AGENDA

REGULAR JOINT MEETING OF THE OAKLEY CITY COUNCIL/OAKLEY CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDEVELOPMENT AGENCY/ OAKLEY PUBLIC FINANCING AUTHORITY

Tuesday, December 13, 2022
6:30 PM
Oakley City Council Chambers located at 3231 Main Street, Oakley, California 94561.
Unless stated otherwise on the agenda, every item on the agenda is exempt from CEQA Guidelines Sections 15060(c), 15061(b)(3), 15273, 15378, 15301, 15323 and/or Public Resources Code Section 21065.

MISSION STATEMENT: The City of Oakley will create a resilient future that fosters and attracts a vibrant and evolving community that welcomes and values all people.

VISION STATEMENT: The City of Oakley celebrates our unique Delta lifestyle and small-town feel where we ***Live*** in a safe, dynamic community, ***Work*** together to build the future, and ***Play*** in our own backyard.

Agendas are posted in Oakley at Oakley City Hall-3231 Main Street, outside the gym at Delta Vista Middle School-4901 Frank Hengel Way and outside the Library at Freedom High School-1050 Neroly Road. Agendas are also posted on the City's Internet Website www.ci.oakley.ca.us.

A complete packet of information containing staff reports and exhibits related to each item is available for public review prior to an Oakley City Council and/or City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority meeting at Oakley City Hall, 3231 Main Street, Oakley, CA 94561. Any writings or documents provided to a majority of the Oakley City Council, Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency or Oakley Public Financing Authority regarding any item on this agenda will be made available for public inspection, during regular business hours, at the front counter in the Main Lobby of the Oakley City Hall located at 3231 Main Street, Oakley, CA 94561. Agendas may be picked up at the Oakley City Hall located at 3231 Main Street, Oakley, CA 94561 for no charge. To request information regarding placement on the City's agenda e-mail distribution list, please contact us at (925) 625-7000.

The City of Oakley provides social media options to stay connected to City Hall through Facebook, Twitter, Next Door and Instagram. Other opportunities to connect with City Hall include Engage In Oakley, Oakley OnDemand on the City's website, and by emailing info@ci.oakley.ca.us.

If you have a physically challenging condition and require special accommodations, please call the City

Clerk's office at (925) 625-7000.

Please keep cell phones/electronic devices turned off during the meeting. Please be advised that City Council meetings are video recorded and attendees may appear on video.

Information Regarding Public Comment

Members of the public may address the Council on items of interest that are within the City's jurisdiction. In compliance with State law, the council may not take actionor have discussion on any item that is not specifically listed on the agenda. Public comment on items not listed on the agenda will be heard under the Public Comments section of the agenda. Public comments on items listed on the agenda will be heard as the Mayor calls the items. In compliance with State law, the Council may not take action on an item that is not specifically listed on the agenda. If you would like to speak on any agenda item, please fill out a public speaker card available in the lobby and submit it to the City Clerk seated in the Council Chamber **prior to the agenda item being called.** The Mayor will call you by name to the podium to hear your comment. PUBLIC COMMENTS ARE LIMITED TO THREE (3) MINUTES. Online public comments are accepted until 5 p.m. the day of the meeting and can be submitted at https://www.ci.oakley.ca.us/online-public-comment-card/.

1.OPENING MATTERS

Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority

1.1 Call to Order and Roll Call of the Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority

1.2 Pledge of Allegiance to the Flag (Brianna Flores Campos, 8th Grade Student at Delta Vista Middle School)

1.3 Update from Contra Costa Mosquito Abatement & Vector Control District Representative (Michael Krieg)

1.4 Update from Tri-Delta Transit (Jeanne Krieg and Rashidi Barnes)

1.5 Presentation of Certificate of Recognition to Jeanne Krieg, Tri-Delta Transit (Mayor Pope)

Certificate

2.PUBLIC COMMENTS

At this time, the public is permitted to address the Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority on non-agendized items. PUBLIC COMMENTS ARE LIMITED TO THREE (3) MINUTES. In accordance with State Law, however, no action or discussion may take place on any item not appearing on the posted agenda.

3.CONSENT CALENDAR

Consent Calendar items are typically non-controversial in nature and are considered for approval by the Oakley City Council/ Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority with one single action. Members of the audience, Staff or the Oakley City Council/ Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority who would like an item removed from the Consent Calendar for purposes of public input may request the Mayor remove the item. Members of the public should submit any Speaker Cards related to the Consent Calendar in advance of the Consent Calendar being considered.

3.1 Approve Minutes from the Regular Joint City Council/City Council Acting as the Successor Agency to the Redevelopment Agency/Public Financing Authority Meeting Held November 8, 2022 (Libby Vreonis, City Clerk)

Minutes 11-08-22

3.2 Approve Minutes from the Special City Council Meeting held November 15, 2022 (Libby Vreonis, City Clerk)

Minutes 11-15-22

3.3 Accept Report Out of Closed Session Memo (Derek Cole, City Attorney)

Memo

3.4 Approve 2023 Meeting Dates (Libby Vreonis, City Clerk)

Staff Report
1. List of Proposed 2023 Meeting Dates
2. City Council Resolution Approving 2023 Meeting Dates
3. Successor Agency Resolution Approving 2023 Meeting Dates
4. Public Financing Authority Resolution Approving 2023 Meeting Dates

3.5 Award of Construction Contract to Centerline Striping Co., Inc. for the Fiscal Year 2022/2023 Street Restriping Project – Capital Improvement Project Number 276 (Kevin Rohani, P.E., Public Works Director/City Engineer)

Staff Report
1. Resolution

3.6 Award of Construction Contract to Valentine Corporation for the construction of the Cypress Grove Subdivision Pump Station Building Project – Capital Improvement Project (CIP) Number 255 (Kevin Rohani, P.E., Public Works Director/City Engineer)

Staff Report
1. Resolution
2. Bid Summary

3.7 Accepting the Subdivision Improvements Associated with the Gilbert Property (Delaney Park) Phase 2A Subdivision 9474 Located at the southeast corner of Golden State Parkway and Darigold Way (Kevin Rohani, P.E., Public Works Director/City Engineer)

Staff Report
1. Resolution
2. Vicinity Map - Exhibit

3.8 Accepting the remaining portion of the Subdivision Improvements Associated with the Gilbert Property (Delaney Ranch) Phase I Subdivision 9473 Located at the northeast corner of East Cypress Road and Delaney Parkway (Kevin Rohani, P.E., Public Works Director/City Engineer)

Staff Report
1. Resolution
2. Vicinity Map - Exhibit

3.9 Accepting the remaining portion of the Subdivision Improvements Associated with the Gilbert Property (Delaney Park) Phase 2B Subdivision 9481 Located at the northeast corner of Sellers Avenue and Golden State Parkway (Kevin Rohani, P.E., Public Works Director/City Engineer)

Staff Report
1. Resolution
2. Vicinity Map - Exhibit

3.10 Consideration of a Resolution Accepting the Five-Year Development Impact Fee Report and Making Required Findings (AB 1600 Annual Report) Tim Przybyla, Finance Director)

Staff Report
1. Resolution
2. Five-Year Report

3.11 Ratify Election: Adopt Ordinance No. 16-22 Authorizing the Levy of a Special Tax on Parcels of Land within Tax Area Zone 186 within the Oakley Special Police Tax Area for Police Protection Services for the Summer Lake North

project located at the northeast corner of E. Cypress Road and Bethel Island Road (Kevin Rohani, P.E., Public Works Director/City Engineer)

Staff Report
1. One (1) Signed Ballot
2. Ordinance No. 16-22
Exhibit A - Boundary Map for Police Tax Area Zone 186
Exhibit B - Tax Rate Schedule for Fiscal Year 2022-23

3.12 Authorizing application for an exemption to the Metropolitan Transportation Commission (MTC) to designate the Contra Costa County Countywide Bicycle Advisory Committee as the City's representative for the review of projects seeking and utilizing Transportation Development Act (TDA) Article 3 funds (Kevin Rohani, P.E., Public Works Director/City Engineer)
Staff Report
1. Resolution

3.13 Consideration and Adoption of a Resolution Requesting to the Metropolitan Transportation Commission (MTC) for the allocation of Fiscal Year 2022/2023 Transportation Development ACT (TDA) Article 3 Pedestrian/Bicycle Project Funding (Kevin Rohani, P.E., Public Works Director/City Engineer)

Staff Report
1. Resolution
a. Attachment A
b. Attachment B
2. TDA Article 3 Preliminary Application

3.14 Consideration of Resolution Approving a Digital Services Agreement between the City of Oakley and Buildings IOT and Authorizing the City Manager to Execute the Agreement (Tim Przybyla, Finance Director)
Staff Report
1. Resolution
2. Agreement
3. Proposal

3.15 Adopt a Resolution Authorizing the Office of the City Clerk to Accept Claims Electronically (Libby Vreonis, City Clerk)

Staff Report
1. Proposed Resolution

3.16 Approve Second Reading of Ordinance No. 17-22 authorizing the levy of a special tax commencing in Fiscal Year 2023-24 and each ensuing fiscal year

thereafter solely within and relating to City of Oakley Community Facilities District No. 2022-2 (Summer Lake North Maintenance Services) (Kevin Rohani, P.E., Public Works Director/City Engineer)
Staff Report
1. Ordinance

4.PUBLIC HEARINGS

5.REGULAR CALENDAR

5.1 Adopt a Resolution to Approve the City Council Committee Appointment List for 2023 (Libby Vreonis, City Clerk)

Staff Report
1. Proposed 2023 City Council Committee Appointment List
2. Resolution

5.2 Consideration of a Resolution Accepting the Annual Comprehensive Financial Report (ACFR), Memorandum on Internal Control, Required Communications and Report on Agreed Upon Procedures for Fiscal Year 2021-2022 (Tim Przybyla, Finance Director)
Staff Report
1. Resolution
2. FY 2021-2022 ACFR
3. FY 2021-2022 Memorandum of Internal Control
4. FY 2021-2022 Required Communications
5. FY 2021-2022 GANN Limit Report

6.REPORTS

6.1 CITY MANAGER
(a) City Manager
(b) Planning Commission Update
(c) Finance Update

6.2 OAKLEY CITY COUNCIL/OAKLEY CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDEVELOPMENT AGENCY

(a) Reports from Council Liaisons to Regional Committees, Commissions and Boards AND Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency

(b) Requests for Future Agendas

7.WORK SESSIONS

8.CLOSED SESSION

8.1 CITY ATTORNEY PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957

8.2 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One potential case

8.3 CONFERENCE WITH LEGAL COUNSEL -- ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One potential case

9.ADJOURN

Certificate of Recognition

Presented to:

Jeanne Krieg

In appreciation for your outstanding public service, dedicated effort, and continuous support to the Oakley community through your work at Tri-Delta Transit.

Presented this 13th day of December 2022

Randy Pope, Mayor

Aaron Meadows, Vice Mayor

Sue Higgins, Councilmember

George Fuller, Councilmember

Anissa Williams, Councilmember

Minutes of the Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority Meeting held November 8, 2022

1) OPENING MATTERS

1.1 Call to Order and Roll Call of the Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority

Mayor Randy Pope called the meeting to order at 6:30 p.m. in the Oakley City Council Chambers located at 3231 Main Street, Oakley, California. Vice Mayor Aaron Meadows and Councilmembers Anissa Williams, George Fuller and Sue Higgins were also present.

1.2 Pledge of Allegiance to the Flag (Olamide Aderonmu, 5th Grade Student from Summer Lake Elementary School)

5th Grade Summer Lake Elementary School student Olamide Aderonmu led the Pledge of Allegiance to the Flag.

Mayor Pope presented item 1.4 prior to item 1.3 as Congressman McNerney was in transit to the meeting.

1.3 Certificate honoring Congressman Jerry McNerney

Mayor Pope presented Congressman McNerney with a certificate of appreciation.

1.4 Presentation of Proclamations 1. Law Enforcement Records and Support Personnel Appreciation Day (Paul Beard and PD Staff)

Mayor Pope presented a proclamation to Oakley Police Records staff and Oakley Police support personnel.

Chief of Police Paul Beard recognized employees in attendance to accept the proclamation.

1.5 Restore the Delta Update (Roger Mammon)

Roger Mammon with Restore the Delta provided an update with presentation slides regarding current impacts on the Delta and the impact the Delta Reconveyance Project would have on the Delta.

2) PUBLIC COMMENTS

Bud Chaddock shared he is a member of the California Striped Bass Association and thing are getting uglier and it is sad to see things drop. He suggested preserving the Delta may need to be a bigger fight. He asked the Council to consider where are all the new homes being built are going to get water. He shared he has witnessed poaching at Marsh Creek and had a threat made on his life from poachers; along with issues of water quality, it is disheartening. He asked why there is more focus on building when we have something so precious that receives no regard or importance. He shared he has been working with fisheries since he was 13 years old and he understands the studies, the flow of water for quality of life and wildlife, and he would like to see more fight by the City and for it not to become complacent.

Donna Chaddock commented last week Mayor Pope thanked a resident for making suggestions. She shared she is here to reiterate support of development of Laurel Plaza and repeated suggestions of small businesses that would work in the Plaza such as a Peet's Coffee, a small sandwich shop, a small grocery store, a yogurt shop, and a nail or hair salon. She commented she is still opposed to a drive-through fast food establishment or car wash. She shared she participated in the Strategic Planning sessions where the vision was to create a small town feel and big business doesn't create that.

3) CONSENT CALENDAR

3.1 Approve Minutes from the Regular Joint City Council/City Council Acting as the Successor Agency to the Redevelopment Agency and Special Public Financing Authority Meeting Held October 25, 2022 (Libby Vreonis, City Clerk)

3.2 City of Oakley Quarterly Investment Report (1st Quarter FY 2022/23) (Tim Przybyla, Finance Director)

3.3 City of Oakley as Successor Agency to the Oakley Redevelopment Agency Quarterly Investment Report (1st Quarter FY 2022/23) (Tim Przybyla, Finance Director)

3.4 Award of Construction Contract to R&R Pacific Construction, Inc. for the construction of the Downtown Gateway Plaza Roadway and Infrastructure Improvement Project-CIP 205 (Kevin Rohani, P.E., Public Works Director/City Engineer)

3.5 Agreement with Callander Associates for Landscape Architectural and Master Planning Services for the Oakley Community Regional Park Project - Capital Improvement Project Number 176 (Kevin Rohani, P.E., Public Works Director/City Engineer)

3.6 Award of Construction Contract to Mercoza for the construction of the Fiscal Year 2022/23 Curb, Gutter, & Sidewalk Repair & Replacement Project-Capital Improvement Project Number 275 (Kevin Rohani, P.E., Public Works Director/City Engineer)

3.7 Authorize the City Manager to execute an amendment to the Consulting Services Agreement with BKF Engineers, Inc. to provide Construction Support Services for the Downtown Gateway Plaza and Infrastructure Improvement Project - Capital Improvement Project Number 205 (Kevin Rohani, P.E., Public Works Director/City Engineer)

3.8 Approval of Contract Amendment Number 1 with Park Engineering, Inc. for On-Call Services Related to Construction Management and Inspection Services for Fiscal Year 2022/23 (Kevin Rohani, P.E., Public Works Director/City Engineer)

Councilmember Williams pulled items 3.4 and 3.5 for discussion.

Councilmember Fuller pulled item 3.7 for discussion.

