.

**DEBT AND VALUE****Table 9****Debt and Assessed Value****Discovery Bay CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
<b>Governmental Activities</b>	\$0	\$0	\$0
<b>Business Type Activities</b>			\$22,349,090
<b>Total Outstanding Debt</b>	\$0	\$0	\$22,349,090
<b>Total Debt per Capita</b>	\$0	\$0	\$1,514
<b>Assessed Value (1)</b>			\$2,662,217,186
<b>Coverage Ratio (pledged revenues) (2)</b>			164%

Source: Discovery Bay Financial Statements - Note F

(1) Assessed value not reported in CAFRs; value is from County Roll Rpt 3211 (Dist. 3428)

(2) Financial statements do not report revenue bond coverage ratio. Estimate shown is based on debt service compared to net enterprise revenues before deducting financing authority (debt service).

**Table S**  
**Summary of Financial Conditions**  
**Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>Land Area (1)</b>	1.2 sq.mi.	1.2 sq.mi.	1.2 sq.mi.
<b>Population (2)</b>	5,300	5,300	5,300
Change from Prior Year	na	0.0%	0.0%
<b>Assessed Value (A.V.) (3)</b>			\$1,159,592,584
Change from Prior Year			
A.V. per capita			
<b>General Fund Revenues (4)</b>			
Property Tax	\$1,483,000	\$1,562,000	\$1,673,000
Other Revenues	<u>\$1,533,000</u>	<u>\$1,593,000</u>	<u>\$1,815,000</u>
Total GF Revenues	\$3,016,000	\$3,155,000	\$3,488,000
Change from Prior Year	na	4.6%	10.6%
<b>General Fund Expenditures (5)</b>			
General Government & Admin.	\$420,000	\$442,000	\$434,000
Public Safety	\$2,317,000	\$2,295,000	\$2,413,000
Other (inc. Transfers Out)	<u>\$147,000</u>	<u>\$171,000</u>	<u>\$202,000</u>
Total GF Expenditures	\$2,884,000	\$2,908,000	\$3,049,000
Change from Prior Year	na	0.8%	4.8%
GF Expenditures per capita	\$544	\$549	\$575
<b>Ending Balance, General Fund (6)</b>	\$1,426,000	\$1,673,000	\$2,112,000
Change from Prior Year	9.3%	14.8%	20.8%
as % of GF Expenditures	49.4%	57.5%	69.3%
<b>Enterprise Expenditures (7)</b>			
<b>Total Enterprise Net Position (8)</b>			
<b>Liquidity Ratio (9)</b>			
Governmental Activities	9.0	6.6	9.3
<b>Net Capital Assets (end of year) (10)</b>			
Governmental Funds & Activities	\$3,873,000	\$3,858,000	\$3,852,000
Net Change from Prior Year	-0.5%	-0.4%	-0.2%
<b>Total Pension Liability (11)</b>			
Net Pension Liability (12)	\$2,560,000	\$2,880,000	\$3,550,000

*Kensington CSD Fiscal Profile (Comprehensive Annual Financial Reports)*

1/4/19

(1) Contra Costa LAFCO Directory of County and Cities, 2017

(2) Contra Costa LAFCO Directory of County and Cities, 2017

(3) See Table 9. Not reported in Financial Statements.

(4) See Table 1

(5) See Table 2

(6) See Table 3

(7) See Table 4. No enterprises reported.

(8) See Table 4. No enterprises reported.

(9) See Table 6

(10) See Table 7. Net depreciable assets only.

(11) See Table 8. CAFRs don't report total liability and % funded for each plan.

(12) Net of Plan assets.

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**GENERAL FUND REVENUES (CAFR Statement of Revenues, Expenditures and Changes in Fund Balances)****Table 1****Summary of General Fund Revenues  
Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Property Taxes	\$1,482,672	\$1,561,530	\$1,673,283
Special assessments	681,690	681,690	681,630
Measure G supplemental tax revenue	501,950	514,176	527,989
Assets seizure forfeit	138,380	18,526	143,777
Grants-COPS & Other	1,443	100,000	158,951
Charges for services	9,450	3,370	3,369
Kensington Hilltop service reimb.	20,732	28,475	19,468
West County crossing guard reimb.	10,515	12,237	11,151
POST reimb.	25,791	10,515	1,054
Rents and fees	34,473	5,762	31,393
Investment income	1,263	37,520	7,456
Contribution	1,230	4,056	11,000
Franchise fees	35,636	59,559	55,819
Other tax income	25,443	47,227	48,137
Supplemental workers' comp reimb.	44,465	29,354	94,252
Other income	1,001	14,299	19,411
Gain on asset sale		5,779	0
<b>Total Revenues</b>	<b>3,016,134</b>	<b>3,134,075</b>	<b>3,488,140</b>
Change from Prior Year	na	3.9%	11.3%
<b>OTHER FINANCING SOURCES</b>			
Transfers In	<u>239</u>	<u>21,076</u>	<u>65</u>
<b>Total Other Financing Sources</b>	<b>239</b>	<b>21,076</b>	<b>65</b>
<b>TOTAL REVENUES AND TRANSFERS IN</b>	<b>\$3,016,373</b>	<b>\$3,155,151</b>	<b>\$3,488,205</b>

Source: Kensington District Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

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**GENERAL FUND EXPENDITURES**

Table 2

**Summary of General Fund Expenditures  
Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Police Salary	\$2,033,310	\$2,044,406	\$2,167,008
Police Expenses	283,563	250,700	246,146
Recreation Salary Benefits	28,517	29,365	30,059
Recreation Expenses	59,882	71,642	86,773
District Expenses	420,315	441,816	434,460
Capital Outlay	47,549	59,358	74,153
<b>Total Expenditures</b>	<b>2,873,136</b>	<b>2,897,287</b>	<b>3,038,599</b>
Change from Prior Year	na	0.8%	4.9%
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>10,595</u>	<u>10,495</u>	<u>10,380</u>
<b>Total Other Financing Uses</b>	<b>10,595</b>	<b>10,495</b>	<b>10,380</b>
<b>TOTAL USES AND TRANSFERS OUT</b>	<b>\$2,883,731</b>	<b>\$2,907,782</b>	<b>\$3,048,979</b>

Source: Kensington District Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds

**FUND BALANCE, GENERAL FUND**

Table 3

**Fund Balance, General Fund  
Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
Beginning Balance	\$1,293,322	\$1,425,964	\$1,673,247
Net Change	132,642	247,369	439,226
% Change from Prior Year	10.3%	17.3%	26.2%
Ending Balance, General Fund	\$1,425,964	\$1,673,333	\$2,112,473
<b>Ending Balance/Total GF Operating Expenditures</b>	<b>49.6%</b>	<b>57.8%</b>	<b>69.5%</b>
Unassigned	\$1,141,234	\$1,249,067	\$1,311,306
<b>Total Governmental Activities Ending Net Position</b>	<b>\$2,590,442</b>	<b>\$3,097,405</b>	<b>\$3,672,077</b>
<b>Unrestricted</b>	<b>(\$1,258,418)</b>	<b>(\$927,983)</b>	<b>(\$305,320)</b>

Source: Kensington District Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds; Statement of Net Position

**ENTERPRISE FUNDS AND BUSINESS-TYPE ACTIVITIES REVENUE BY FUND**

**Table 4**  
**Summary of Enterprise Changes in Net Position**  
**Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NO ENTERPRISE ACTIVITIES REPORTED

**FUND BALANCES, PROPRIETARY FUNDS**

**Table 5**  
**Ending Net Position by Enterprise Fund**  
**Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17

NO ENTERPRISE ACTIVITIES REPORTED

**LIQUIDITY (CAFR)**

**Table 6**  
**Liquidity Measures**  
**Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL ACTIVITIES</b>			
Liquidity Ratio (1)	9.0	6.6	9.3
Cash and Short-term Investments (2)	\$1,582,897	\$1,878,266	\$2,147,580
Total Current Liabilities	\$176,352	\$286,197	\$229,793

Source: Kensington District Financial Statements - Statement of Net position

(1) Cash and Short-term Investments/Total Current Liabilities

(2) Note: amounts differ from those shown in Financial Statements Note 2.

**CAPITAL ASSETS****Table 7****Capital Assets Being Depreciated  
Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>GOVERNMENTAL FUNDS AND ACTIVITIES</b>			
Beginning Net Value of Capital Assets (1)	\$3,894,279	\$3,872,547	\$3,858,056
Ending Net Value of Capital Assets (2)	3,872,547	3,858,056	3,851,927
Change in Net Value of Capital Assets	(21,732)	(14,491)	(6,129)
% Change in Net Value of Capital Assets	-0.6%	-0.4%	-0.2%

Source: Kensington District Financial Statements Note 3 - Capital Assets

(1) Note: Statements include land in "Total Depreciable Assets".

(2) Capital Assets Net of Depreciation.

**PENSIONS (CAFR)****Table 8****Pension and OPEB Liabilities  
Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>PENSION LIABILITY</b>			
Total Pension Liability (1)			
Plan Fiduciary Net Position (1)			
% Funded	78.4%	78.4%	74.1%
<b>Net Pension Liability</b>	\$2,559,571	\$2,878,245	\$3,551,469
<b>Net OPEB Liability</b>	\$2,608,132	\$2,679,856	\$3,046,797

Source: Kensington District - Financial Statements Supplementary Information - Pensions, and Note 9 (OPEB)

(Note 11 - DEFINED BENEFIT PENSION PLANS)

(1) Total liability and Net Position not reported in Financial Statements.

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**DEBT AND VALUE**

**Table 9**

**Debt and Assessed Value**

**Kensington CSD**

Item	Fiscal Year		
	FY2014-15	FY2015-16	FY2016-17
<b>TOTAL OUTSTANDING DEBT</b>			
Governmental Activities	\$846,685	\$720,967	\$587,766
Total Debt per Capita	\$160	\$136	\$111
Assessed Value (1)			\$1,159,592,584
Coverage Ratio (pledged revenues) (2)	na	na	na

Source: CAFRs - Financial Statement Note 4

(1) Assessed value not reported in CAFRs; value is from County Roll Rpt 3211 (Dist. 3255)

(2) No pledged revenue debt shown in financial statements.

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# ATTACHMENT D

## RESPONSE TO PUBLIC COMMENTS

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The Contra Costa LAFCO Municipal Service Review Update was published on March 27, 2019, initiating a 30-day public review and comment period that ended April 25, 2019. A public hearing was held on April 17, 2019, from 1:30 – 3:30 PM at the Board of Supervisors Chambers, 651 Pine Street, Martinez, California. A summary of the MSR was presented to the Commissioners and the public at this meeting, where the Commissioners and the public had the opportunity to ask questions and provide comments.

Responses to comments are provided in the tables below. **Table D.1** contains response to comments received during the public comment period and **Table D.2** contains responses to comments received at the public hearing. The Final MSR includes the revisions noted in these tables and will be publicly posted on the Contra Costa LAFCO website.

**TABLE D.1**  
**PUBLIC COMMENTS AND RESPONSES**

COMMENT NUMBER	DATE COMMENT RECEIVED	NAME & ORGANIZATION	COMMENTS	RESPONSE
1.	3.27.2019	Alan Kalin COL, USA (Ret.) (925-640-7055)	<p>Comment: “Ref: Diablo CSD, 22.2.10, page 22-7 LAFCO has the wrong date in the paragraph below. Should say <b>Diablo CSD in 1969</b>. In conjunction with formation of the Diablo CSD in 1996, the stated purpose of the formation was to provide the territory with lighting services, police protection, and to maintain roads which are subject to right-of-way by the public but have not been accepted into the County road system, and to implement needed safety measures on said roads, as well as to construct and improve bridges, culverts, curbs, gutters, etc.”</p>	Revision made on page 22-7 in the Diablo CSD chapter.
2.	3.27.2019	Kathy Torru, Diablo CSD	<p>Comment: “On page 485 of the MSR released this month, the third paragraph from the bottom, first sentence incorrectly reads “1996”. The correct date should be 1969.” Commenter also provided a number of clarifying edits.</p>	Revisions made on pp. 22-7 and 22-11 in the Diablo CSD chapter.
3.	3.28.2019	Greg Fuz, City of Pleasant Hill	<p>Comment: “Attached is the additional information that you requested for the MSR. Below is additional information pertaining to street lights/signals that was also requested: ‘Lighting (street and traffic) is provided by and maintained by the City of Pleasant Hill Maintenance Division, Contra Costa County,</p>	Revisions made on page 16-7 of the City of Pleasant Hill chapter.