It was moved by Councilmember Higgins and seconded by Vice Mayor Meadows to approve the remainder of the Consent Calendar. Motion was unanimous and so ordered. (5-0)

Item 3.4

Councilmember Williams requested staff share what the oversight of this project will look like.

Public Works Director/City Engineer Kevin Rohani mentioned there will be a third-party peer review it and it will be transparent.

Councilmember Fuller expressed he has concerns with the project and continues to question how it will help the community. He indicated the project is said to enhance traveling and provide a gateway; however, it is highly oppressive and marginalizes people with existing socioeconomic difficulties and he is concerned about spending $4.8 mil for a gateway that may not be supported by ridership. He mentioned a tweet regarding Antioch e-BART shutting down 6:30am-9:30am daily and riders will need to take a bus to/from the Pittsburg station to catch a BART train. He mentioned he is also uncomfortable approving it until the bidding process is worked out. He expressed he would rather use this money toward a library and will not approve any future ballot measures to impose tax for a library when this money is available now.

Mr. Rohani explained the formal bid process was followed and that another bidder was the lowest bidder on the project, but an error was found in the bid calculations, so it was

withdrawn. He shared he checked the bids three times and to bring a third party in to provide more assurance is above and beyond what any city is doing. He also explained that the project is more than a parking lot and gateway; there is a half mile of roadway, O'Hara gets extended, O'Hara and Main will have intersection improvements, utilities will be undergrounded, and the parking lot will provide 300 additional spaces. He mentioned it has been planned for over a decade.

Mayor Pope inquired about the cost of an added level of review.

Mr. Rohani indicated it is approximately $15k.

It was moved by Councilmember Williams and seconded by Councilmember Higgins to adopt the resolution. AYES: Higgins, Meadows, Pope, Williams. NOES: Fuller. (4-1)

Item 3.5

Councilmember Williams requested assurance that if this amount is approved that the plan is going to be executed to move forward to apply for grant funding. She mentioned the park is going to be a great economic benefit and she does not want the plan stalled any further.

Mr. Rohani commented that they started this process almost 6-7 years ago and the Council and community have changed during that time and there are new perspectives. He shared that with the new Council seated next month, it will be a good opportunity to look at it, finalize the plan and bring it back. He indicated staff will be putting a lot of emphasis on public outreach. He mentioned the site used to be an old dairy facility and 4 years ago the City spent approximately $400k to demolish dangerous structures and clear the site to make it safe until funding is secured. He mentioned the City has a new grant writer to assist in finding funding.

Councilmember Williams requested a timeline for community workshops.

Mr. Rohani responded they will be held early next year, no later than February, and there will be public outreach and engagement.

Councilmember Fuller questioned the value of the park as East Bay Regional Park District (EBRPD) has its park within 2 miles of this site and they maintain and staff it. He inquired why the City would encumber this expense. He commented he understands there is a covenant but would like staff to look at it to confirm what can or cannot be done with the property and host a work session before approving this agreement to provide the Council and public an opportunity to chime in.

City Manager Joshua McMurray mentioned there is a Strategic Plan update on the agenda tonight that addresses this project. He mentioned staff does not have answers to questions presented; however, staff will research and respond. He indicated it is at the Council's discretion if it would like to approve or wait, and staff awaits its direction.

Councilmember Higgins commented she does not mind waiting. She expressed she wants polo fields and an equestrian park with shared uses for other sports, and she would like to see use of the old house on the property as another community event site. She shared she sees this company's proposal doing something like what the consultant did with the Strategic Plan—bring the public in, and she thinks that is a great idea.

Mr. Rohani commented that EBRPD and this park campus are not comparable as recreation at EBRPD is very limited; there are no full features, whereas this park is featured packed. He mentioned the #1 request the City receives in relation to parks is for soccer and baseball fields and many of the City's basins have been converted to fields but the City doesn't have a sports complex like found in other cities. He suggested they not get caught up in the word "regional" as the park can be named otherwise.

Mayor Pope shared the park was planned more than 12 years ago before he was on the Council. He recalled taking a tour of the property and items discussed at that time were preserving agricultural heritage, providing education, and water access. He indicated it all comes down to funding and the City needs a plan in place to request funding. He mentioned this proposal is to reach out to all stakeholders to develop a plan; this is what this Council asked for. He added that they may need to revisit ideas because ideas from then may not fit current or future Oakley, but they need active recreation. He expressed he is in favor of it.

It was moved by Councilmember Williams and seconded by Vice Mayor Meadows to adopt the resolution.

Councilmember Fuller requested to amend the motion to table the item and motion until staff can report on how the covenant affects land use.

Assistant City Attorney Elizabeth Fratarcangeli commented that sounds like an alternative motion and because there is already a motion on the table, the first motion should be heard then Councilmember Fuller's motion.

The vote on the first motion was as follows: AYES: Higgins, Meadows, Pope, Williams. NOES: Fuller. (4-1)

Mayor Pope called for a second on Councilmember Fuller's motion. Being none, the motion died.

Item 3.7

Councilmember Fuller expressed concern that the City has paid hundreds of thousands of dollars to BKF Engineers and he is not willing to pay more so his vote is "no".

Mr. Rohani commented that within 2% of the bid estimate is an extremely good deal as cities are experiencing nearer to 10-15% of bid estimates.

Councilmember Fuller inquired how much has been paid to BKF already.

Mr. Rohani did not have the exact amount but shared that approximately 6 years ago it was $250k-$300k for design and approximately 3 years ago the agreement was amended to add more work, so overall it is under $500k. He mentioned design and construction support is less than 10% of project costs.

Councilmember Fuller inquired if there is a time limit and what the City gets for the amount.

Mr. Rohani explained design has been completed; this item is staff asking for construction support, not design. He reiterated that altogether it is less than $500k.

Councilmember Fuller requested a succinct definition of construction support.

Mr. Rohani mentioned there are specific details in the staff report but generally, construction support is daily involvement during construction, especially with larger projects.

Councilmember Fuller inquired why R&R cannot provide construction support.

Mr. Rohani mentioned there would be a conflict of interest and they need checks/balances to avoid hefty bills.

Councilmember Fuller commented he will vote “no” until it is more specific.

Councilmember Higgins commented this is not design; these are people overseeing the project on the ground and staff is overseeing them, so she supports it.

It was moved by Councilmember Higgins and seconded by Councilmember Williams to adopt the resolution. AYES: Higgins, Meadows, Pope, Williams. NOES: Fuller. (4-1)

4) PUBLIC HEARINGS

None.

5) REGULAR CALENDAR

5.1 Strategic Plan SP 27+ Update (Joshua McMurray, City Manager)

City Manager Joshua McMurray presented the staff report.

Councilmember Fuller expressed concern that the staff report indicates the Strategic Plan is in place for 5 years and it was his understanding at the time of adoption that the

Council would be revisiting it approximately the same date in 2023 so the new Council can review it and make changes as it sees fit.

Mr. McMurray commented that the plan is to hold a visioning session in early 2023 then bring back the Strategic Plan for review. He indicated they are not planning to bring in a facilitator as before but will address any changes.

5.2 URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OAKLEY IMPOSING A MORATORIUM ON THE PERMITTING OF DRIVE-THROUGH RESTAURANTS, CARWASHES, GAS STATIONS, AND SELF-STORAGE FACILITIES WITHIN CITY LIMITS TO ALLOW FOR EVALUATION OF THEIR LAND USE AND ENVIRONMENTAL IMPACTS AND THE ENACTMENT OF FURTHER AND APPROPRIATE REGULATIONS CONCERNING THE SAME (Derek P. Cole, City Attorney)

Assistant City Attorney Elizabeth Fratarcangeli presented the staff report.

Councilmember Higgins inquired if they could make this specific to an area instead of city wide. She mentioned she would like to see development along Cypress to Summerlake, but these uses in the Laurel/Empire area are overdone.

Mrs. Fratarcangeli commented she generally would have no opposition to that, but her understanding is the analysis would affect these 4 uses as a whole, and the interim ordinance would have to relate to the analysis/study.

Councilmember Higgins inquired if they would have to limit the entire city to have a study to see the area that would be more likely not to have that type of development.

Mrs. Fratarcangeli commented the direction from staff is the study would be within city limits, but staff can take direction from the Council if that is no longer the pleasure of the Council.

Councilmember Higgins commented she remembers asking for it from Empire to Laurel to Main Street, so they don’t have an overabundance of the same development in the same area.

Mrs. Fratarcangeli commented applicants would still be coming in and staff would not be considering applicants in one area versus another; it would create an issue of preferential treatment of one area of the City whereas this ordinance would allow for more analysis.

Councilmember Higgins commented she is thinking now with the holidays it is poor timing and it will not cover the area most impacted by the same uses.

Councilmember Fuller requested if Mrs. Fratarcangeli can explain health and safety considerations.

Mrs. Fratarcangeli commented she may not be the best person to explain environmental issues, but generally they would consider EIR, traffic, density, etc.

Councilmember Fuller commented if they were to say because of safety conditions in schools, environmental conditions around homes, traffic conditions, etc. that it could be a dangerous condition.

Mrs. Fratarcangeli mentioned that it could require more study.

Councilmember Fuller commented the moratorium covers stopping all construction in the City to address certain areas in the City and go over the zoning situation.

No public comments were submitted.

Councilmember Fuller commented Councilmember Higgins was not present at the meeting when the topic was brought up. He explained the moratorium was requested because the issue has gone on too long, leaving it open for potential more land uses, which is disrespectful for the community because they expect it to come back. He shared the City Attorney stated he needs more time for review; this is an opportunity to implement a moratorium until staff returns with a zoning ordinance because right now it is in limbo.

It was moved by Councilmember Fuller and seconded by Councilmember Higgins to adopt the urgency ordinance. The urgency ordinance failed to pass for lack of 4/5 vote. AYES: Fuller, Higgins, Williams. NOES: Meadows, Pope. (3-2)

6) REPORTS

6.1 CITY MANAGER
(a) City Manager

City Manager Joshua McMurray announced a Special City Council Meeting will be held November 15 at 6:30 p.m. in the Oakley City Council Chambers and the annual tree lighting event will be held Saturday, December 3, beginning with activities at 4:00 p.m. and the tree lighting at 6:00 p.m. He wished everyone a Happy Thanksgiving.

6.2 OAKLEY CITY COUNCIL/OAKLEY CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDEVELOPMENT AGENCY

(a) Reports from Council Liaisons to Regional Committees, Commissions and Boards AND Oakley City Council/Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency

Councilmember Fuller thanked the candidates running for City Council. He reported Diablo Water District will swear in its new Board tomorrow.

Vice Mayor Meadows congratulated staff, especially Finance, for the State award the City received for being highly rated in financial reporting.

Mayor Pope suggested staff explain so everyone knows what the award is that Councilmember Fuller is referring to.

Finance Director Tim Przybyla shared that Oakley scored 98.38% out of 100 in California's high-risk evaluation, coming in 3rd from the bottom, due to the City's conservative fiscal nature.

Councilmember Higgins thanked Oakley Police, Antioch Police and all agencies involved in the Alexis Gabe case. She shared a candlelight vigil will be held for Alexis on December 9 at 7 p.m. near the holiday tree in Civic Center Plaza.

Councilmember Williams reported Tri-Delta Transit had a meeting and it will be expanding its relationship with Amazon in Oakley; Amazon has requested transit options and Tri-Delta will be responding by testing a 'Try My Ride' route. She announced the member at-large position interviews with Tri-Delta will be considered during its next meeting to be held December 14.

Mayor Pope reported he attended the East Contra Costa Water Managers Association meeting at Big Break last week and he appreciates the willingness to cooperate to work together in this region to address issues. He shared they discussed having more frequent meetings of staff and full board meetings to take more contemporaneous action and be more proactive.

(b) Requests for Future Agendas

Councilmember Fuller requested a closed session item for December 13 for a City Attorney performance review. It was supported by Vice Mayor Meadows.

Councilmember Fuller requested a report on filling vacancies on the Planning Commission should current Commissioners be elected to the City Council. Mr. McMurray shared he can provide a memo to the Council regarding the process.

Councilmember Fuller thanked staff for checking all CUPs at Cypress and Sellers.

Councilmember Fuller requested a formal report on the financial award the City received that Mr. Przybyla described earlier. Mr. McMurray indicated there will be a Finance update in January and it can be included.

Councilmember Fuller announced Oakley now has a flag. Mr. McMurray explained it was prompted by Freedom High School's football team needing a flag to run on the field with so it has been created and will be presented during an upcoming meeting.

7) WORK SESSIONS

7.1 Process for Review of City Manager Compensation (Derek P. Cole, City Attorney)

Assistant City Attorney Elizabeth Fratarcangeli presented the staff report.

Councilmember Fuller expressed concern regarding the current process for review of the City Manager compensation in that there is no discussion with the Council before the ad hoc committee met with the City Manager and no direction provided by the Council, yet a new contract was negotiated. He indicated the entire package for City Manager or City Attorney should be discussed in closed session and direction given to the Mayor for discussion with the City Manager or City Attorney then discussed again with the Council in closed session, then presented to public.

Councilmember Higgins clarified a comment made earlier by Councilmember Fuller regarding e-BART service in the mornings. She mentioned there was a staffing issue only today and there will be e-BART in the mornings in Antioch; there is no permanent disruption of service. She commented ad hoc committees are good, but she would prefer meeting with the ad hoc committee prior to the vote being taken.

Vice Mayor Meadows expressed he is okay with meeting in closed session to discuss, but instead of the Mayor meeting with City Manager, have the Mayor and Vice Mayor meet with the City Manager.

Councilmember Williams mentioned the timing here was an issue; for all five Councilmembers to meet would have been a Brown Act violation if not properly agendized; with the ad hoc committee they can get it on books. She mentioned ad hoc committees provide efficiencies but should be clear they are speaking on behalf of the entire Council. She suggested staff work out timing for it to be on closed session. She mentioned the Mayor and Vice Mayor should be involved in negotiations.

Mayor Pope commented Councilmember Fuller is describing exactly how it is done now.

Councilmember Fuller expressed concern that he was never contacted regarding the City Manager and City Attorney. He suggested the Council should meet with the Mayor and Vice Mayor and provide direction, the Mayor and Vice Mayor should then meet with the City Manager and City Attorney and return to the Council until there is consensus, then it should go to the public.

Mrs. Fratarcangeli commented that it doesn't change the current process in place, but it may change whether the entire Council is part of the performance evaluation and also provide another agendized closed session for compensation adjustments only that is generally discussed during the performance evaluation closed session, but she believes

Councilmember Fuller is requesting another closed session for compensation adjustments only.

Councilmember Fuller added that the Council should agree as a whole to the performance evaluation and compensation then agendize it.

Mrs. Fratarcangeli mentioned the employment agreement must be introduced in public session and the Council can express any issues with negotiations.

Councilmember Fuller indicated it was an ad hoc committee that gave the former City Manager a loan and he wants more structure.

Councilmember Williams commented this work session is specific to City Manager compensation and the ad hoc committee referenced is not specific to this topic; it can be brought back as a separate item.

Councilmember Fuller commented that the newly elected should be involved in the selection of the City Manager and City Attorney.

Mayor Pope commented he thinks they agree.

Mrs. Fratarcangeli mentioned no action is required; she would only prefer consensus to have direction.

8) CLOSED SESSION

9) ADJOURN

Mayor Pope announced the next City Council meeting will be a special meeting held November 15 at 6:30 p.m.

There being no further business, the meeting was adjourned at 8:36 p.m.