COMMENT NUMBER	DATE COMMENT RECEIVED	NAME & ORGANIZATION	COMMENTS	RESPONSE
4.	3.29.2019	Roger Chelemedos	<p>and Pacific Gas &amp; Electric. City expenditures for light and signal maintenance were \$178,000 in FY 2017, up from \$151,000 in FY 2015. Contra Costa County maintains the City's 40 signalized intersections. The number of street lights maintained by the City is 505. PG&amp;E maintains 1,614 street lights in the City."</p> <p>Commenter provided a letter from 40 Reliez Valley residents requesting a review and ultimate removal from the Pleasant Hill Parks and Recreation District.</p>	<p>Recommendations for updating the SOI for the cities of Lafayette and Pleasant Hill are included in the MSR. This MSR does not cover the Pleasant Hill Recreation &amp; Park District. LAFCO has indicated it will undertake MSR/SOI Updates for Parks and Recreation districts in FY 2020.</p> <p>The comment is noted and hereby made part of the public record.</p> <p>The City of Pleasant Hill has indicated it will not be taking a position on the SOI request.</p>
5.	4.2.2019	Mike Davies, Town of Discovery Bay CSD	<p>Comment contained revisions of an editorial nature for the Town of Discovery Bay CSD. Data corrections were also provided.</p>	<p>Revisions made to pp. 23-1, 23-3, 23-9, and 23-10 in the Town of Discovery Bay CSD chapter, and a clarification added regarding the authorization to provide flood control/levee services.</p> <p>The CSD provided calculations showing change over the current year, not prior year as noted in their comments. Accordingly, we did not make this change.</p>

COMMENT NUMBER	DATE COMMENT RECEIVED	NAME & ORGANIZATION	COMMENTS	RESPONSE
6.	4.2.2019	Suzie Martinez, City of Walnut Creek	<p>Comment:</p> <p>“After a review, we found some minor corrections related to Walnut Creek in the LAFCO Report.</p> <ul style="list-style-type: none"> <li>· Section 1.3.5, Page 1-18, 4th bullet: This bullet mentions City owned property that is leased to other agencies. It incorrectly lists "Heather Farm," instead of the "Gardens at Heather Farm," and "The Walnut Creek Model Railroad Center" instead of the "Walnut Creek Model Railroad Society."</li> <li>· Page 20-20: Again, the Walnut Creek Model Railroad Society as the "Walnut Creek Model Railroad Center."</li> </ul> <p>Also in looking at what was reported for Solid Waste Services from other JPA jurisdictions, wondering why the same language for each of city that participates in the JPA (Danville, Orinda, Lafayette, Moraga &amp; Walnut Creek) was not listed the same. Walnut Creek was the only jurisdiction that reported RecycleSmart's waste disposal per capita, for the entire service area. The other jurisdictions just say, " The FY 2017 solid waste disposal rates were not reported or were unavailable at the time of this MSR." Also worth noting that Danville is the only city that listed expenditures, while other cities reported that expenditure information was not available. We said we don't have any direct solid waste expenditures. Lafayette &amp; Moraga have the wrong provider (Allied Services) listed - Republic Services currently provides services.”</p>	<p>Revisions made to page 1-18 in the Introduction Chapter and page 20-21 in the City of Walnut Creek chapter.</p> <p>Overall, this MSR Update relied on data provided by individual jurisdictions, which may account for minor inconsistencies in the information reported and noted by the commenter.</p>

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7.	4.3.2019	Kristen Altbaum	Commenter provided a letter and related photo regarding a potential SOI change.	<p>Recommendations for updating the SOI for the cities of Lafayette and Pleasant Hill are included in the MSR. This MSR does not cover the Pleasant Hill Recreation &amp; Park District. LAFCO has indicated it will undertake MSR/SOI Updates for Parks and Recreation districts in FY 2020.</p> <p>The comment is noted and hereby made part of the public record.</p> <p>The City of Pleasant Hill has indicated it will not be taking a position on the SOI request.</p>
8.	4.3.2019	Kristen Altbaum	Commenter provided a petition regarding a potential SOI change.	<p>Recommendations for updating the SOI for the cities of Lafayette and Pleasant Hill are included in the MSR. This MSR does not cover the Pleasant Hill Recreation &amp; Park District. LAFCO has indicated it will undertake MSR/SOI Updates for Parks and Recreation districts in FY 2020.</p> <p>The comment is noted and hereby made part of the public record.</p> <p>The City of Pleasant Hill has indicated it will not be taking a position on the SOI request.</p>
9.	4.9.2019	Commissioner Charles R. Lewis, IV	Comment contained requests for additional clarifying information, including with regard to SOI recommendations, city-provided animal control services, library services, and	Clarifying information provided in Chapter 1 of the MSR (page 1-14) and on page 15-12 in the City of Pittsburg Chapter.

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			OPEB liabilities.	<p>Additional information on City of Antioch-provided animal control services included on page 2-5 in the City of Antioch chapter.</p> <p>Library services are provided by Contra Costa County for all cities except for the City of Richmond and thus the information in those sections is the same. City-specific library service data was available and reported for the Richmond library services.</p> <p>Footnotes were added to the City of Concord chapter (p. 5-23), Town of Moraga chapter (p. 11-22), and City of Richmond chapter (p. 17-23) summarizing the missing information.</p>
10.	4.12.2019	David Biggs, City Manager, City of Hercules	Comment contained additional data to include in the City's MSR chapter. In several areas, the City provided data for Fiscal Year 2018.	<p>Revisions made to pp. 8-6, 8-7, 8-8, 8-9, 8-11, 8-12, and 8-19 in the City of Hercules chapter.</p> <p>The FY 2018 data was not included in the MSR revisions as it extended beyond the scope of this MSR Update.</p>
11.	4.17.2019 – 4.25.2019	Aaron Beardsley, Alex Oei, Andrew Judd, Andy Hollingsworth, Andy May, Angelo Colaci, Arleen Sakamoto, Ben Etling, Ben Rohrs, Berit Gamsky, Beth Tirapelli-Morlelan, Bill Gonsalves, Bill Powning, Bob Davenport, Brad Crow, Brian McAndrews, Bridget Moar, Bruce Ohlson, Bruce Young, carol@carolclick.net, Clive	<p>Comment:</p> <p>"I am unable to attend your public hearing on April 17th but want to express my concerns that public money is being spent to maintain private roads in Diablo. I am happy to have Diablo residents use public roads elsewhere in the County, which some of my taxes are used</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>

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		<p>Harrison, Dan Leonard, Dan Schaefer, Daniel Kanaan, Daryl Liggins, Dave Dalton, David Block, David Brown, David Douglas, David Fisch, David Sussman, David Otten, David Rossiter, David Simpson, David Weiner, David Willhoite, Deb Donovan, Deepinder Singh, Derek Ching, Diana Lowe, Dianne Glynn, Domenick Treccase, Donald Palmer, Mark Koenen, Elizabeth Hillis, Ellen Booth, Eric Grove, Erika Rowen, Gary Booth, Gary Goldhawk, Gary Johnson, Gayle Lightfoot, Geoffrey Sylvester, Gerald Coil, Gerald Smith, Gina Matrone, Gisselle Rullier, Glenda Smith, Gregory Kennedy, J.A. Zaitlin, Jake Michenfelder, Jamey Jacobs, Jamuel Starkey, Jaynette Rossiter, Jeff Mock, Jeffrey Brenner, Jennifer Schulze, Jennifer Tryon, Jim Cooper, Jum Van Dyke, Joe Allen, Joe Ungerer, Jon Usvathongkul, Kathleen Koos, Kathryn Woodford, Kevin Comerford, Kevin Dielssen, Kevin Metcalfe, Kim Chan, Kit Johnson, Larry Feigenbaum, Laurie Anderson, Lenny Lesser, Linda Curtis, Linda Kwong, Lynda and John Hansen, Mac Rogers, Margie Kirk, Mark Dedon, Mary Hernandez, Matt Beck, Matt Evans, Michael Kinney, Michael Gill, Michael Koved, Mike Chung, Nathan Martin, Nathan Parks, Neil Rapmund, Nikki Grimes, Nora Crans, Morman Lisy, Olin Timoth Jones, Parry Andvik, Pat O'Neil, Patricia Frantz, Patricia Sampson, Patti Davis, Paul</p>	<p>to maintain, but in return I expect to be able to use other roads maintained with public funds.</p> <p>I heard that a judge has decided that Calle Arroyo in Diablo is private and not subject to public access. This is of concern to me because I (frequently/occasionally) ride my bike from Danville to and from Mt Diablo State Park, and traveling on the roads of the Diablo Community Services District (DCSD) represents the only safe route for me. I ride through Diablo because Diablo Road (1.5miles) is too dangerous for bicycles and the only safe route is through Diablo. I am concerned that the DCSD, as a public entity, takes tax money but doesn't believe that it needs to provide a public benefit in return. I also don't think it is right that I must commit a misdemeanor (by violating the Ordinances of the DCSD) in order to use a road maintained with tax money by a public agency in order to protect my own safety.</p> <p>I support the conclusions in the LAFCO MSR that the DCSD should no longer be using public funds to maintain Calle Arroyo. Additionally, I believe that DCSD should be prevented from using public funds to maintain any road that the public lacks the right to use. Alternatively, I hope this problem can be worked out sensibly, allowing taxpayer money to maintain roads that should allow public access.</p> <p>Thank you for your time and consideration of</p>	



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		Cardinet, Peter Culshaw, Philippa Erlank, Rachel McQueen, Richard Angelis, Richard Reed, Rick Edmondson, Rob Williams, Robert Gray, Rod Hooper, Rodrigo Prudencio, Russ Frisk, Rusty Stapp, Ruth Ann Pearsons, Ryan Schmidt, Sara Rowe, Sarah Cyper, Sarah Liron, Scott Bartelebaugh, Sean McCreary, Sean Perry, Shawn Richardson, Shelly Sack, Sheri Bjornson, Sherri O'Neill, Sppshop@mac.com, Stacey Murphy, Stephanie and Tom DiPalma, Stephen Wienker, Steve Whelan, Steven Payne, Ted Selbach, tjipto@sugijoto.com, Tom Magill, Van Sutton, Vic DeOrnelas, William Monsen, William Stubbs, Adele Madelo, Amanda Rewcastle, Barbara Hailey, Ben Foroodian, Charles Donovan, Chris Pham, Garrett Lew, Gary Hong, Heath Maddox, John Harvey, Karen Martin, Lauren Heumann, Rebecca Woods, Tony Flushce, Tracey Loftus, William Liss, Anthony Ertassi, Betty Simpson, Byron Pogir, Chuck Roncancio, Elizabeth Brathwaite, Jackie Dahlgard, Karin Poe, Roz Duncan, Scott LaPerle	my comment.”	
12.	4.17.2019	Brad Crow	Comment: “What a crazy world we live in that I help pay taxes for that road, but can't ride on it.”	The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.

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13.	4.17.2019	Brad Williams	<p>Comment:</p> <p>“I am unable to attend your public hearing on April 17th but want to express my concerns that public money is being spent to maintain private roads in Diablo. This is absolutely absurd that the wealthy landowners of this community would not allow pedestrians and cyclists of the area to use the streets but expect public money to fund their community. The fact there is even a hearing on the use of public funds for a private Uber wealthy community is infuriating.”</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>
14.	4.17.2019	Britt Harvey	<p>Comment:</p> <p>“I have lived in the East Bay for over 30 years. I bike up Mount Diablo several times a year. Access from the south is much safer and more pleasant on Calle Arroyo than Diablo Road. I am not surprised that owners of a private road would try to limit access. I am surprised to learn that taxpayers are funding maintenance of a private road. Any road receiving taxpayer funding should, I would say obviously, be open to the public. It is particularly important in this case, due to the popularity of the bike ride up Mount Diablo and the dangerous alternative to the private road. Please improve bicyclist safety and end public subsidies to private individuals.</p> <p>Thank you for your attention to this matter.”</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>
15.	4.17.2019	Carl Nielson	<p>Comment:</p> <p>“I am a concerned cyclist, taxpayer, and resident of Contra Costa County. On my way</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle</p>

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16.	4.17.2019	Dan Kappes	<p>to Mount Diablo State Park (eastbound), I cycle on Calle Arroyo. There's been an effort to close this road to public use. However, county funds contribute to the maintenance of this road. If the residents succeed in closing this road to public use, NO PUBLIC FUNDS SHOULD BE ALLOTTED FOR THE MAINTENANCE OF CALLE ARROYO!</p> <p>Thank you.”</p> <p>Comment: “No public money should be spent maintaining private roads in Diablo. This is an easy decision.”</p>	<p>Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p> <p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>
17.	4.17.2019	David Glazer	<p>Comment: “I am unable to attend your public hearing on April 17th but wish to provide this comment, in the hope that it will be given consideration. I understand that a lower court ruling has held that one road within the Diablo Country Club property is private and may be closed to public use. If that is the case, I do not see how public moneys (to which my tax dollars contribute) can be used to maintain that road. There seems to be no legal basis for allowing the residents of Diablo Country Club to have it both ways – barring public use while taking advantage of public money.</p> <p>I therefore strongly support a decision that no further public funds will be spent to maintain</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>