Respectively Submitted,

Libby Vreonis
City Clerk

MINUTES OF THE OAKLEY CITY COUNCIL SPECIAL MEETING HELD NOVEMBER 15, 2022

1.CALL TO ORDER AND ROLL CALL

Mayor Randy Pope called the meeting to order at 6:31 p.m. in the Oakley City Council Chambers located at 3231 Main Street, Oakley, California. Vice Mayor Aaron Meadows and Councilmembers Anissa Williams, George Fuller and Sue Higgins were also present.

2.PLEDGE OF ALLEGIANCE TO THE FLAG

Mayor Pope led the Pledge of Allegiance to the Flag.

3.OPENING MATTERS

3.1 Presentation of Oakley Flag to Freedom High School Football Team

Mayor Pope and Councilmember Higgins presented the Oakley Flag to Coach Sims and members of the Freedom High School Football Team. Councilmember Higgins mentioned Freedom High School is within the Liberty Union High School District and the flag will provide visibility of its Oakley location.

Coach Sims thanked the Council for its support.

4.PUBLIC COMMENTS

None.

5.CONSENT CALENDAR

5.1 Adopt a Resolution to authorize execution of the Joint Community Facilities Agreement between the City of Oakley and Reclamation District 799 for Community Facilities District No. 2022-2 (Summer Lake North Maintenance Services) (Kevin Rohani, P.E., Public Works Director/City Engineer)

Mayor Pope pulled item 5.1 for public comment.

Public Works Director/City Engineer Kevin Rohani presented the staff report.

Paul Seger provided public comment emphasizing that the area is within a FEMA flood plain/flood hazard zone that can result in loss of life.

Mr. Rohani explained that these levees go through FEMA certification like other subdivisions in the area and there is an extensive design and review process.

Mayor Pope inquired what the standard is for the levee.

Mr. Rohani responded the standard is 100 years flooding. He mentioned the design is coordinated with other agencies and undergoes extensive review that takes a long time, almost 2 years with this development. He shared the levee was built 1 year ago and has been through a geotechnical inspection and now it goes to FEMA to certify which can take several months.

Councilmember Fuller inquired how FEMA has become involved with setting standards and how it developed its standards.

Mr. Rohani indicated FEMA has its own standards and processes and all agencies must adhere to it. He shared that the Army Corps of Engineers and Reclamation District 799 collaborated for this project. He mentioned levee construction is one of the most exhaustive reviews in their line of work.

Councilmember Fuller inquired if there are any others that fit within the flood plain.

Mr. Rohani shared there are dry levees (not in contact with water) at Emerson Ranch, on the Gilbert property and at Cypress Grove. He mentioned this is also a dry levee.

Councilmember Williams inquired if the construction schedule begins once levees are certified.

Mr. Rohani commented they estimate 6 months before FEMA approval of the levees then building permits can be pulled and housing construction can begin. He indicated it will likely be the year after next before the area is habitable and it will be the largest subdivision in Oakley.

Vice Mayor Meadows inquired if homeowners will be required to have flood insurance.

Mr. Rohani explained property owners are not required to have flood insurance; it is their choice.

It was moved by Councilmember Fuller and seconded by Vice Mayor Meadows to adopt the resolution. Motion was unanimous and so ordered. (5-0)

5.2 Consideration of a Resolution Approving an Amendment to the City of Oakley Fiscal Year 2022/2023 Budget to Appropriate $80,000 of Community Development Block Grant (CBDG) Funds to Complete Capital Improvement Project Number 288 (Kevin Rohani, P.E., Public Works Director/City Engineer)

It was moved by Councilmember Fuller and seconded by Vice Mayor Meadows to adopt the resolution. Motion was unanimous and so ordered. (5-0)

6.PUBLIC HEARINGS

6.1 Approve the Formation of the City of Oakley Community Facilities District No. 2022-2 (Summer Lake North Maintenance Services), hold a Public Hearing and Special Landowner Election, Declare the Results of the Election and Introduce an Ordinance to Levy a Special Tax for Community Facilities District No. 2022-2 (Summer Lake North Maintenance Services) (Kevin Rohani, P.E., Public Works Director/City Engineer)

Mayor Pope announced this is the time and place for the public hearing for Community Facilities District No. 2022-2 (Summer Lake North Maintenance Services). He inquired if there are any property owners or registered voters in the District who wish to file written protests.

There being none, he opened the public hearing.

Public Works Director/City Engineer Kevin Rohani presented the staff report.

Mayor Pope called for comments, questions, and protests from the audience.

Paul Seger commented that Diablo Water District had the General Manager for Reclamation District 799 present at its last meeting, and he voiced concern that the 100-year levee would not be sufficient. He commented when the development started in early 2000, the Specific Plan mentioned residents would be protected by a 300-year levee and now they are being told a 100-year levee. He inquired where and when the 300-year levee went and why sea level rise was not added in the 2021 addendum.

Mr. Rohani commented since the project started several years ago there has been extensive review and the FEMA design standard is 100 years. He shared that the General Manager of Reclamation District 799 has been in constant coordination with City staff and there has been no mention of any concern with the 100-year standard.

Councilmember Fuller inquired if there is scientific data for what can occur in 300-years or 500 years.

Mr. Rohani explained there are electronic hydraulic models for 300, 500 and 1,000 years; it theoretically could happen, but the standard applicable today is the federal standard used by FEMA.

Councilmember Fuller commented they can predict with concrete evidence if there is a flood within 100 years and it is hypothetical if longer.

Mr. Rohani confirmed that is correct. He added models can be run for flood, earthquakes, etc.

Councilmember Williams inquired why it changed in the Specific Plan.

City Attorney Derek Cole mentioned there were stray references to super levees in the Specific Plan; they were mentioned but not legally required. He shared they looked extensively at it and the entitlements issued to developers were with 100-year standards.

Councilmember Fuller requested clarification regarding stray references. He inquired if those were outliers.

Mr. Cole confirmed that is correct.

Mayor Pope commented that Section 5.5 on Flood Control in the Specific Plan mentions nothing of 300- or 500-year standards; it says it must be built to FEMA standards.

Mr. Cole commented there was a 2007 state law (Urban Level of Flood Protection Criteria) that held levees to that standard, but it was a measurement standard; therefore, there is mention of it, but it didn't apply to the developer because of the number of people and homes in the area.

Mayor Pope closed the public hearing and the Council considered adopting the Resolution of Formation of Community Facilities District which will establish the District and the Resolution Calling Special Landowner Election for Community Facilities District which will call for the property owner vote to approve the special tax and the appropriations limit for the District.

It was moved by Councilmember Fuller and seconded by Vice Mayor Meadows to adopt the Resolution of Formation of Community Facilities District. Motion was unanimous and so ordered. (5-0)

It was moved by Councilmember Fuller and seconded by Vice Mayor Meadows to adopt the Resolution Calling Special Landowner Election for Community Facilities District. Motion was unanimous and so ordered. (5-0)

Mayor Pope requested the City Clerk announce the result of the property owner vote.

City Clerk Libby Vreonis announced the property owner vote is in favor of the levy of the special taxes and establishment of the appropriations limit.

Mayor Pope announced the record shows at least 2/3 of the property owner votes are in favor of the levy of the special taxes and establishment of the appropriations limit.

Mayor Pope announced the Council will consider a Resolution Declaring Results of Special Landowner Election and Directing Recording of Notice of Special Tax Lien which will declare the results of the election and direct the City Clerk to record a Notice of Special Tax Lien and introduction of an ordinance levying the special taxes in the District, and after the ordinance is introduced, it will be considered for adoption at the December 13, 2022 meeting.

It was moved by Vice Mayor Meadows and seconded by Councilmember Fuller to adopt the Resolution Declaring Results of Special Landowner Election and Directing Recording of Notice of Special Tax Lien. Motion was unanimous and so ordered. (5-0)

It was moved by Vice Mayor Meadows and seconded by Councilmember Higgins to waive the first reading and introduce an Ordinance of the City of Oakley Levying Special Tax. Motion was unanimous and so ordered. (5-0)

7.CLOSED SESSION

Mayor Pope announced the closed session item.

7.1 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
Schaefer, et al. v. City of Oakley, et al.

8.ADJOURN

There being no further business, the meeting was adjourned at 7:45 p.m.

Respectfully submitted,

Libby Vreonis
City Clerk

OAKLEY
CALIFORNIA

MEMORANDUM

Office of the City Attorney

Date: November 16, 2022

To: Mayor and Members of City Council

From: Derek P. Cole, City Attorney

Cc: Joshua McMurray, City Manager

Subject: Closed Session Report-Out Memo

FOR CONSIDERATION AT THE REGULAR CITY COUNCIL MEETING OF DECEMBER 13, 2022

Background and Analysis

The City Council considered the following closed session item during its regular meeting held November 15, 2022:

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
Schaefer, et al. v. City of Oakley, et al.

The action taken was as follows:

It was moved by Councilmember Fuller and seconded by Vice Mayor Meadows to authorize legal counsel to file a government tort claim with Tri-Delta Transit for indemnity regarding the above case.

Vote: Ayes: Fuller, Meadows, Pope. Nays: None. Abstentions: Higgins and Williams.

Fiscal Impact

None.

Recommendation

Receive and file this report.

Attachments

None.

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager

Approved and Forwarded to the City Council

FROM: Libby Vreonis, City Clerk

SUBJECT: Regular Joint City Council / City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority 2023 Meeting Dates

---

Background and Analysis

The regular joint Oakley City Council / Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority meetings have traditionally been scheduled on the second and fourth Tuesdays of each month beginning at 6:30 p.m., and the second meetings in June, July, August, November and December have been canceled. Attached is a list of proposed meeting dates for 2023 for review and approval.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Community and Collaborative Partnerships Goals

Fiscal Impact

None.

Staff Recommendation

Staff recommends that the Oakley City Council, Successor Agency and Public Financing Authority approve the attached list of proposed regular meeting dates for 2023 or approve other dates that would be more suitable.

Attachments

1. List of Proposed 2023 Meeting Dates for the Regular Joint Oakley City Council / Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority
2. City Council Resolution Approving 2023 Meeting Dates
3. Successor Agency Resolution Approving 2023 Meeting Dates
4. Oakley Public Financing Authority Resolution Approving 2023 Meeting Dates

OAKLEY
CALIFORNIA

2023 REGULAR JOINT OAKLEY CITY COUNCIL/ OAKLEY CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDEVELOPMENT AGENCY / *PUBLIC FINANCING AUTHORITY MEETING DATES

Regular Joint Oakley City Council/Oakley City Council acting as the Successor Agency to the Redevelopment Agency meetings are held on the second and fourth Tuesdays at 6:30 pm in the Council Chambers, located at 3231 Main Street, Oakley, CA.

The meeting dates for 2023 are as follows:

January 10
January 24
February 14
February 28
March 14
March 28
April 11
April 25
May 9
May 23
June 13
July 11
August 8
September 12
September 26
October 10
October 24
November 14
December 12

No second meeting in the months of June, July, August, November and December

*Oakley Public Financing Authority meetings will be held jointly with the Oakley City Council / Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency meetings the second Tuesday of each month unless otherwise noticed.

RESOLUTION NO. XX-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY APPROVING 2023 MEETING DATES FOR THE REGULAR JOINT OAKLEY CITY COUNCIL/ OAKLEY CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDVELOPMENT AGENCY/OAKLEY PUBLIC FINANCING AUTHORITY

BE IT RESOLVED by the City Council of the City of Oakley that the 2023 meeting dates Attached as Exhibit A for the Regular Joint Oakley City Council / Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority are hereby approved.

PASSED, APPROVED AND ADOPTED this 13th day of December, 2022 by the following vote:

AYES:
NOES:
ABSTENTION:
ABSENT:

APPROVED:

_____
, Mayor

ATTEST:

_____
Libby Vreonis, City Clerk

_____
Date

SA RESOLUTION NO. XX-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDEVELOPMENT AGENCY APPROVING 2023 MEETING DATES FOR THE REGULAR JOINT OAKLEY CITY COUNCIL/ OAKLEY CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDEVELOPMENT AGENCY/OAKLEY PUBLIC FINANCING AUTHORITY

BE IT RESOLVED by the Oakley City Council of the City of Oakley, acting as the Successor Agency to the Oakley Redevelopment Agency, that the 2023 meeting dates attached as Exhibit A for the Regular Joint Oakley City Council / Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority are hereby approved.

PASSED, APPROVED AND ADOPTED this 13th day of December, 2022 by the following vote:

AYES:
NOES:
ABSTENTION:
ABSENT:

APPROVED:

_____
, Mayor

ATTEST:

_____
Libby Vreonis, City Clerk

_____
Date

RESOLUTION NO. XX-22

A RESOLUTION OF THE OAKLEY PUBLIC FINANCING AUTHORITY APPROVING 2023 MEETING DATES FOR THE REGULAR JOINT OAKLEY CITY COUNCIL/ OAKLEY CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE OAKLEY REDEVELOPMENT AGENCY/OAKLEY PUBLIC FINANCING AUTHORITY

BE IT RESOLVED by the City Council of the City of Oakley that the 2023 meeting dates attached as Exhibit A for the Regular Joint Oakley City Council / Oakley City Council Acting as the Successor Agency to the Oakley Redevelopment Agency/Oakley Public Financing Authority are hereby approved.

PASSED, APPROVED AND ADOPTED this 13th day of December, 2022 by the following vote:

AYES:
NOES:
ABSTENTION:
ABSENT:

APPROVED:

_____
, Chair

ATTEST:

_____
Libby Vreonis, City Clerk

_____
Date

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

Approved and Forwarded to the City Council

TO: Joshua McMurray, City Manager

FROM: Kevin Rohani, P.E., Public Works Director/City Engineer

SUBJECT: Award of Construction Contract to Centerline Striping Co., Inc. for the Fiscal Year 2022/2023 Street Restriping Project – Capital Improvement Project Number 276

Background and Analysis

The City's adopted Fiscal Year (FY) 2022/23 Capital Improvement Program (CIP) Budget designates funding for various infrastructure repair and replacement projects. This is consistent with the City's goal to improve the quality of the City's public infrastructure and to enhance the quality of life for our residents.

This project will restripe various City streets to help maintain visible stripes and delineations that are marked for usage by motorists and pedestrians. The work performed under this project focuses on the streets that are not in the plan for resurfacing in the next few years and need the striping for lane delineation (centerline, edge line, crosswalk, pavement marking) to provide safer streets for the community.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Community Health and Safety section goal to provide safe streets.

Fiscal Impact

Centerline Striping Co., Inc. was the lowest responsible bidder for the project at a cost of $20,850. The FY 2022/23 budget for this project is $60,000 from the 2012 Bond Benefit fund.

Staff Recommendation

On November 7, 2022, two (2) bids were received for this project.

Centerline Striping Co., Inc.	$20,850
Chrisp Company	$43,175

Staff reviewed the bids and determined that the bid proposal from Centerline Striping Co., Inc. in the amount of $20,850 was the lowest responsible bid and responsive to the City's bid process.

Staff recommends that the City Council adopt the resolution approving the construction agreement with Centerline Striping Co., Inc. for an amount not to exceed $20,850, and authorizing the City Manager to execute the agreement.

Additionally, due to the very competitive pricing received from Centerline Striping Co., Inc., staff further recommends that the City Council authorize staff to execute future change orders to the construction contract as necessary in an amount not to exceed $20,000 for work beyond what is defined in the base project bid; so that more striping work can be performed.