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18.	4.17.2019	Gail Fugere	<p>this supposedly private road. Thank you for your attention.”</p> <p>Comment: “I am unable to attend your public hearing on April 17th but want to express my concerns that public money is being spent to maintain private roads in Diablo. I am happy to have Diablo residents use public roads elsewhere in the County, which some of my taxes are used to maintain, but in return I expect to be able to use other roads maintained with public funds.</p> <p>I heard that a judge has decided that Calle Arroyo in Diablo is private and not subject to public access. This is of concern to me because I frequently ride my bike from Danville to and from Mt Diablo State Park, and traveling on the roads of the Diablo Community Services District (DCSD) represents the only safe route for me. I ride through Diablo because Diablo Road (1.5miles) is too dangerous for bicycles and the only safe route is through Diablo. I am concerned that the DCSD, as a public entity, takes tax money but doesn't believe that it needs to provide a public benefit in return. I also don't think it is right that I must commit a misdemeanor (by violating the Ordinances of the DCSD) in order to use a road maintained with tax money by a public agency in order to protect my own safety.</p> <p>I support the conclusions in the LAFCO MSR that the DCSD should no longer be using public funds to maintain Calle Arroyo.</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>

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19.	4.17.2019	Glenn Woodson	<p>Additionally, I believe that DCSD should be prevented from using public funds to maintain any road that the public lacks the right to use. Alternatively, I hope this problem can be worked out sensibly, allowing taxpayer money to maintain roads that should allow public access.</p> <p>Furthermore, I live at the east end of Green Valley Road in Alamo, very close to Macedo staging area. Almost daily the Monte Vista High School cycling team rides up Green Valley, past my house. It brings a smile to my face to see these young people cycling on our public roads. There is no hate in my heart. If you only knew how many times an angry driver has threatened us with an angry horn honk, driving too close, even yelling at us, perhaps you would have a better idea why we choose to ride on Mt. Diablo. If there were a safe route to the mountain, we would take it. Diablo Road is not that route. And, my tax dollars are as equal as the one or two haters that live in Diablo on Calle Arroyo.</p> <p>Thank you for your time and consideration of my comment.”</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>

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			<p>community planner, it is unconscionable that local residents would, after filing a lawsuit to make their road private, want to continue using county funds to maintain their roads in Diablo.</p> <p>As a father of a young cyclist, I find their actions over the past months self-centered and at times abusive to fellow residents who are not privileged enough to live in Diablo. Of specific concern is that traffic entering Mt Diablo State Park is NOT always safe and aware of cyclists. We have ridden Calle Arroyo multiple time because, quite frankly it is quiet and safe. As a public road, Calle Arroyo is a road that provides us access without my having to worry that a slight mistake can cost my son his life.</p> <p>If the local residents on the street are offended and put out by our being there that is their right in this state. If they then take this further, which they have now, and made the road a private road for the entire width (homes on one half and golf course on other half), then they have additional rights to restrict our access since the land and access do not fall under purvey of the California Coastal Commission or similar jurisdictional regulation.</p> <p>BUT they cannot make this private AND then ask us, as fellow taxpayers to provide maintenance to their roads. Where is our community return on investment?</p> <p>Most importantly, how can the local residents</p>	

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20.	4.17.2019	Jody and Steve Archer	<p>demand continued maintenance when this is in direct conflict with California Code Section 845, which provides that when a private roadway exists for the benefit of multiple owners, the cost of maintaining the road is proportional to the use made by the easement. If the public is no longer an owner of the easement, we, as taxpayers who do not live along Calle Arroyo, have ZERO obligation to pay for their requirements.</p> <p>DCSD must not use public funds to maintain any road the public does not have access. With that in mind, this argument is really about quality of life. Local residents want to maintain a level of solitude and security and local cyclists and hikers desire similar. As such. I would hope that all sides here can work out their differences and not let a minority of residents turn this into a both restrictive area and a costly nightmare.</p> <p>Thank you for taking time to read and consider my comments.”</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>
			<p>Comment:</p> <p>“I am not able to attend public hearing to express concerns over public monies being used to maintain private roads in Diablo Country club. I expect to be able to have public access to roads which my taxes are used.</p> <p>I heard a judge decided that Calle Arroyo in Diablo Country Club is private and not subject to public access. I ride my bike from Alamo to Mtdiablo state park. Traveling through DCSD</p>	

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			<p>is the only safe route. Many of my fiends have been run off the road or hit on Diablo rd. With no shoulder it is not safe for ridding with the kids to enjoy the stage park. I am concerned that the DCSD takes public money to maintain a private road and does not believe they need to provide a public benefit in return. I should not have to be threatened by homeowners for prosecution in order to use a road that is paid for with public money for our personal safety. I support the conclusions in the LAFCO MSR that the DCSD should no longer be able to use public funds to maintain their roads. Additionally I feel that DCSD should be prevented from receiving any public funds to maintain roads that do not have public access.”</p>	
21.	4.17.2019	Joe Allen	<p>Comment:  “I heard about this hearing and I can’t make this date. However, Ms. Sibley, I am a resident of CC County and wish that you would pass along my strong objection to using general public taxpayer dollars to support a private, exclusive club.  Thank you for registering my view.”</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>
22.	4.17.2019	Mark Nienberg	<p>Comment:  “As a Contra Costa County resident and property owner, I wish to comment on the draft MSR that you will discuss at your meeting on April 17th. Specifically, I am interested in the section related to the Diablo Community Services District. I would like to</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>



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			<p>see the concluding paragraph of Section 22.2.10 strengthened to clarify that public taxpayer money may not be spent to maintain any street in the district unless that street is open to public access, including pedestrians and bicycles.</p>	
			<p>As I'm sure you know, a few residents on Calle Arroyo Road in Diablo have waged a legal battle to declare their street private and prevent public use. They seem particularly hostile to bicyclists, who often use the street to access the public facilities at Mount Diablo State Park. The reason bicyclists use Calle Arroyo is simply that there is no safe alternative. Diablo Road is far too dangerous. But the reasons aren't really important to your decision. If the residents succeed in excluding the public from the road, then clearly they cannot expect the public to pay for maintenance.</p>	
			<p>Please note that in my suggested re-wording of the concluding paragraph I referred to any road that is not open to public access rather than specifying Calle Arroyo. That is because some residents of other roads in the district have said they may try to replicate the Calle Arroyo restrictions on "their roads".</p>	
			<p>Ultimately, I hope common sense will prevail and DCSD will allow full public access to district roads and public funding will be available to maintain the roads. In the meantime, a clear statement from LAFCO in the MSR will have a positive effect on moving</p>	