Attachments

1) Resolution

RESOLUTION NO. XX-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY APPROVING AN AGREEMENT WITH CENTERLINE STRIPING CO. INC. FOR THE CONSTRUCTION OF THE FISCAL YEAR 2022/23 STREET RESTRIPING PROJECT – CAPITAL IMPROVEMENT PROJECT NUMBER 276

WHEREAS, City Staff prepared the plans, specifications, and estimates for the construction of the Fiscal Year (FY) 2022/23 Street Restriping Project – Capital Improvement Project (CIP) No. 276; and

WHEREAS, the plans, specifications and special provisions were publicly advertised for bidding, with the bid period closing at 2:00 P.M. on Monday, November 7, 2022; and

WHEREAS, two (2) bids were received prior to the close of the bidding process; and

WHEREAS, Centerline Striping Co., Inc. submitted the lowest responsible bid for a total cost of $20,850 for the work, and

WHEREAS, the Fiscal Year (FY) 2022/23 budget included $60,000 for the project in the 2012 Bond Benefit Fund; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Oakley that the Agreement with Centerline Striping Co., Inc. for the construction of FY 2022/23 Street Restriping Project - CIP 276, for an amount not to exceed $20,850 is approved, and the City Manager is hereby authorized to execute said Agreement. the City Manager is also hereby authorized to execute the change orders in an amount not to exceed $20,000 as necessary.

PASSED, APPROVED AND ADOPTED this 13th of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

_____
, Mayor

ATTEST:

_____ _____
Libby Vreonis, City Clerk Date

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager

Approved and Forwarded to the City Council

FROM: Kevin Rohani, P.E. Public Works Director/City Engineer

SUBJECT: Award of Construction Contract to Valentine Corporation for the construction of the Cypress Grove Subdivision Pump Station Building Project – Capital Improvement Project (CIP) Number 255

Background and Analysis

The City's adopted FY 2022/23 Capital Improvement Program Budget designates funding for various infrastructure repair and replacement projects. This is consistent with the City's goals to improve the quality of the City's public infrastructure and to enhance the quality of life for our residents.

The Cypress Grove Subdivision was constructed as part of a large residential neighborhood nearly 20 years ago by private developers along East Cypress Road surrounding Delta Vista Middle School and Iron House Elementary School.

The construction of this subdivision included a lake that is used for stormwater detention, stormwater pumps, an irrigation well, emergency generator, and a structure that houses the mechanical and electrical components. This structure only has half of a roof and does not fully cover the components that are inside, which are exposed to environmental elements. The mechanical and electrical components at this facility are very expensive to replace and with current exposure to environmental elements they will deteriorate at a faster rate and require replacement.

This project will be renovating this structure and constructing the full roof so it will cover all of the components inside and protect them from environmental elements and upgrade the mechanical components of this pump station to have a functional and modern facility for years to come.

Upon the completion of the project design and preparation of the bid documents, this project was publicly advertised for bidding purposes.

On December 1, 2022, one (1) bid was received for this project. Staff reviewed the bids and determined that Valentine Corporation was the lowest responsible entity and most responsive to the City's bid process.

It is anticipated that the construction of this project will start in early 2023.

Consistency with the Oakley Strategic Plan 27+
This item is consistent with the Strategic Plan 27+ Community Health and Safety goals.

Fiscal Impact
The FY 2022/23 budget has allocated $900,000 of funding from Cypress Grove Community Facility District (CFD) fund, to fully fund this construction project, including $100,000 for change orders, staff is proposing to amend the budget to add $500,000 from the Cypress Grove CFD Fund to CIP 255 for this project.

Staff Recommendation
Staff recommends that the City Council adopt the resolution approving the construction agreement with Valentine Corporation for an amount not to exceed $1,283,369 and authorizing the City Manager to execute the agreement.

Additionally, due to variables associated with construction projects, and to address unforeseen circumstances during construction; staff further recommends that the City Council authorize staff to execute future change orders to the construction contract as necessary in an amount not to exceed $100,000 for work beyond what is defined in the base project bid.

Staff is also recommending the approval of an amendment to the City of Oakley Fiscal Year 2022/2023 Budget to appropriate an additional $500,000 from the Cypress Grove CFD Fund to complete CIP 255.

Attachments
1) Resolution
2) Bid Summary

RESOLUTION NO. __-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY APPROVING AN AGREEMENT WITH VALENTINE CORPORATION FOR THE CONSTRUCTION OF CAPITAL IMPROVEMENT PROJECT (CIP) NUMBER 255 – CYPRESS GROVE SUBDIVISION PUMP STATION BUILDING PROJECT

WHEREAS, PACE prepared the plans, specifications, and estimates for CIP No. 255 – Cypress Grove Subdivision Pump Station Building Project; and

WHEREAS, the plans, specifications and special provisions were publicly advertised for bidding, with the bid period closing at 2:00 P.M. on Thursday, December 1, 2022; and

WHEREAS, one (1) bid was received prior to the close of the bidding process; and

WHEREAS, Valentine Corporation submitted the lowest responsible bid for a total cost of $1,283,369 for the work, the bid summary is attached as Exhibit A; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Oakley that the Agreement with Valentine Corporation for the Cypress Grove Subdivision Pump Station Building project – CIP 255, for an amount not to exceed $1,283,369, plus change orders in an amount not to exceed $100,000 as necessary are approved and the City Manager is hereby authorized to execute said Agreement. A $500,000 budget amendment to appropriate additional funds from the Cypress Grove CFD Fund for the completion of CIP No. 255 is hereby approved.

PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on the 13th of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

_____
, Mayor

ATTEST:

_____ _____
Libby Vreonis, City Clerk Date

City of Oakley Public Works Department
Cypress Grove Subdivision Pump Station Building Project, CIP 255
Certified Bid Tabulation Bid opening: December 1, 2022 at 2:00 P.M. at the Civic Center

				Engineers Estimate		Valentine Corporation P. O. Box 9337 San Rafael, CA 94912	
Item No.	*Description*	*Quantity*	*Unit*	*Unit Price*	*Item Cost*	*Unit Price*	*Item Cost*
1	Cypress Grove Subdivision Pump Station Building Project	1	LS	750,000.00	$750,000.00	$ 1,283,369.00	$1,283,369.00
					$750,000.00		**$ 1,283,369.00**

This certifies that all bids were received and opened on December 1, 2022, and that this is a copy of the bid tabulation with bids corrected for errors in addition and multiplication. By:



OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

Approved and Forwarded to the City Council

TO: Joshua McMurray, City Manager

FROM: Kevin Rohani, P.E., Public Works Director/City Engineer

SUBJECT: Accepting the Subdivision Improvements Associated with the Gilbert Property (Delaney Park) Phase 2A Subdivision 9474 Located at the southeast corner of Golden State Parkway and Darigold Way

---

Background and Analysis

On April 10, 2018, the City Council approved the final map for Gilbert Property Subdivision 9474 and the Subdivision Improvement Agreement with Contra Costa County Communities, LLC, a California Limited Liability Company, hereinafter referred to as the (Developer), to construct the necessary public infrastructure for this community.

The Developer has since completed all the required improvements for Foremost Drive (125 feet east of Stickney Drive to Golden State Parkway), Darigold Way (Foremost Drive to Golden State Parkway), Holstein Drive (Foremost Drive to Golden State Parkway), and Golden State Parkway (Stickney Drive to Foremost Drive). At this time, the Developer has requested that the city accept the improvements for maintenance. The Public Works and Engineering staff has completed a final inspection of all public improvements and has found them to be in substantial compliance with the approved plans.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Community Health and Safety section goal to provide safe streets.

Fiscal Impact

Upon acceptance of the improvements, the City will be obligated to maintain the Public Infrastructure. Preventative street maintenance for public roadway is currently funded using Gas Tax and the Street Maintenance and Rehab Fund. Storm drains, lighting, and landscaping are funded through the Community Facilities District (CFD 2015-2).

Staff Recommendation

Staff recommends that the City Council adopt the Resolution accepting the subdivision improvements associated with Gilbert Property (Delaney Park) Phase 2A Subdivision 9474 and for the City to begin the maintenance of the public infrastructure for this subdivision.

Attachments

1) Resolution
2) Exhibit

RESOLUTION NO. __-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY, CALIFORNIA, ACCEPTING THE SUBDIVISION IMPROVEMENTS ASSOCIATED WITH THE GILBERT PROPERTY (DELANEY PARK) PHASE 2A SUBDIVISION 9474 LOCATED AT THE SOUTHEAST CORNER OF GOLDEN STATE PARKWAY AND DARIGOLD WAY

WHEREAS, On April 10, 2018, the City Council approved the final map for Gilbert Property Subdivision 9474 and the Subdivision Improvement Agreement with Contra Costa County Communities, LLC, a California Limited Liability Company, hereinafter referred to as the (Developer), to construct the necessary public infrastructure for this community.

WHEREAS, the City of Oakley Public Works and Engineering staff has inspected the Subdivision Improvements and have determined the Developer has since completed all the required improvements Foremost Drive Foremost Drive (125 feet east of Stickney Drive to Golden State Parkway), Darigold Way (Foremost Drive to Golden State Parkway), Holstein Drive (Foremost Drive to Golden State Parkway), and Golden State Parkway (Stickney Drive to Foremost Drive). At this time, the Developer has requested that the City accept the remaining improvements for maintenance. The Public Works and Engineering staff has completed a final inspection of all public improvements and has found them to be in substantial compliance with the approved plans.

WHEREAS, staff recommends that the City Council adopt the Resolution accepting the subdivision improvements associated with Gilbert Property (Delaney Park) Phase 2A Subdivision 9474 and for the City to begin the maintenance of the public infrastructure for this subdivision.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the City Council of the City of Oakley as follows:

a) Accept the dedication for Foremost Drive (125 feet east of Stickney Drive to Golden State Parkway), Darigold Way (Foremost Drive to Golden State Parkway), Holstein Drive (Foremost Drive to Golden State Parkway), and Golden State Parkway (Stickney Drive to Foremost Drive) for public use as recorded in Subdivision 9474 in Map Book 536, Page 40, and

b) The roadway improvements for Foremost Drive (125 feet east of Stickney Drive to Golden State Parkway), Darigold Way (Foremost Drive to Golden State Parkway), Holstein Drive (Foremost Drive to Golden State Parkway), and Golden State Parkway (Stickney Drive to Foremost Drive) are accepted and begin the maintenance by the city, and

c) In accordance with the City Clerk's Statement on the Subdivision 9474 Final Map, this portion of the map related to these roads, avenues, drives, or easements and right of way dedications shown on the map as dedicated to public use are accepted.

PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on the 13th of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

_____

ATTEST: ,Mayor

_____ _____

Libby Vreonis, City Clerk Date



OAKLEY
CALIFORNIA

Vicinity Map
Delaney Park
Subdivision 9474 - Southport Brookfield Residential Neighborhood 3

0 0.02 0.04 0.09 Miles

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

Approved and Forwarded to the City Council

TO: Joshua McMurray, City Manager

FROM: Kevin Rohani, P.E., Public Works Director/City Engineer

SUBJECT: Accepting the remaining portion of the Subdivision Improvements Associated with the Gilbert Property (Delaney Park) Phase I Subdivision 9473 Located at the northeast corner of East Cypress Road and Delaney Parkway

Background and Analysis

On March 13, 2018, the City Council approved the final map for Gilbert Property Subdivision 9473 and the Subdivision Improvement Agreement with Contra Costa County Communities, LLC, a California Limited Liability Company, hereinafter referred to as the (Developer), to construct the necessary public infrastructure for this community.

On November 9, 2021, the City Council accepted the first portion of Gilbert Property Subdivision 9473.

The Developer has since completed all the required improvements for Shullsburg Way, Stickney Way (Foremost Drive to Delaney Parkway), and Foremost Drive (Shullsburg Way to 125' east of Stickney Way). At this time, the Developer has requested that the city accept the remaining improvements for maintenance. The Public Works and Engineering staff has completed a final inspection of all public improvements and has found them to be in substantial compliance with the approved plans.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Community Health and Safety section goal to provide safe streets.

Fiscal Impact

Upon acceptance of the improvements, the City will be obligated to maintain the Public Infrastructure. Preventative street maintenance for public roadway is currently funded using Gas Tax and the Street Maintenance and Rehab Fund. Storm drains, lighting, and landscaping are funded through the Community Facilities District (CFD 2015-2).

Staff Recommendation

Staff recommends that the City Council adopt the Resolution accepting the remaining subdivision improvements associated with Gilbert Property (Delaney Park) Phase 1 Subdivision 9473 and for the City to begin the maintenance of the public infrastructure for this subdivision.

Attachments

1) Resolution
2) Exhibit

RESOLUTION NO. __-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY, CALIFORNIA, ACCEPTING THE REMAINING PORTION OF THE SUBDIVISION IMPROVEMENTS ASSOCIATED WITH THE GILBERT PROPERTY (DELANEY PARK) PHASE 1 SUBDIVISION 9473 LOCATED AT THE NORTHEAST CORNER OF EAST CYPRESS ROAD AND DELANEY PARKWAY

WHEREAS, On March 13, 2018, the City Council approved the final map for Gilbert Property Subdivision 9473 and the Subdivision Improvement Agreement with Contra Costa County Communities, LLC, a California Limited Liability Company, hereinafter referred to as the (Developer), to construct the necessary public infrastructure for this community.

WHEREAS, on November 9, 2021, the City Council accepted the first portion of Gilbert Property Phase I Subdivision 9473.

WHEREAS, the City of Oakley Public Works and Engineering staff has inspected the Subdivision Improvements and have determined the Developer has since completed all of the required improvements for Shullsburg Way, Stickney Way (Foremost Drive to Delaney Parkway), and Foremost Drive (Shullsburg Way to 125' east of Stickney Way). At this time, the Developer has requested that the City accept the remaining improvements for maintenance. The Public Works and Engineering staff has completed a final inspection of all public improvements and has found them to be in substantial compliance with the approved plans.

WHEREAS, staff recommends that the City Council adopt the Resolution accepting the remaining subdivision improvements associated with Gilbert Property (Delaney Park) Phase 1 Subdivision 9473 and for the City to begin the maintenance of the public infrastructure for this subdivision.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the City Council of the City of Oakley as follows:

a) Accept the dedication for Shullsburg Way, Stickney Way (Foremost Drive to Delaney Parkway), and Foremost Drive (Shullsburg Way to 125' east of Stickney Way) for public use as recorded in Subdivision 9473 in Map Book 536, Page 1, and

b) The roadway improvements for Shullsburg Way, Stickney Way (Foremost Drive to Delaney Parkway), and Foremost Drive (Shullsburg Way to 125' east of Stickney Way) are accepted and begin the maintenance by the City, and

c) In accordance with the City Clerk's Statement on the Subdivision 9473 Final Map, this portion of the map related to these roads, avenues, drives, or easements and right of way dedications shown on the map as dedicated to public use are accepted.