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23.	4.17.2019	Mark Skrivanich	<p>toward that resolution.</p> <p>Thank you for your time and consideration of my comment.”</p> <p>Comment:</p> <p>“Since I am unable to attend the public hearing tonight, April 17th, I’ll echo the sentiments expressed by Bike East Bay and no doubt, many, many others (cyclist included!) Simply, no one, no community, no association or organization, etc. can or should have a monopoly on SAFE access for all to Southgate Road, Mt. Diablo STATE Park or any public area.</p> <p>In the horribly inexcusable event of denied access, then not only will public funding of the Diablo Community Services District need to cease, the DCSD must payback all funds used to determine the Diablo Community roads to be private. There is no defensible rationale for using public funds to declare roadways to be private. Nor is there one for taking public funds yet not providing for public safety at a minimum in return.</p> <p>There is no inherent nuisance in allowing human powered through-traffic. There is no exhaust pollution, no excessive noise, no litter and no visual blight, even taking in to consideration some of poorly designed cyclist jerseys.)</p> <p>I appreciate your time and understanding on this.”</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>

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24.	4.17.2019	Matt Jacoby	<p>Comment:</p> <p>“I’m writing you in regard to the question of public access vs public funding on Calle Arroyo. Though I have never taken this route, I ride my bike to Diablo frequently, so this is a matter that concerns me.</p> <p>I was very disappointed that cyclists would be prevented from using this much safer route to access Mt. Diablo State park. It seems like this is really a very unfortunate case of overblown reactions and lack of mutual respect between some cyclists and some property owners. It’s a shame, but if this is where it’s gotten then here we are.</p> <p>However, it violates my sense of civic fairness that, being denied access to this route, tax-paying cyclists would still have to fund its maintenance. I expect there are many cases where public funds are used for private benefit - but it seems like we should be minimizing those. And, certainly, it seems unfair and unwise to reward the reactionary behavior that caused the road to be fully privatized.</p> <p>I would ask that the staff and commissioners do what is within their power to deny public funds for this road if it is to remain private, or else help in revisiting the question of shared access and mutual respect.”</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>
25.	4.17.2019	Rick Rickard	<p>Comment:</p> <p>“As you know from our PAC interactions, I am a regular road bicyclist. Although I live in Oakland, I do occasionally ride up Mt Diablo,</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The</p>

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26.	4.17.2019	Will Leben	<p>usually climbing up Southgate Drive, accessed through the community of Diablo. Needless to say as a Board Member of Bike East Bay, I have closely followed the saga of public access to Calle Arroyo.</p> <p>I'm not able to attend tonight's public hearing, but I do want to share my concerns with you. As you have no doubt heard from many bicyclists, this stretch of Diablo Road is a dangerous and unpleasant place to ride a bicycle, with high-speed traffic and minimal shoulders. The roads through Diablo are a much safer alternative for bicyclists.</p> <p>I have been disappointed to learn that the Diablo Community Services District is using public funds to maintain these private roadways while seeking to restrict public access to the roadways. Thus, I am supportive of the conclusions of the LAFCO MSR that DCSD should be prevented from using public funds to maintain any road that the public lacks the right to use. Ideally, of course, I would hope this problem can be worked out sensibly, allowing taxpayer money to maintain the roads while also allowing public access.</p> <p>Thanks for hearing me out. Hope you are well."</p>	comment is noted and hereby made part of the public record.
			<p>Comment:          "As a bicyclist whose only safe option for getting to Mt. Diablo State Park is Calle Arroyo (because Diablo Road is too dangerous for cycling), I think that the Diablo Community Services District as a public entity</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby</p>

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27.	4.19.2019	Richard Nicoll	<p>should not be allowed to take tax money, as it is currently doing, without providing a public benefit in return.</p> <p>Public funds should not be used to maintain Calle Arroyo or any road not fully open to the public.”</p> <p>Comment:            “I understand that the Local Agency Formation Commission (LAFCO) is reviewing whether or not the Diablo Community Service District, the agency charged with maintaining roads in Diablo, should continue funding maintenance of private roads. Apparently, public funds are used to finance private roads in Diablo. Clearly, such actions constitute a gift of public funds, which I understand to be prohibited in California. If not, where do the rest of us sign up for public assistance for our private driveway repairs, kitchen remodels or house painting?”</p>	<p>made part of the public record.</p> <p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>
28.	4.20.2019	Craig Hagelin	<p>Comment:            “I live in Walnut Creek and frequently ride a loop of up North Gate to the junction and then down to South Gate. Being able to cut through Calle Arroyo in Diablo is a much safer route for me to get back to Walnut Creek. Cars on Diablo Road travel very fast and cyclists get hit there. I am 72 and have been doing the route for years, and if I get hit on Diablo Road I will not heal fast if at all. Please consider the lives at skate here, and do not revoke access that has been in place for long time and does not</p>	<p>The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.</p>

COMMENT NUMBER	DATE COMMENT RECEIVED	NAME & ORGANIZATION	COMMENTS	RESPONSE
29.	4.23.2019	Bryan Montgomery, City Manager, City of Oakley	<p>cause any harm.</p> <p>I support the conclusions in the LAFCO MSR that the DCSD should no longer be using public funds to maintain Calle Arroyo. Additionally, I believe that DCSD should be prevented from using public funds to maintain any road that the public lacks the right to use. Alternatively, I hope this problem can be worked out sensibly, allowing taxpayer money to maintain roads that should allow public access.</p> <p>Thank you for your consideration on this matter.”</p> <p>Comment:</p> <p>“In two locations (pages 12-17 and 12-21), there is a reference to "18th St" - which is a street located in the City of Antioch. I believe the correct reference in both locations should be "Main Street."</p> <p>On page 12-19 under "Liquidity, Debt, ..." there is a reference to OPEB liabilities - the City of Oakley has none (as is previously stated in the MSR).</p> <p>On page 12-21 under the paragraph "Existence of Any Social or Economic Communities of Interest" the verbiage could be re-worded to make clear that the City did proceed with the large annexation of territory in 2006 and only a small portion, now within the existing SOI, that we chose not to annex.”</p>	<p>Revisions made to pp. 12-17, 12-19, and 12-21 in the City of Oakley chapter.</p>