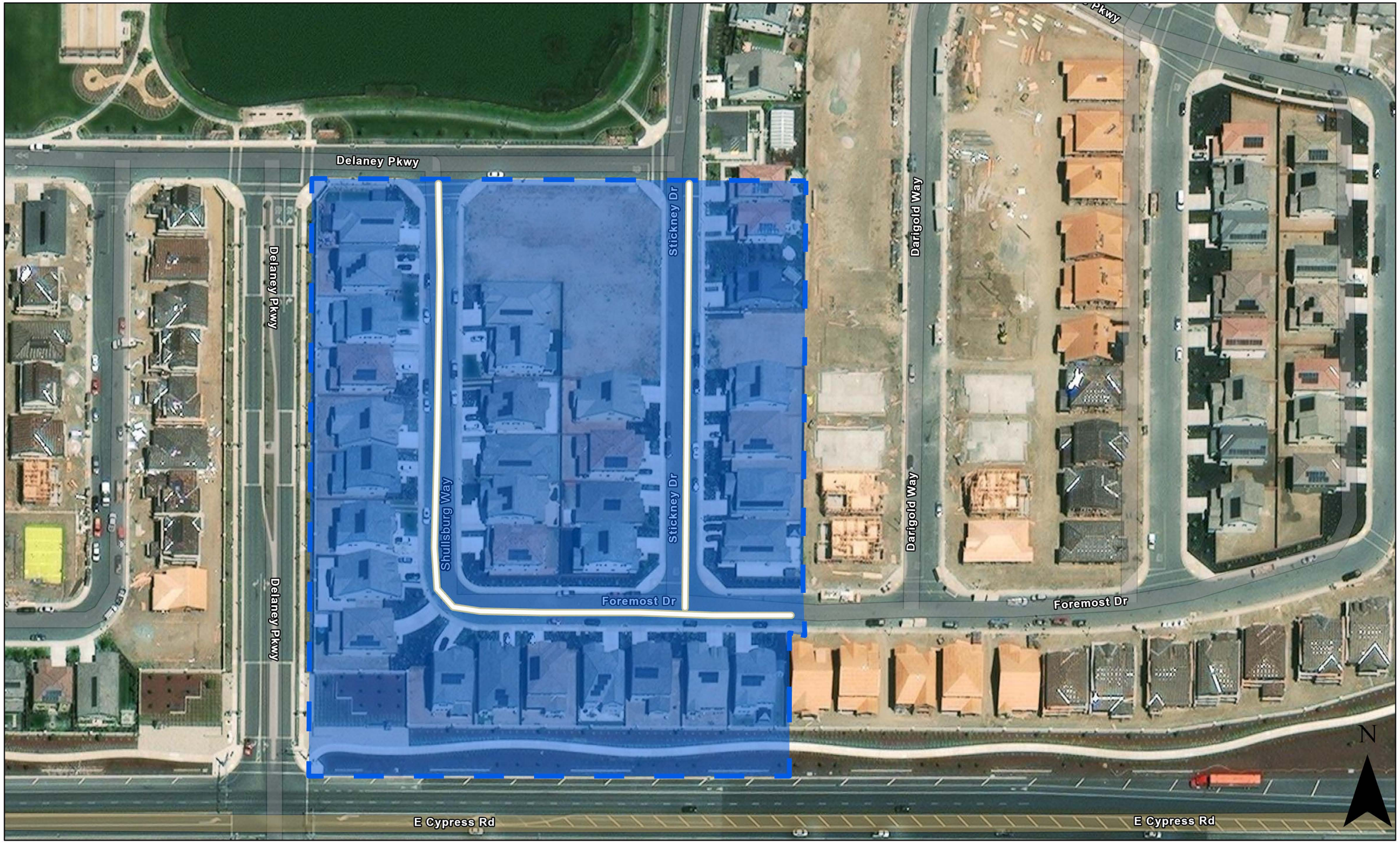
PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on the 13th of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

_____
ATTEST: , Mayor

_____ _____
Libby Vreonis, City Clerk Date



OAKLEY
CALIFORNIA

Vicinity Map
Delaney Park
Remaining Portion of Subdivision 9473 - Southport Brookfield Residential Neighborhood 3

0 0.01 0.03 0.06 Miles

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

Approved and Forwarded to the City Council

TO: Joshua McMurray, City Manager

FROM: Kevin Rohani, P.E., Public Works Director/City Engineer

SUBJECT: Accepting the remaining portion of the Subdivision Improvements Associated with the Gilbert Property (Delaney Park) Phase 2B Subdivision 9481 Located at the northeast corner of Sellers Avenue and Golden State Parkway

Background and Analysis

On May 8, 2018, the City Council approved the final map for Gilbert Property Subdivision 9481 and the Subdivision Improvement Agreement with Contra Costa County Communities, LLC, a California Limited Liability Company, hereinafter referred to as the (Developer), to construct the necessary public infrastructure for this community.

The Developer has since completed all the required improvements for Marathon Drive (Golden State Parkway to Belfonte Street), Belfonte Street, Dimock Street, Verifine Drive, Stickney Way (Golden State Parkway to Verifine Drive), Darigold Way (Golden State Parkway to Holstein Drive), and Holstein Drive (Golden State Parkway to Darigold Way). At this time, the Developer has requested that the city accept the remaining improvements for maintenance. The Public Works and Engineering staff has completed a final inspection of all public improvements and has found them to be in substantial compliance with the approved plans.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Community Health and Safety section goal to provide safe streets.

Fiscal Impact

Upon acceptance of the improvements, the City will be obligated to maintain the Public Infrastructure. Preventative street maintenance for public roadway is currently funded using Gas Tax and the Street Maintenance and Rehab Fund. Storm drains, lighting, and landscaping are funded through the Community Facilities District (CFD 2015-2).

Staff Recommendation

Staff recommends that the City Council adopt the Resolution accepting the remaining subdivision improvements associated with Gilbert Property (Delaney Park) Phase 2B Subdivision 9481 and for the City to begin the maintenance of the public infrastructure for this subdivision.

Attachments

1) Resolution
2) Exhibit

RESOLUTION NO. __-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY, CALIFORNIA, ACCEPTING THE REMAINING PORTION OF THE SUBDIVISION IMPROVEMENTS ASSOCIATED WITH THE GILBERT PROPERTY (DELANEY PARK) PHASE 2B SUBDIVISION 9481 LOCATED AT THE NORTHEAST CORNER OF SELLERS AVENUE AND GOLDEN STATE PARKWAY

WHEREAS, On May 8, 2018, the City Council approved the final map for Gilbert Property Subdivision 9481 and the Subdivision Improvement Agreement with Contra Costa County Communities, LLC, a California Limited Liability Company, hereinafter referred to as the (Developer), to construct the necessary public infrastructure for this community.

WHEREAS, the City of Oakley Public Works and Engineering staff has inspected the Subdivision Improvements and have determined the Developer has since completed all of the required improvements for Marathon Drive (Golden State Parkway to Belfonte Street), Belfonte Street, Dimock Street, Verifine Drive, Stickney Way (Golden State Parkway to Verifine Drive), Darigold Way (Golden State Parkway to Holstein Drive), and Holstein Drive (Golden State Parkway to Darigold Way). At this time, the Developer has requested that the city accept the remaining improvements for maintenance. The Public Works and Engineering staff has completed a final inspection of all public improvements and has found them to be in substantial compliance with the approved plans.

WHEREAS, staff recommends that the City Council adopt the Resolution accepting the remaining subdivision improvements associated with Gilbert Property (Delaney Park) Phase 2B Subdivision 9481 and for the City to begin the maintenance of the public infrastructure for this subdivision.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the City Council of the City of Oakley as follows:

a) Accept the dedication for Marathon Drive (Golden State Parkway to Belfonte Street), Belfonte Street, Dimock Street, Verifine Drive, Stickney Way (Golden State Parkway to Verifine Drive), Darigold Way (Golden State Parkway to Holstein Drive), and Holstein Drive (Golden State Parkway to Darigold Way) for public use as recorded in Subdivision 9481 in Map Book 538, Page 32, and

b) The roadway improvements for Marathon Drive (Golden State Parkway to Belfonte Street), Belfonte Street, Dimock Street, Verifine Drive, Stickney Way (Golden State Parkway to Verifine Drive), Darigold Way (Golden State Parkway to Holstein Drive), and

Holstein Drive (Golden State Parkway to Darigold Way) are accepted and begin the maintenance by the city, and

c) In accordance with the City Clerk's Statement on the Subdivision 9481 Final Map, this portion of the map related to these roads, avenues, drives, or easements and right of way dedications shown on the map as dedicated to public use are accepted.

PASSED AND ADOPTED by the City Council of the City of Oakley at a meeting held on the 13th of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

_____
ATTEST: ,Mayor

_____ _____
Libby Vreonis, City Clerk Date



OAKLEY
CALIFORNIA

Vicinity Map
Delaney Park
Subdivision 9481 - Middlefield Denova Homes Neighborhood I & Easton Brookfield Residential Neighborhood 2

0 0.03 0.06 0.12 Miles

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager

FROM: Tim Przybyla, Finance Director

SUBJECT: Development Impact Fee Five-Year Report

Background and Analysis

State law allows the City to charge fees to offset impacts associated with new development. Along with requirements related to the amount of the fees, nexus to impacts, and specifications for use of the fees, the Law requires that the City prepare annual and five year reports for each fee program. The annual report must include a fee schedule, beginning and ending fund balances, revenues, expenditures and project information. The five-year report must include information showing the fees are being spent timely and include supporting information about each program's projects that support making a number of required findings. Once prepared and made available to the Public, it must also be presented to the City Council. The attached report is the City's Five-Year Report for the period ending June 30, 2022, containing the prescribed information for each of the City's Impact Fee Programs.

The legal requirements for enactment of a development impact fee program are set forth in the California Government Code sections 66000-66025 (the "Mitigation Fee Act"), the bulk of which was adopted as 1987's Assembly Bill (AB) 1600 and thus are commonly referred to as "AB 1600 requirements". Each fiscal year the City publishes a Development Impact Fee Report meeting the requirements of both California Government Code Section 66006(b) and 66001(d). The law also requires the report to be made available to the public within 180 days of the close of a fiscal year and that it be presented to the City Council at the next regular meeting not less than 15 days after it is made available to the public. This report was made available to the public on November 28, 2022.

Fiscal Impact

None.

Staff Recommendation

Staff recommends that City Council approve the Resolution accepting the attached Report and making the required findings pursuant to Government Code Sections 66000 et seq.

Attachments

1. Resolution
2. Five-Year Report

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY ACCEPTING THE FIVE-YEAR DEVELOPMENT IMPACT FEE REPORT FOR THE PERIOD ENDING JUNE 30, 2022 AND MAKING REQUIRED FINDINGS AS REQUIRED BY GOVERNMENT CODE SECTIONS 66000 ET SEQ.

WHEREAS, in 1987 Assembly Bill 1600 (AB 1600) was adopted; and

WHEREAS, State Law allows Cities to establish development impact fees to mitigate the impacts of new development on growing communities; and

WHEREAS, the City of Oakley did, in 2003, adopt its existing development impact fee programs; and

WHEREAS, Sections 66000 et seq. of the California Government Code contains the provisions defining parameters of development impact fees, as well as reporting and maintenance requirements to ensure the ongoing appropriateness of the fees charged; and

WHEREAS, the attached Five-Year Report contains information that meets both the annual and five year reporting requirements described in the Code; and

WHEREAS, State Law also requires that every five years the Council make the following specific findings for each fee program related to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

a) Identify the purpose to which the fee is to be put;
b) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;
c) Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements identified in the program;
d) Designate the approximate dates on which the funding referred to in c) is expected to be deposited into the appropriate account or fund; and

WHEREAS, Staff recommends the City Council accept the attached report and incorporate it herein in order to make the required findings.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Oakley accepts the attached Five-Year Report, and makes the following required findings for each of the City's Development Impact Fee Programs, incorporating the information from the report into this resolution.

1. The report includes the stated purpose for each fee;

2. The report includes the amount of fees unexpended in each Fund at June 30, 2022 and sufficient detail regarding the expected use of the fees to demonstrate a reasonable relationship between the fee and the purpose for which it is charged;

3. The report includes the sources and amounts of funding anticipated to complete financing of incomplete improvements identified in each program;

4. The report was made available to the public on November 28, 2022, and within 180 day of the end of the fiscal year;

5. The report includes the approximate dates on which the funding is expected to be deposited into the appropriate account or fund to finance the incomplete improvements noted.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Oakley held on the 13th day of December 2022 and adopted by the following vote:

AYES:

NOES:

ABSTENTION:

ABSENT:

APPROVED:_____
MAYOR

ATTEST:

_____
Libby Vreonis, CITY CLERK

Five Year Report
Development Impact Fees
For the City of Oakley
For Fiscal Year Ending June 30, 2022

Development Impact fees are fees, other than a tax or special assessment, which is charged by a local government agency to an applicant in connection with approval of a development project. The purpose of these fees is to defray all or a portion of the cost of public infrastructure related to the development project.

The legal requirements for enactment of a development impact program are set forth in the California Government Code sections 66000-66025 (the "Mitigation Fee Act"), the bulk of which was adopted as 1987's Assembly Bill (AB) 1600 and thus are commonly referred to as "AB 1600 requirements." The annual report must be made available to the public no later than 180 days after the end of the fiscal year, and must be presented to the City Council at least fifteen days after it is made available to the public. The five year report must be made available to the public following the fifth year the fees are collected and each five years thereafter.

This report is the City's Five-Year Report for the period ended June 30, 2022.

This report includes all of the Annual Report required data, and data that supports the findings required by the Code for the five-year period. Below, and on the following pages you will find for each fee program:

1. A brief description of the program.

2. Beginning and ending balances for the year.

3. Amount of fees collected and the interest earned during the year.

4. Total Expenditures for the year.

5. A summary of fund balances and five year test.

6. A detailed list of current year disbursements by project, including the percentages funded by fees, including operating transfers.

7. Information listing the programs' projects expected to be funded with fees that have been collected but unspent, whether committed or not yet committed, including data from the City's most current Capital Improvement Plan.

8. A current schedule of fees.

The fee programs included in this report are the following:

Section A - Traffic Impact Fee Program

Section B - Park Impact Fee Program

Section C - Public Facilities Impact Fee Program

Section D - Fire Facilities Impact Fee Program

Program Descriptions

A. Traffic Impact Fee Program

The Traffic Impact Fee Program was established by the City on incorporation in 1999, and included separate Area of Benefit and Median Island Fees. In 2003, all of these programs were rolled up into a broader Traffic Impact Fee Program. The Program's stated purpose is to finance roadway improvements to reduce the impacts caused by future development in the City. The City accounts for the program in its Traffic Impact Fee Fund.

B. Park Impact Fee Program

In 2003, the City amended its existing Park Impact Fee Program. The stated purpose for the program is to acquire property and develop city parks to reduce the impacts caused by future development in the City. The City accounts for the program in its Park Impact Fee Fund.

C. Public Facilities Impact Fee Program

The Public Facilities Impact Fee Program was established by the City in 2003 to finance the acquisition, or design, engineering, construction and other costs related to the purchase or construction of the Civic Center, Community Center, and Corporation Yard detailed in the resolution establishing the fee. These facilities were identified as necessary to reduce the impacts caused by future development in the City. The City accounts for the program in its Public Facilities Impact Fee Fund.

D. Fire Facilities Impact Fee Program

The Fire Facilities Impact Fee Program was established by the City in 2003 to finance the acquisition, design, engineering, construction, upgrade and or other costs related to the improved fire facilities in Oakley and Knightsen. Specific projects were identified in the enabling legislation, although subject to revision by the City Council.

Attached Supporting Documentation

The pages following include the supporting documentation required to meet the annual program reporting requirements and to support the Council's ability to make the findings they are required to make for each program as part of this five year report.

The City's Capital Improvement Plan (CIP) is updated annually and provides a longer-term view of the City's plan for public improvements. The Fee Program revenues are budgeted and allocated through the annual CIP and City Budget process. References to CIP project numbers in the attachments have been provided where they are part of the adopted CIP.

TRAFFIC IMPACT FEES

Section A Summary of Annual Activity

Fund Balance 06/30/21	Fee Income 21/22	Interest & Misc Inc 21/22	Expenditures 21/22	Fund Balance 06/30/22	
$ 9,070,544	4,538,726	(209,322)	1,100,760	$ 12,299,189	***

*** Above includes $593,523 in deferred impact fees receivable from the Successor Agency to the Oakley Redevelopment Agency for a prior housing project. The balance is due on or before December 2063 at variable interest rate.

Section B Summary of Fund Balance

Five Year Revenue Test
Using First In First Out Method

Unspent Funds Representing Ending Fund Balance:	Amount
Revenues Collected from FY 17/18	-
Revenues Collected from FY 18/19	-
Revenues Collected from FY 19/20	1,969,098
Revenues Collected from FY 20/21	6,000,687
Revenues Collected from FY 21/22	4,329,404
Deferred Impact Fees Receivable	(593,523)
Total Ending Fund Balance	$ 11,705,666

Section C Summary of Expenditures

Expenditure Detail:	CIP #	% Complete	% Funded by Fee	Expenditures 21/22	Future Traffic Fee Appropriations 22/23 - 26/27	Future Add'l Appropriations & Other Funding Sources 22/23 - 26/27	Future Funding & Construction
Administrative & Operating Expenditures			100%	$ 242,601			
Downtown Train Platform	205	1%	9%	10,088	685,880	7,327,733	8,013,613
E. Cypress - Knightson Av Intersection Signal	247	7%	95%	466,090	8,301,157	450,000	8,751,157
FY21-22 Traffic Signal Modernization	262	100%	100%	202,458	-		0
O'Hara AV/Carpenter RD Intersection IMP	263	1%	100%	3,086	347,730		347,730
Main ST/Cypress RD Intersection IMP	264	100%	100%	120,021	-		0
Main ST/Delta Intersection IMP	268	0%	100%	-	200,000		200,000
Main ST/Brownstone Intersection IMP	269	0%	100%	-	200,000		200,000
Hall St. Expansion	270	5%	100%	3,455	75,000		75,000
Laurel RD Extension (Teton-Sellers)	273	88%	100%	52,963	311,106		311,106
FY22-23 Traffic Signal Modernization	278	0%	100%	-	244,740		244,740
Laurel RD Extension (Cloverbrook-O'Hara)	280	0%	100%	-	2,500,000		2,500,000
Bethel Island RD(Rock SLO Bridge-Delat)	285	0%	50%	-	400,000	400,000	800,000
				$ 1,100,760	$ 13,265,613	$ 8,177,733	$ 21,443,346

PARK IMPACT FEES

Section A Summary of Annual Activity

Fund Balance 06/30/21	Fee Income 21/22	Interest & Misc Inc 21/22	Expenditures 21/22	Fund Balance 06/30/22	
$ 3,477,720	2,696,628	(108,171)	159,812	$ 5,906,365	***

*** Above includes $440,038 in deferred impact fees receivable from the Successor Agency to the Oakley Redevelopment Agency for a prior housing project. The balance is due on or before December 2063 at variable interest rate.

Section B Summary of Fund Balance

Five Year Revenue Test
Using First In First Out Method

Unspent Funds Representing Ending Fund Balance:	Amount
Revenues Collected from FY 17/18	-
Revenues Collected from FY 18/19	-
Revenues Collected from FY 19/20	-
Revenues Collected from FY 20/21	3,317,908
Revenues Collected from FY 21/22	2,588,457
Deferred Impact Fees Receivable	(440,038)
Total Ending Fund Balance	$ 5,466,327

Section C Summary of Expenditures

Expenditure Detail:	CIP #	% Complete	% Funded by Fee	Expenditures 21/22	Future Park Fee Appropriations 22/23 - 26/27	Future Additional Appropriations & Other Funding Sources	Future Funding & Construction
Administrative Fees & Expenses			100%	90,373	TBD		
Oakley Regional Community Park	176	0%	100%	-	3,000,000		3,000,000
Holly Creek Restroom Construction	248	10%	100%	28,849	378,009		378,009
Civic Center Park Renovation	254	100%	100%	40,590	-		-
Irrigation Well Install-Fredom Basin	265	0%	50%	-	200,000	200,000	400,000
Enrico Cinquinin Park Construction	281	0%	100%	-	3,500,000		3,500,000
Holly creek Park Playground Resurfacing	284	0%	100%	-	403,000		403,000
Koda Dog Park Shade Structure	287	0%	100%	-	150,000		150,000
				$ 159,812	$ 7,631,009	$ 200,000	$ 7,831,009

PUBLIC FACILITIES IMPACT FEES

Section A Summary of Annual Activity

Fund Balance 6/30/2021	Fee Income 21/22	Interest & Misc Inc 21/22	Expenditures 21/22	Fund Balance 06/30/22	
$ 2,572,742	1,708,671	(66,629)	728,911	$ 3,485,873	***

***

Above includes $140,847 in deferred impact fees receivable from the Successor Agency to the Oakley Redevelopment Agency for a prior housing project. The balance is due on or before December 2063 at variable interest rate.

Section B Summary of Fund Balance

Five Year Revenue Test
Using First In First Out Method

Unspent Funds Representing Ending Fund Balance:	Amount
Revenues Collected from FY 17/18	-
Revenues Collected from FY 18/19	-
Revenues Collected from FY 19/20	-
Revenues Collected from FY 20/21	1,843,831
Revenues Collected from FY 21/22	1,642,042
Deferred Impact Fees Receivable	(140,847)
Total Ending Fund Balance	$ 3,345,026

Section C Summary of Expenditures

Expenditure Detail:	CIP #	% Complete	% Funded by Fee	Expenditures 21/22	Future Public Fac. Fee Appropriations 22/23 - 26/27	Future Additional Appropriations & Other Funding Sources	Future Funding & Construction
Administrative Fees			100%	$ 57,541	TBD		
Transfer to Fund 351 2006 COP Debt Service Fund			100%	671,370	$3,344,845		
				$ 728,911	$ 3,344,845		

FIRE PROTECTION FACILITIES IMPACT FEES

Section A Summary of Annual Activity

Fund Balance 6/30/2021	Fee Income 21/22	Interest & Misc Inc 21/22	Expenditures 21/22	Fund Balance 6/30/2022	
$ -	657,361	1,175	658,536	$ -	*

Section B Summary of Fund Balance

Five Year Revenue Test
Using First In First Out Method

Unspent Funds Representing Ending Fund Balance:	Amount
Revenues Collected from FY 17/18	-
Revenues Collected from FY 18/19	-
Revenues Collected from FY 19/20	-
Revenues Collected from FY 20/21	-
Revenues Collected from FY 21/22	-
Total Ending Fund Balance	$ -

* The conditions of approval for the Summerlake Subdivision had required the developer of the Summerlake Subdivision to construct a new Fire Station on East Cypress Road across from this subdivision. This task had been delayed for several years, and finally in 2017 a settlement was reached. A contractor and architect was hired by the City for the design and build of this new Fire Station. The project completed in FY 2020. The City entered into a Cooperative agreement with the District and impact fees will be remitted as they become available for the additional costs of Station 55 that were requested by the District. In FY 2021 an agreement was made with the Fire District that all Fire Impact Fees will be collected by the district at permit issuance. The City is no longer collecting this fee but will continue to do the reporting.

Section C Summary of Expenditures

Expenditure Detail:	CIP #	% Complete	% Funded by Fee	Expenditures 21/22	Future Fire Fac. Fee Appropriations 22/23 - 26/27	Future Additional Appropriations & Other Funding Sources	Future Funding & Construction
Administrative Fees			100%	$ 1,175	$ -		
Co-Op Agreement with District for Station 55				$657,361	$337,780		
				$ 658,536	$ 337,780		

FY 22-23

Impact Fees by Land Use Category (fees are subject to change)
Effective July 1, 2022

Fee Type	Single Family (per unit)	Multi-Family (per unit)	Accessory Dwelling Unit ("ADU")	Commercial (per 1,000 sf,)***	Commercial Recreation (per 1,000 sf.)***	Business Park (per 1,000 sf.)***	Light Industrial (per 1,000 sf.)***	Utility Energy (per 1,000 sf.)***	Other (as noted)
Oakley Traffic	$14,586.57	$8,898.11	$4,182.11	$2,567.24	$3,442.31	$5,892.61	$3,442.31	$3,442.31	$13,399.20 (per peak hour trip)
RTDIM (Regional Traffic)	$22,703.79	$13,936.99	$6,550.39	$2,222.00	$2,222.00	$1,929.10	$1,929.10	$1,929.10	$26,709.45 (per peak hour trip)
Park Acquisition	$1,073.91	$701.85	$329.87	$0	$0	$0	$0	$0	
Park Improvement	$9,331.78	$6,097.97	$2,866.05	$0	$0	$0	$0	$0	
Public Facilities	$3,839.19	$2,513.96	$1,181.56	$566.95	$453.18	$1,132.03	$481.16	$481.16	
General Plan*	See "other"	See "other"	Not charged	See "other"	See "other"	See "other"	See "other"	See "other"	$300.00 (per gross acre)
South Oakley Infrastructure Plan**	See "other"	See "other"	Not charged	See "other"	See "other"	See "other"	See "other"	See "other"	$352.00 (per gross acre)
Total	$51,535.24	$32,148.88	$15,109.98	$5,356.19	$6,117.49	$8,953.74	$5,852.57	$5,852.57	

*The General Plan fee is collected to reimburse the City for the costs associated with preparing and adopting the City's General Plan.
**The SOIMP fee is collected to reimburse the City for the costs associated with preparing and adopting the SOIMP.
***Oakley Traffic, Park Acquisition and Park Facilities fees all subject to fee reductions set to sunset January 1, 2023

Additional fees may be required by outside agencies, such as sewer, water, school impact, and drainage fees. You are encouraged to contact the applicable agency to inquire about fee amounts. Some outside agency fees may be collected by the City and transferred to the applicable agency. For more information, see below:

- Contact Ironhouse Sanitary District at (925) 625-2279 for sewer connection fees.
- Contact Diablo Water District at (925) 625-3798 for water service hook-up fees.
- Contact Contra Costa County Flood Control and Water Conservation District at (925) 313-2000 for drainage impact fees.
- Contact Oakley Union Elementary School District at (925) 625-0700 for school impact fees for all parcels east of Empire Avenue.
- Contact Liberty Union High School District at (925) 634-2166 for school impact fees for all parcels east of Empire Avenue.
- Contact Antioch Unified School District at (925) 706-4100 for school impact fees for all parcels west of Empire Avenue.
- Contact Contra Costa Environmental Health at (925) 692-2500 for information on wells or septic systems.
- Contact Contra Costa County Fire Protection District at (925) 941-3300 for related impact fees.

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager *Approved and Forwarded to the City Council*

FROM: Kevin Rohani, P.E., Public Works Director/City Engineer

SUBJECT: Ratify Election: Adopt Ordinance No. 16-22 Authorizing the Levy of a Special Tax on Parcels of Land within Tax Area Zone 186 within the Oakley Special Police Tax Area for Police Protection Services for the Summer Lake North project

---

Background and Analysis

The property located north of East Cypress Road, east of Bethel Island Road, and south and west of Sandmound Boulevard known as Summer Lake North (the "Project") is within Planning Area 2 of the East Cypress Corridor Specific Plan. The Project is expected to be comprised of 817 single-family residential units at build-out.

The Conditions of Approval for the Project require the property owner to mitigate the financial impact that their project has on the City's police services budget. The City of Oakley previously formed the Oakley Special Police Tax Area District that authorizes the levy of an annual special tax on parcels to mitigate their financial impact to the City's police services budget. The property owner for the Project has requested that the City assist with annexing the project into the Oakley Special Police Tax Area to satisfy their Conditions of Approval.

On October 11, 2022, the City Council introduced Ordinance No. 16-22 which would authorize a special tax for police services within Zone 186 subject to property owner voter approval. On November 14, 2022, the City Clerk conducted the property owner election. There was one (1) ballot issued to the property owner representing Summer Lake North. The City Clerk tabulated the property owner ballot and the property owner was in favor of annexing into the Oakley Special Police Tax Area as Zone 186.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Park and Open Space and Finance and Fiscal Responsibility section goals.

Fiscal Impact

There will be no financial impact to the City's General Fund. The applicant has funded all costs associated with the annexation of Zone 186 to the Oakley Special Police Tax Area. The FY 2022-23 special tax rate for Single Family Residence (1 res., 1 site) parcels is $1,230.73/parcel. (FY 2022-23 rates). Therefore, successful creation of the Zone is expected to provide up to $1,005,506.41 (in FY 2022-23 dollars) in revenue annually at build-out. The taxes can be collected on the property tax rolls commencing in FY 2023-24.

Recommended Action

Staff recommends that the City Council ratify the election and adopt Ordinance No. 16-22 authorizing the levy of a special tax on parcels of land within Tax Area Zone 186 within the Oakley Special Police Tax Area for Police Protection Services for the Summer Lake North project located north of East Cypress Road, east of Bethel Island Road, and south and west of Sandmound Boulevard.

Attachments

1) One (1) Signed Ballot
2) Ordinance No. 16-22
    a. Exhibit A – Boundary Map for Police Tax Area Zone 186
    b. Exhibit B – Tax Rate Schedule for Fiscal Year 2022-23

SPECIAL POLICE TAX AREA BALLOT
CREATING ZONE 186 FOR THE SUMMER LAKE NORTH PROJECT
LOCATED ON THE NORTHEAST CORNER OF THE INTERSECTION OF BETHEL ISLAND ROAD AND EAST CYPRESS ROAD

Parcel Description:	Assessor Parcel Numbers and portions thereof as described in Exhibit A of Ordinance No. 16-22 of the City Council of the City of Oakley
Record Owner:	Civic Summer Lake North, LLC
Address:	East Cypress Road

Shall Ordinance No. 16-22 of the City Council of the City of Oakley be approved so as to authorize a special tax on property located in Zone 186 of the Oakley Special Police Tax Area to maintain the present level of police protection service and provide additional funding for increased police protection service? The initial annual special tax rate for County use code 11 (Apartments (Single Family Residence – 1 res., 1 site) is $1,230.73 per parcel and $615.37 per vacant parcel per the current FY 2022-23 rate schedule. I also acknowledge that the tax rate can be adjusted annually as described in Ordinance No. 16-22.

✓ Yes, Ordinance No. 16-22 shall be approved.

_____ No, Ordinance No. 16-22 shall not be approved.

Signature of Authorized Representative for CIVIC SUMMER LAKE NORTH, LLC

RYAN PARLETT
Printed Name

AUTHORIZED SIGNER
Title

CITY OF OAKLEY

ORDINANCE NO. 16-22

AN ORDINANCE OF THE CITY OF OAKLEY ESTABLISHING OAKLEY SPECIAL POLICE TAX AREA ZONE 186 WITHIN THE OAKLEY SPECIAL POLICE TAX AREA FOR A SPECIAL TAX FOR POLICE PROTECTION SERVICES FOR THE SUMMER LAKE NORTH PROJECT LOCATED ON THE NORTHEAST CORNER OF THE INTERSECTION OF BETHEL ISLAND ROAD AND EAST CYPRESS ROAD

The Voters of the City of Oakley do ordain as follows:

Section 1. Purpose, Intent and Authority.