COMMENT NUMBER	DATE COMMENT RECEIVED	NAME & ORGANIZATION	COMMENTS	RESPONSE
30.	4.25.2019	Dale McDonald, General Manager, Crockett CSD	<p>Comments:</p> <p>21.4.3 CSD Services MSR. Determinations - Current Shared Sen/ices - pa. 21-16: The CSD provides park and recreation services. It does not provide solid waste services. As mentioned in section 21.2.8 solid waste services are provided to the Crockett CSD via franchise agreement between the County and Richmond Sanitary Service, doing business as Crockett Garbage Company. For correction we recommend removing the reference to solid waste services from 21.4.3.</p> <p>21.4.4 Financial Determinations - Operating General Fund and Reserve Trends - do. 21-17: The second paragraph states that "The CSD's reserve goal is unknown,". To clarify it should state that "The CSD's Port Costa Department reserve goal is unknown," as the remaining departments of the CSD have established reserve funds. This section was specifically discussing Port Costa and it could be misleading if left unchanged.</p> <p>21.5.2 Sphere of Influence Determination for the Crockett CSD - Present and Probable Need for Public Facilities and Services - oa. 21-20: Within the SOI there are approximately twelve properties at the far west of town off Vista Del Rio that are on septic tank. Currently there is no plan to expand public sewer service to this area but it may be probable if development were to occur on the west end of Vista Del Rio. It is suggested that the following be added to this section: "Public sewers may be extended</p>	<p>Revisions made to pp. 21-3, 21-16, and 21-17 in the Crockett CSD chapter.</p> <p>The information provided about the probable need for future sewer services was not included in the MSR revisions as sewer services were not reviewed as part of this MSR Update.</p>

COMMENT NUMBER	DATE COMMENT RECEIVED	NAME & ORGANIZATION	COMMENTS	RESPONSE
31.	4.25.2019	Christopher Deppe, Kensington Police Protection and CSD	to properties that are currently on septic tank if future development on Vista Del Rio occurs and it is required by the County."  Comment contained revisions of an editorial nature for the Kensington Police Protection and CSD.	Revisions made to pp. 24-1, 24-16, and 24-17 in the Kensington Police Protection and CSD chapter.
32.	4.25.2019	Bernadette Fatehi	Comment: "It is my understanding that Kristen Altbaum and Roger Chelemedos are spearheading efforts to get a sphere of influence change for our area. They are the first "leaders" to represent our neighborhood for as long as I've lived here. Our commute patterns take us in and through Lafayette daily - we are entrenched in Lafayette, not Pleasant Hill. Please consider this request."	Recommendations for updating the SOI for the cities of Lafayette and Pleasant Hill are included in the MSR. This MSR does not cover the Pleasant Hill Recreation & Park District. LAFCO has indicated it will undertake MSR/SOI Updates for Parks and Recreation districts in FY 2020.  The comment is noted and hereby made part of the public record.  The City of Pleasant Hill has indicated it will not be taking a position on the SOI request.
33.	4.25.2019	Nathan Mahlik	Comment: "Please include this message in the MSR public review period....I am writing to support an SOI change request by Kristen Altbaum for our area in north Reliez Valley. We should have been in Lafayette's SOI years ago, it seems. Our daily shopping, schools to be, commute, and entertainment is associated with Lafayette, not Pleasant Hill. Thank you for your help in designing logical boundaries."	Recommendations for updating the SOI for the cities of Lafayette and Pleasant Hill are included in the MSR. This MSR does not cover the Pleasant Hill Recreation & Park District. LAFCO has indicated it will undertake MSR/SOI Updates for Parks and Recreation districts in FY 2020.  The comment is noted and hereby made part of the public record.  The City of Pleasant Hill has



COMMENT NUMBER	DATE COMMENT RECEIVED	NAME & ORGANIZATION	COMMENTS	RESPONSE
34.	4.25.2019	Kathy Hemmenway	<p>Comment:</p> <p>“I am writing to voice support for an SOI change for neighborhoods between Withers and Grayson in Lafayette.</p> <p>Our family &amp; our neighbors do not identify ourselves as Pleasant Hill residents.</p> <p>We would be grateful for your support.”</p>	<p>indicated it will not be taking a position on the SOI request.</p> <p>Recommendations for updating the SOI for the cities of Lafayette and Pleasant Hill are included in the MSR. This MSR does not cover the Pleasant Hill Recreation &amp; Park District. LAFCO has indicated it will undertake MSR/SOI Updates for Parks and Recreation districts in FY 2020.</p> <p>The comment is noted and hereby made part of the public record.</p> <p>The City of Pleasant Hill has indicated it will not be taking a position on the SOI request.</p>
35.	4.25.2019	Valerie Barone, City Manager, City of Concord	<p>Comment contained revisions of an editorial nature for the City of Concord. Data corrections were also provided. In several areas, the City provided data for Fiscal Year 2018.</p>	<p>Revisions made to pp. 5-5, 5-6, 5-7, 5-8, 5-9, 5-11, and 5-23 in the City of Concord chapter.</p> <p>The FY 2018 data was not included in the MSR revisions as it extends beyond the scope of this MSR Update.</p>
36.	4.25.2019	Lara Mahlik	<p>Comment:</p> <p>“Hi, please include this message in the MSR public review period....I am writing to support an SOI change request by Kristen Altbaum for our area in north Reliez Valley. We should have been in Lafayette’s SOI years ago, it seems. Thank you for your help in designing logical boundaries.”</p>	<p>Recommendations for updating the SOI for the cities of Lafayette and Pleasant Hill are included in the MSR. This MSR does not cover the Pleasant Hill Recreation &amp; Park District. LAFCO has indicated it will undertake MSR/SOI Updates for Parks and Recreation districts in FY 2020.</p>

COMMENT NUMBER	DATE COMMENT RECEIVED	NAME & ORGANIZATION	COMMENTS	RESPONSE
37.	4.25.2019	Frank Hanny	Comment: “It appears self evident to me that public tax dollars should not be spent to maintain a private road that excludes the public that pays the taxes.”	The comment is noted and hereby made part of the public record. The City of Pleasant Hill has indicated it will not be taking a position on the SOI request.  The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.
38.	4.26.2019	LaShonda White, Administrative Chief, City of Richmond	Comment contained revisions of an editorial nature for the City of Richmond. Data corrections were also provided.	Revisions made to pp. 17-3, 17-4, 17-7, 17-8, 17-13, 17-19, and 17-21 in the City of Richmond chapter.