It is the purpose and intent of this Ordinance to authorize the levy of a special tax on real property that is within Oakley Special Police Tax Area Zone 186 of the Oakley Special Police Tax Area as shown on the Exhibit A map attached hereto in order to provide funding for police protection to serve the property and persons within said Zone.

This Tax is a special tax within the meaning of Section 4 of the Article XIIIA of the California Constitution. Because the burden of this tax falls upon property, this tax also is a property tax, but this tax is not determined according to nor in any manner based upon the value of property; this tax is levied on a parcel and use of property basis. Insofar as not inconsistent with this Ordinance or with legislation authorizing special taxes and insofar as applicable to a property tax that is not based on value, such provisions of the California Revenue and Taxation Code and of Article XIII of the California Constitution as relate to ad valorem property taxes are intended to apply to the collection and administration of this tax (Section 4 of this Ordinance), as authorized by law.

The revenues raised by this tax are to be used solely for the purposes of obtaining, furnishing, operating, and maintaining police protection equipment or apparatus, for paying the salaries and benefits of police protection personnel, and for such other police protection service expenses as are deemed necessary for the benefit of the residents of Zone 186.

This Ordinance is enacted pursuant to the authority of Government Code Section 53978.

Section 2. Definitions.

The following definitions shall apply throughout this Ordinance.

A. "Constant first year dollars" shall mean an actual dollar amount which, in years subsequent to the first fiscal year the tax is levied, shall have the same purchasing price as the base amount in first fiscal year dollars as measured by the actual cost of services

for the City of Oakley's cost of obtaining police services. The base amount shall be the amount of tax per parcel as specified in Section 3.A herein. The adjustments from actual to constant dollars shall be made by use of the actual cost of services, as specified in Section 3.B herein.

B. "Fiscal year" means the period of July 1 through the following June 30.

C. "Oakley Special Police Tax Area" includes all properties within the jurisdictional limits of the City of Oakley.

D. Oakley Special Police Tax Area Zone 186 (hereinafter called "Zone") means that portion of the incorporated area of the City of Oakley located within the boundaries as shown on the map Exhibit A hereto.

E. "Parcel" means the land and any improvements thereon, designated by an assessor's parcel map and parcel number and carried on the secured property tax roll of Contra Costa County. For the purposes of this Ordinance, parcel does not include any land or improvements outside the boundaries of Zone 186, nor any land or improvements owned by any governmental entity.

F. Pursuant to Government Code §53978, "voter" means a person owning real property within the Zone at the time this Ordinance was adopted, as shown on the last equalized assessment role prepared by the Contra Costa County Assessor's Office.

Section 3. Amount and Level of Taxes.

The tax per year on each parcel in the Zone shall not exceed the amount applicable to the parcel, as specified below.

A. For First Fiscal Year:

The tax per year for the first fiscal year (July 1, 2022 through June 30, 2023) shall be the amount of Tax Per Parcel for a Property Use Code Category as set forth on Exhibit B hereto. If any new development, including new residential units, is completed prior to the tax being effective for the first fiscal year, the owner of the Parcel, as shown on the latest assessment roll, shall pay the tax for the remainder of such fiscal year on a pro-rated basis to the City, no later than receipt of Certificate of Occupancy or final building permit inspection.

B. For Subsequent Fiscal Year:

The tax rates shown in Exhibit B shall be automatically adjusted on July 1 of each year, beginning on July 1, 2023, by the increase in the Consumer Price Index for all Urban Consumers for the San Francisco-Oakland Bay Area and applying that rate to the prior year amounts for each property use code category. However, the City Council reserves the right to itself the opportunity to adjust the rate in the following year if the CPI adjustment is insufficient to reimburse the City for the costs of providing levels of police services as approved by the City Council.

In no event shall the tax per parcel for any fiscal year be less than the amount established for the previous fiscal year.

C. The taxes levied on each parcel pursuant to this Article shall be a charge upon the parcel and shall be due and collectible as set forth in Section 4, below.

Section 4. Collection and Administration.

A. Taxes as Liens Against the Property.

The amount of taxes for each parcel each year shall constitute a lien on such property, in accordance with Revenue and Taxation Code Section 2187, and shall have the same effect as an ad valorem real property tax lien until fully paid.

B. Collection.

The taxes on each parcel shall be billed on the secured roll tax bills for ad valorem property taxes and are to be collected in the same manner in which the County of Contra Costa collects secured roll ad valorem property taxes. Insofar as feasible and insofar as not inconsistent with this Ordinance, the times and procedure regarding exceptions, due dates, installment payments, corrections, cancellations, refunds, late payments, penalties, liens, and collections for secured roll ad valorem property taxes shall be applicable to the collection of this tax. Notwithstanding anything to the contrary in the foregoing, as to this tax:

i) The secured roll tax bills shall be the only notices required for this tax, and
ii) The homeowners and veterans exemptions shall not be applicable because such exemptions are determined by dollar amount of value.

C. Costs of Administration by County.

The reasonable costs incurred by the County officers collecting and administering this tax shall be deducted from the collected taxes.

Section 5. Severability Clause.

If any article, section, subsection, sentence, phrase or clause of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The voters of the Zone hereby declare that they would have adopted the remainder of this Ordinance, including each article, section, subsection, sentenced phrase or clause, irrespective of the invalidity of any other article, section, subsection, sentence, phrase or clause.

Section 6. Effective Date and Posting.

This Ordinance shall take effect immediately upon its confirmation by two-thirds of the voters voting within the Zone in an election to be held on November 14, 2022 so that taxes shall first be collected hereunder for the tax year beginning July 1, 2023. If not confirmed by two-thirds of the voters participating in the election, this Ordinance and the tax approved herein shall not become effective.

The foregoing ordinance was adopted with the reading waived at a regular meeting of the Oakley City Council on December 13, 2022, by the following vote:

AYES:
NOES:
ABSTENTION:
ABSENT:

APPROVED:

_____
, Mayor

ATTEST:

_____
Libby Vreonis, City Clerk

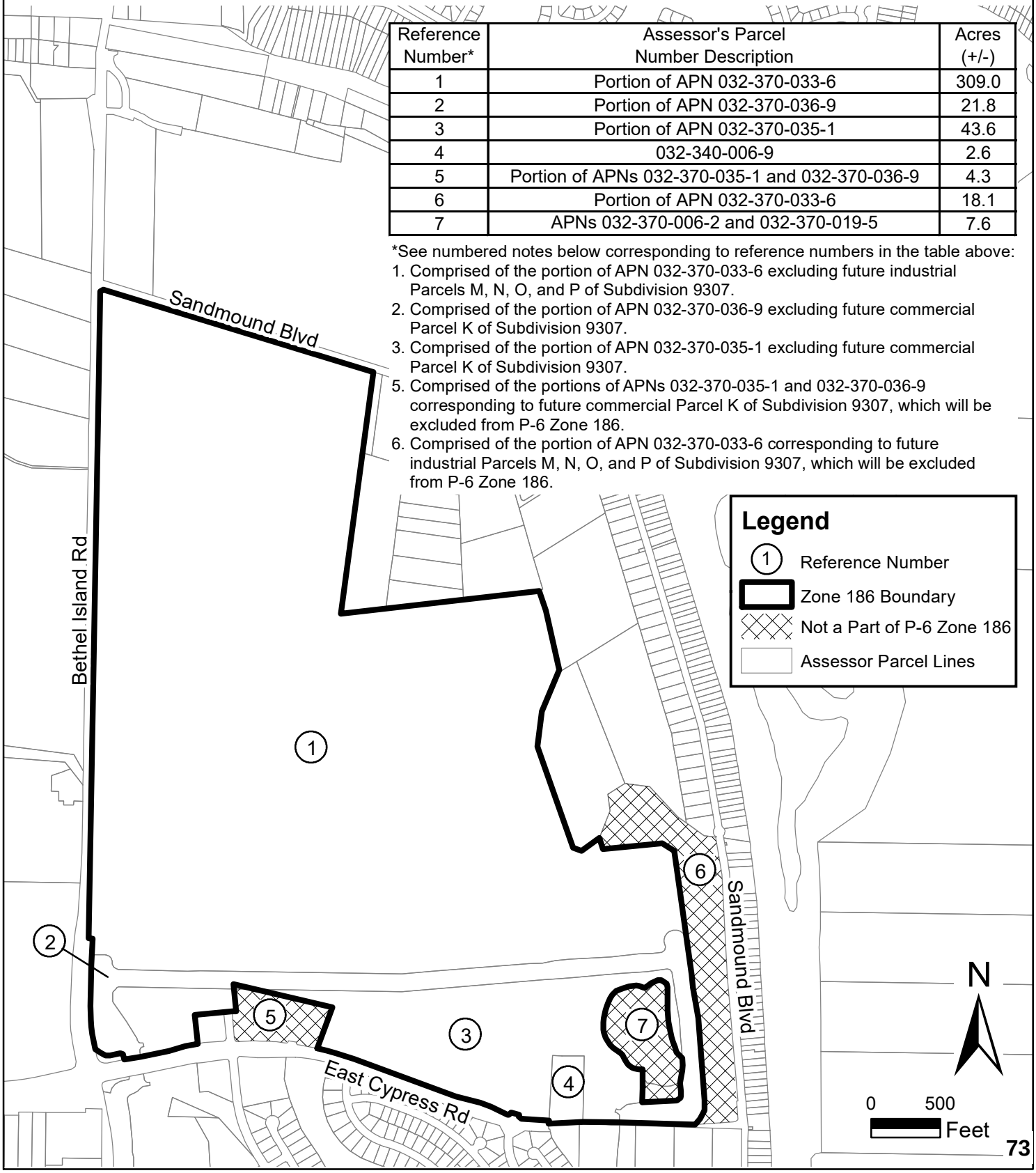
_____
Date

EXHIBIT A - BOUNDARY MAP
CITY OF OAKLEY SPECIAL POLICE TAX AREA (P-6) ZONE 186
CITY OF OAKLEY
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA
SUMMER LAKE NORTH

Reference Number*	Assessor's Parcel Number Description	Acres (+/-)
1	Portion of APN 032-370-033-6	309.0
2	Portion of APN 032-370-036-9	21.8
3	Portion of APN 032-370-035-1	43.6
4	032-340-006-9	2.6
5	Portion of APNs 032-370-035-1 and 032-370-036-9	4.3
6	Portion of APN 032-370-033-6	18.1
7	APNs 032-370-006-2 and 032-370-019-5	7.6

*See numbered notes below corresponding to reference numbers in the table above:

1. Comprised of the portion of APN 032-370-033-6 excluding future industrial Parcels M, N, O, and P of Subdivision 9307.
2. Comprised of the portion of APN 032-370-036-9 excluding future commercial Parcel K of Subdivision 9307.
3. Comprised of the portion of APN 032-370-035-1 excluding future commercial Parcel K of Subdivision 9307.
5. Comprised of the portions of APNs 032-370-035-1 and 032-370-036-9 corresponding to future commercial Parcel K of Subdivision 9307, which will be excluded from P-6 Zone 186.
6. Comprised of the portion of APN 032-370-033-6 corresponding to future industrial Parcels M, N, O, and P of Subdivision 9307, which will be excluded from P-6 Zone 186.



CITY OF OAKLEY SCHEDULE FOR POLICE SERVICE TAX
FOR FISCAL YEAR 2022/2023

PROPERTY USE CODE CATEGORY	DESCRIPTION	FY21/22 TAX PER PARCEL	FY22/23 TAX PER PARCEL
11	Single Family Residence – 1res., 1 site	$1,172.12	$1,230.73
12	Single Family Residence – 1 res., 2 or more sites	$1,172.12	$1,230.73
13	Single Family Residence – 2 res., on 1 or more sites	$1,875.39	$1,969.17
14	Single Family Residence – other than single fam. Land	$1,172.12	$1,230.73
15	Misc. Improvements – 1 site	$1,172.12	$1,230.73
16	Misc. Improvements – 2 or more sites	$1,172.12	$1,230.73
17	Vacant – 1 site	$586.06	$615.37
18	Vacant – 2 or more sites	$586.06	$615.37
19	Single Family Residence – Det. W/common area	$1,172.12	$1,230.73
20	Vacant – Multiple	$586.06	$615.37
21	Duplex	$1,875.39	$1,969.17
22	Triplex	$2,813.09	$2,953.75
23	Fourplex	$3,750.78	$3,938.34
24	Combinations	$1,172.12	$1,230.73
25	Apartments (5 –12 Units)	$4,688.48	$4,922.92
26	Apartments (13 – 24 Units)	$12,190.05	$12,799.59
27	Apartments (25 – 59 Units)	$23,442.40	$24,614.60
28	Apartments (60+ units)	$56,261.76	$59,075.04
29	Attached PUDs: Cluster Homes, Condos, etc.	$1,172.12	$1,230.73
30	Vacant – Commercial	$586.06	$615.37
31	Commercial Stores – Not Supermarkets	$2,344.24	$2,461.46
32	Small Grocery Stores – (7-11, etc.)	$3,516.36	$3,692.19
33	Office Buildings	$2,344.24	$2,461.46
34	Medical, Dental	$2,344.24	$2,461.46
35	Service Stations, Car Wash	$2,344.24	$2,461.46
36	Garages	$2,344.24	$2,461.46
37	Community Facilities (Recreational, etc.)	$4,688.48	$4,922.92
38	Golf Courses	$2,344.24	$2,461.46
39	Bowling Alleys	$1,172.12	$1,230.73
40	Boat Harbors	$2,930.30	$3,076.83
41	Supermarkets – (not shopping centers)	$3,516.36	$3,692.19
42	Shopping Centers	$4,688.48	$4,922.92
43	Financial Buildings – (Ins., Title, Banks, S&L)	$1,172.12	$1,230.73
44	Motels, Hotels & Mobile Home Parks	$5,860.60	$6,153.65
45	Theaters	$2,637.27	$2,769.14
46	Drive-in Restaurants	$1,758.18	$1,846.10
47	Restaurants	$1,758.18	$1,846.10
48	Multiple & Commercial	$1,758.18	$1,846.10
49	New Car Agencies	$1,758.18	$1,846.10
50	Vacant Land (not part of Ind. Park or P. & D.)	$439.55	$461.52
51	Industrial Park	$3,516.36	$3,692.19
52	Research & Development	$1,758.18	$1,846.10
53	Light Industrial	$1,758.18	$1,846.10
54	Heavy Industrial	$1,758.18	$1,846.10
55	Mini Warehouses (public storage)	$3,516.36	$3,692.19
56	Misc. Improvements	$3,516.36	$3,692.19
61	Rural, Res., Improvement 1A-10A	$879.09	$923.05
62	Rural, w/or w/o structure 1A-10A	$879.09	$923.05
70	Convalescent Hospitals / Rest Homes	$1,758.18	$1,846.10
73	Hospitals	$1,758.18	$1,846.10
74	Cemeteries / Mortuaries	$1,758.18	$1,846.10
75	Fraternal & Service Organizations	$1,758.18	$1,846.10
76	Retirement Housing Complex	$5,860.60	$6,153.65
78	Parks & Playgrounds	$3,516.36	$3,692.19
85	Public & Private Parking	$1,758.18	$1,846.10
87	Common Area	$1,758.18	$1,846.10
88	Mobile Homes	$879.09	$923.05
89	Other (split parcels in different tax code areas)	$879.09	$923.05
99	Homeowner's Association Owned Common Areas	$703.27	$738.44

The tax rates shown in this schedule shall be automatically adjusted on July 1 of each year, beginning on July 1, 2016 by the increase in the Consumer Price Index for all Urban Consumers for the San Francisco-Oakland-Bay Area and applying that rate to the prior year amounts for each property use code category. However, the City Council reserves the right to itself the opportunity to adjust the rate in the following year if the CPI adjustment is insufficient to reimburse the City for the costs of providing levels of police services as approved by the City Council.