*Note: Some suggested revisions were not made where they would result in inconsistencies in the information presented.*

**TABLE D.2**  
**PUBLIC HEARING COMMENTS**  
**APRIL 17, 2019**

COMMENT NUMBER	NAME & ORGANIZATION	COMMENTS	RESPONSE
1.	Commissioner Rob Schroder	Commissioner Schroder asked about the additional studies recommended.	<p>The cities for which additional study was recommended did not provide the full range of information that was requested for the MSR; the exception in this short list is El Cerrito, which provided adequate information but the information was such that it warrants further review in the event of any annexation applications.</p> <p>Footnotes were added to the City of Concord chapter (p. 5-23), Town of Moraga chapter (p. 11-22), and City of Richmond chapter (p. 17-23) summarizing the missing information.</p>
2.	Commissioner Rob Schroder	Commissioner Schroder asked about cities' islands, and whether the consultants have taken these into account, given this Commission's push to annex islands and concern about out of area service applications.	<p>One of the MSR focus areas is infill development/sprawl prevention/islands. And while the MSR was more focused on the service and financial information provided by the reviewed agencies, there is a discussion in each chapter for those cities that do have islands, especially of those islands that are 150 acres or less and can be annexed through an expedited process. These discussions encourage those particular cities to annex the islands.</p>
3.	Commissioner Donald Blubaugh	Commissioner Blubaugh asked if LAFCO should pursue these agencies for further information now, or simply put them on notice that if they come forward with annexation applications, they should be prepared to provide supplemental material.	<p>Since the Public Review Draft MSR was published, some of the agencies reviewed have provided additional information which has been included in their respective chapters. The City of Hercules and the Crockett CSD have been removed from the initial list of agencies requiring further study. And while the cities of Concord and Richmond did provide some missing information, enough critical information is missing to warrant them remaining on the list of agencies requiring further study should they come before LAFCO with an annexation application.</p>

COMMENT NUMBER	NAME & ORGANIZATION	COMMENTS	RESPONSE
4.	Chair Tom Butt	Chair Butt asked if the comments received will be submitted to the Commission.	All comments received between initial publication of the Public Review Draft MSR and the Final Draft MSR will be included in a comment log and incorporated or responded to appropriately.
5.	Chair Tom Butt	Chair Butt, referring to the Richmond chapter, noted that there were a number of years referenced in that chapter, and that there would be value in picking a date with consistency.	While a goal of the data gathering and reporting in the MSR is to maintain consistency (e.g., establishing FY 2017 as the “snapshot in time” for review), adequate 2017 data was not available for all the data points. Census and ABAG data provided a better opportunity for “apples-to-apples” comparisons, specifically with regard to demographic data. In the financial sections, budgets were reviewed to provide a future look at agency finances.
6.	Commissioner Donald Blubaugh	Commissioner Blubaugh noted that there are people in the audience and communications the Commission has received regarding a change in the SOIs of the cities of Pleasant Hill and Lafayette, as well as removal from Pleasant Hill Recreation & Park District (PHRPD). How do the Commissioners respond to this? Is this something they can deal with or is it a separate process?	This MSR culminates in the updating of SOIs of each city and CSD covered in the report; it’s possible that this could result in changes in Pleasant Hill’s and Lafayette’s SOIs. PHRPD is not part of this review, however, so there can be no SOI adjustments until either there is an MSR for Recreation and Park Districts or a special study for that district. Removing Reliez Valley from the PHRPD would have an effect. LAFCO has indicated it will undertake MSR/SOI Updates for Park and Recreation districts in FY 2020.  Recommendations for updating the SOIs for the cities of Lafayette and Pleasant Hill are included in the MSR.  Further, the City of Pleasant Hill has indicated it will not be taking a position on the SOI request.
7.	Commissioner Donald Blubaugh	Commissioner Blubaugh then asked if the cities of Pleasant Hill and Lafayette would have an opportunity to weigh in on this sphere request so that Commissioners hear not only from the residents but also from the agencies.	The cities of Pleasant Hill and Lafayette were sent the residents’ letter when LAFCO received it and were provided an opportunity to respond. The City of Pleasant Hill has indicated it will not be taking a position on the SOI request. The cities will have another opportunity to comment in response to the Final Draft MSR.  Recommendations for updating the SOIs for the cities of

COMMENT NUMBER	NAME & ORGANIZATION	COMMENTS	RESPONSE
8.	Alan Kalin, Danville resident	Alan Kalin, Danville resident, spoke regarding the issue of private roads, public funds, and public safety in Diablo Community Services District (DCSD), where residents have secured a court ruling on public use of Calle Arroyo, indicating that the road is private; the judge also reminded the district that if the road is private then district funds should not be used for upkeep on the road. His concern, and that of fellow bicyclists, is that closing this road to the public is forcing bicyclists onto a very dangerous road. Diablo residents are trying to intimidate non-residents who come into the district. Mr. Kalin has been threatened and harassed since submitting a complaint to LAFCO.	Lafayette and Pleasant Hill are included in the MSR.  The MSR contains information regarding the Calle Arroyo issue; however, the resolution of the Calle Arroyo use issue is beyond the scope of this MSR Update. The comment is noted and hereby made part of the public record.
9.	Nicola Place, resident on Mt. Diablo Scenic Boulevard	Nicola Place, resident on Mt. Diablo Scenic Boulevard, spoke regarding this mile-long stretch of road, which is privately owned, but on which Diablo State Park has an easement (since 1931). According to State law, if you hold an easement you're required to participate in the maintenance and upkeep of that property. In all the years since acquiring that easement, the Park has not come to the table to work on an agreement, complaining that there are too many parties involved and they can't work with that many. In 2011, the remaining eight of about 25 properties were annexed into DCSD in order to more logically address maintenance of this road. Nothing has happened since. She has provided some edits to the DCSD chapter, including that DCSD cannot and will not maintain that stretch of road. What they need from DCSD is assistance in working with Diablo State Park and the County to figure out what can be done to maintain this road. She has highlighted eight items in the report that are inaccurate about what DCSD is doing—which they are not doing. The residents on Mt. Diablo Scenic	Resolution of the Mt. Diablo Scenic Boulevard maintenance issue is complex and beyond the scope of this MSR/SOI Update. LAFCO staff is aware of the history and is willing to help the interested parties. The comment is noted and hereby made part of the public record.

COMMENT NUMBER	NAME & ORGANIZATION	COMMENTS	RESPONSE
10.	Kristen Altbaum, Reliez Valley resident	<p>Boulevard need help in coming up with an evaluation and a long-term plan on addressing this issue.</p> <p>Kristen Altbaum, Reliez Valley resident, drew Commissioners' attention to the letter regarding unincorporated territory between Pleasant Hill and Lafayette (between Withers Avenue and Grayson Road). That territory is in Pleasant Hill's SOI, but it is divided topographically, by school district, and by neighborhood unity. She would like to see the area that she is in moved into Lafayette's SOI.</p>	<p>Recommendations for updating the SOI for the cities of Lafayette and Pleasant Hill are included in the MSR. This MSR does not cover the Pleasant Hill Recreation &amp; Park District. LAFCO has indicated it will undertake MSR/SOI Updates for Parks and Recreation districts in FY 2020.</p> <p>The comment is noted and hereby made part of the public record.</p> <p>The City of Pleasant Hill has indicated it will not be taking a position on the SOI request.</p>