CALCULATION OF COST OF LIVING INCREASE	
Percent increase from FY 2021-22 in the San Francisco-Oakland-Bay Area Consumer Price Index for all Urban Consumers.	5.00%

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager

Approved and Forwarded to the City Council

FROM: Kevin Rohani, P.E., Public Works Director/City Engineer

SUBJECT: Authorizing application for an exemption to the Metropolitan Transportation Commission (MTC) to designate the Contra Costa County Countywide Bicycle Advisory Committee as the City's representative for the review of projects seeking and utilizing Transportation Development Act (TDA) Article 3 funds

---

Background and Analysis

TDA Article 3 grant program was formed under the Public Utilities Code Section 99200, the purpose of which is to fund projects for the benefit of bicyclists and pedestrians in California. Each year MTC informs municipalities of the TDA Article 3 grant and invites all interested agencies to apply for this grant. Eligible projects can include pedestrian and bicycle safety improvements and development of bicycle safety education programs. The main objective of the TDA Article 3 grant program is to increase the safety and efficiency of pedestrian and bicycle movements and encourage alternative modes of transportation.

MTC requires that each municipality to have a Bicycle Advisory Committee (BAC) to review and prioritize TDA Article 3 projects and to participate in the development and review of comprehensive bicycle plans. However, not every agency has the local resources to form and manage its own BAC. MTC is allowing local agencies to apply for an exemption from the TDA Article 3 BAC requirement if the local agency identifies a countywide BAC as its representative for the review of all TDA Article 3 funded projects.

Each of the members of the Contra Costa County Board of Supervisors have appointed a representative to the BAC, who in turn represent the municipalities within each district. As the City of Oakley falls within County Supervisorial District 3, the County BAC representing District 3 can provide adequate representation of the City of Oakley on the County BAC, for reviewing the City's submitted TDA Article 3 grant application; thus, allowing the County BAC to serve as the recommended BAC committee for City of Oakley.

Staff believes that the County BAC will provide adequate representation and support for City of Oakley projects.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Community Health and Safety and Finance and Fiscal Responsibility Goal.

Fiscal Impact

The TDA Article 3 funds are an excellent funding source for bicycle and pedestrian improvement projects and securing such funding is very important to the City. The TDA Article 3 grant funding will be put in jeopardy if the City does not formally designate the County BAC as its review committee for TDA Article 3 funds and apply for exemption to the MTC City BAC requirement.

Staff Recommendation

Staff recommends that the City Council adopt the resolution identifying the County BAC as the City's review body for all projects seeking and utilizing TDA Article 3 funds, thus meeting the criteria for the City to apply for exemption to MTC from its city requirement.

Attachments

1. Resolution

RESOLUTION NO. XX-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY AUTHORIZING THE COUNTYWIDE BICYCLE ADVISORY COMMITTEE FOR PURPOSES OF REVIEWING AND PRIORITIZING TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 (TDA) GRANT APPLICATIONS ON BEHALF OF THE CITY OF OAKLEY

WHEREAS, Article 3 of the Transportation Development ACT (TDA), Public Utilities Code (PUC) Section 99200 et seq., authorizes the submission of claims to a regional transportation planning agency for the funding of projects exclusively for the benefit and/or use of pedestrians and bicyclists; and

WHEREAS, the Metropolitan Transportation Commission (MTC), as the regional transportation agency for the San Francisco bay region, has adopted MTC Resolution No. 4108 entitled "Transportation Development Act, Article 3, Pedestrian and Bicycle Projects," which delineates procedures and criteria for submission of requests for the allocation of "TDA Article 3" funding; and

WHEREAS, MTC Resolution No. 4108 requires that requests for the allocation of TDA Article 3 funding be submitted as part of a single, countywide coordinated claim from each county in the San Francisco Bay Region; and

WHEREAS, MTC's policies and procedures for the TDA Article 3 funding requires input from local bicycle groups and for the FY 2023/24 funding cycle permitted such input to be provided by the Countywide Bicycle Advisory Committee (CBAC), for municipalities without a local Bicycle Advisory Committee; and

WHEREAS, the CBAC includes representatives from each Contra Costa County jurisdiction; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Oakley that the Countywide Bicycle Advisory Committee is hereby designated to act as the Local Bicycle Advisory Committee as the review body, and designates the District 3 representative as the CBAC's representative for the City of Oakley, for the review and prioritization of Transportation Development Act Article 3 applications. This designation is limited to the above-stated purpose, and does not preclude the City of Oakley forming a local Bicycle Advisory Committee at a future date.

PASSED, APPROVED AND ADOPTED this 13th of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

_____
,Mayor

ATTEST:

_____ _____
Libby Vreonis, City Clerk Date

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager *Approved and Forwarded to the City Council*

FROM: Kevin Rohani, P.E., Public Works Director/City Engineer

SUBJECT: Consideration and Adoption of Resolution Requesting to the Metropolitan Transportation Commission (MTC) for the allocation of Fiscal Year 2023/24 Transportation Development ACT (TDA) Article 3 Pedestrian/Bicycle Project Funding

---

Background and Analysis

On an annual basis, MTC allocates funding under TDA Article 3 funds to San Francisco Bay Area municipalities for the purposes of funding pedestrian and bicycle facility improvement projects. TDA funds are acquired from statewide retail and gas sale taxes. “Article 3” refers to the portion of the Act involving pedestrian and bicycle projects.

MTC has not yet released the estimated bid target for Contra Costa TDA Article 3 funds for FY 2023/24, but last year’s total allocation was approximately $1,400,000, which was available for municipalities to apply for on their respective projects. Eligible projects may include pedestrian and bicycle crossing improvements, construction of new bicycle facilities, and development of bicycle safety education programs. The main objectives of the TDA grant program are to increase the safety and efficiency of bicycle and pedestrians who travel within a municipality’s transportation network.

MTC requires that each county and city have a Bicycle Advisory Committee (BAC) to review and prioritize TDA Article 3 projects and to participate in the development and review of comprehensive bicycle plans. However, since not every city has the local resources to form and operate its own BAC, MTC allows local agencies to apply for an exemption from TDA Article 3 BAC requirement, if the local agency identifies their respective countywide BAC as its representative body (in place of a local BAC) for the review of the TDA Article 3 funded projects. City of Oakley has requested that the Contra Costa County BAC represent the City to review the City’s TDA Article 3 grant application.

The City of Oakley has identified a project and is currently preparing a grant application to receive TDA Article 3 funds. The project has the following components:

- Solar powered flashing beacon crossing system at Delta de Anza Regional Trail crossing on Live Oak Avenue and on O'Hara Avenue. This crossing system is similar to the other solar powered flashing beacons that the city already has in operation at Laurel Road and Delta Road at the Marsh Creek Trail crossing.

The project will be a great addition to the City's bicycle and pedestrian facility network and connect the link between two main regional trails in the area and improve safety for students that bike to school in this area. Staff will be submitting the City of Oakley's TDA Article 3 final application by January 26, 2023, to the County for submittal to MTC.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Community Health and Safety and Finance and Fiscal Responsibility Goal.

Fiscal Impact

Approval of the resolution would allow the City to submit the final application for MTC's TDA Article 3 grant to request $90,000 to fund the project. No local match is required as part of this grant process.

Staff Recommendation

Staff recommends that the City Council adopt the resolution authorizing the Public Works Director to submit the grant application for $90,000 for TDA Article 3 grant for the City of Oakley CIP No. 294 - Pedestrian Crossing Lighting System Installation on Live Oak Avenue and O'Hara Avenue at Trail Crossing Project.

Attachments

1. Resolution
    a. Attachment A
    b. Attachment B
2. TDA Article 3 Preliminary Application

RESOLUTION NO. XX- 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY TO REQUEST THE METROPOLITAN TRANSPORTATION COMMISSION FOR THE ALLOCATION OF FISCAL YEAR 2023/24 TRANSPORTATION DEVELOPMENT ACT ARTICLE 3 PEDESTRIAN/BICYCLE PROJECT FUNDING

WHEREAS, Article 3 of the Transportation Development Act (TDA), Public Utilities Code (PUC) Section 99200 et seq., authorizes the submission of claims to a regional transportation planning agency for the funding of projects exclusively for the benefit and/or use of pedestrians and bicyclists; and

WHEREAS, the Metropolitan Transportation Commission (MTC), as the regional transportation planning agency for the San Francisco Bay region, has adopted MTC Resolution No.4108, entitled "Transportation Development Act, Article 3, Pedestrian and Bicycle Projects," which delineates procedures and criteria for submission of requests for the allocation of "TDA Article 3" funding; and

WHEREAS, MTC Resolution No. 4108 requires that requests for the allocation of TDA Article 3 funding be submitted as part of a single, countywide coordinated claim from each county in the San Francisco Bay region; and

WHEREAS, the CITY OF OAKLEY desires to submit a request to MTC for the allocation of TDA Article 3 funds to support the projects described in Attachment B to this resolution, which are for the exclusive benefit and/or use of pedestrians and/or bicyclists; now,

THEREFORE BE IT RESOLVED that the CITY OF OAKLEY declares it is eligible to request an allocation of TDA Article 3 funds pursuant to Section 99234 of the Public Utilities Code; and

FURTHERMORE BE IT RESOLVED, that there is no pending or threatened litigation that might adversely affect the project or projects described in Attachment B to this resolution, or that might impair the ability of the CITY OF OAKLEY to carry out the project; and

FURTHERMORE BE IT RESOLVED, that the project has been reviewed by the countywide Bicycle Advisory Committee and has been approved by MTC to use the countywide BAC and the countywide BAC provides for expanded representation of CITY OF OAKLEY and the designated representative is familiar with the bicycle and pedestrian needs of CITY OF OAKLEY; and

FURTHERMORE BE IT RESOLVED, that the CITY OF OAKLEY attests to the accuracy of and approves the statements in Attachment A to this resolution; and

FURTHERMORE BE IT RESOLVED, that a certified copy of this resolution and its attachments, and any accompanying supporting materials shall be forwarded to the congestion management agency, countywide transportation planning agency, or county

association of governments, as the case may be, of CONTRA COSTA COUNTY for submission to MTC as part of the countywide coordinated TDA Article 3 claim.

PASSED, APPROVED AND ADOPTED this 13th day of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTENTIONS:

APPROVED:

_____
,Mayor

ATTEST:

_____
Libby Vreonis, City Clerk

_____
Date

RESOLUTION NO. ____-22

Attachment A

Re: Request to the Metropolitan Transportation Commission for the Allocation of Fiscal Year 2023/2024 Transportation Development Act Article 3 Pedestrian/Bicycle Project Funding

Findings

1. That the CITY OF OAKLEY is not legally impeded from submitting a request to the Metropolitan Transportation Commission for the allocation of Transportation Development Act (TDA) Article 3 funds, nor is the CITY OF OAKLEY legally impeded from undertaking the project(s) described in "Attachment B" of this resolution.
2. That the CITY OF OAKLEY has committed adequate staffing resources to complete the project(s) described in Attachment B.
3. A review of the project(s) described in Attachment B has resulted in the consideration of all pertinent matters, including those related to environmental and right-of-way permits and clearances, attendant to the successful completion of the project(s).
4. Issues attendant to securing environmental and right-of-way permits and clearances for the projects described in Attachment B have been reviewed and will be concluded in a manner and on a schedule that will not jeopardize the deadline for the use of the TDA funds being requested.
5. That the project(s) described in Attachment B comply with the requirements of the California Environmental Quality Act (CEQA, Public Resources Code Sections 21000 et seq.).
6. That as portrayed in the budgetary description(s) of the project(s) in Attachment B, the sources of funding other than TDA are assured and adequate for completion of the project(s).
7. That the project(s) described in Attachment B are for capital construction and/or design engineering; and/or for the maintenance of a Class I bikeway which is closed to motorized traffic; and/or for the purposes of restriping Class II bicycle lanes; and/or for the development or support of a bicycle safety education program; and/or for the development of a comprehensive bicycle and/or pedestrian facilities plan, and an allocation of TDA Article 3 funding for such a plan has not been received by the CITY OF OAKLEY within the prior five fiscal years.
8. That the project(s) described in Attachment B which are bicycle projects have been included in a detailed bicycle circulation element included in an adopted general plan or included in an adopted comprehensive bikeway plan (such as outlined in Section 2377 of the California Bikeways Act, Streets and Highways Code section 2370 et seq.) or responds to an immediate community need, such as a quick-build project.
9. That any project described in Attachment B bicycle project meets the mandatory minimum safety design criteria published in the California Highway Design Manual or is in a National Association of City and Transportation Officials (NACTO) guidance or similar best practices document.
10. That the project(s) described in Attachment B will be completed before the funds expire.
11. That the CITY OF OAKLEY agrees to maintain, or provide for the maintenance of, the project(s) and facilities described in Attachment B, for the benefit of and use by the public.

Attachment B

Metropolitan Transportation Commission

Transportation Development Act Article 3 Funds: Bicycle and Pedestrian Projects

City of Oakley Application: Pedestrian Crossing Lighting System Installation on Live Oak Road and O'Hara Avenue at Delta De Anza Trail Crossing

TDA Article 3 Project Application Form

1. Agency	City of Oakley		
2. Primary Contact	Kevin Rohani, Public Works Director/City Engineer		
3. Mailing Address	3231 Main Street, Oakley CA 94561		
4. Email Address	Rohani@ci.oakley.ca.us	5. Phone Number	925-625-7003
6. Secondary Contact	Carlin Shelby, Associate, Townsend Public Affairs		
7. Mailing address	925 L Street Ste 1404, Sacramento, CA 94814		
8. Email Address	cshelby@townsendpa.com	9. Phone Number	916-765-0945
10. Send allocation instructions to:	Kevin Rohani, Rohani@ci.oakley.ca.us, 925-625-7003 3231 Main Street, Oakley CA 94561		
11. Project Title	Pedestrian Crossing Lighting System Installation on Live Oak Road and O'Hara Avenue at Delta De Anza Trail Crossing		
12. Amount requested	$90,000	13. Fiscal Year of Claim	2023

14. Description of Overall Project:

The proposed project will improve safety at trail crossings at two regional trails in the City of Oakley. The Delta de Anza and Marsh Creek Regional Trails comprise of over 27 miles of paved, multi-use trail and connects users to the Big Break Regional Trail, City Parks, and other neighboring cities such as City of Brentwood and City of Antioch.

The improvements include the installation of flashing beacons at mid-block trail crossings in two locations on Live Oak Road and O'Hara Avenue. These flashing beacons will improve pedestrian/bicycle safety and access for the trail crossings. The trail system in these areas provide recreational activities connecting to Big Break Regional Trail, City public parks, and Oakley's Recreational Center located on O'Hara Avenue just south of O'Hara Park Middle School.

Enhanced safety is very important for our community and this project will have both a local and regional benefit for all trail users in east Contra Costa County.

15. Project Scope Proposed for Funding:

The proposed project scope will include design, site preparation, traffic control, and construction.

16. Project Location:

A detailed description of the project location is provided at the end of this document in Attachment A.

Project Relation to Regional Policies (for information only)

17. Is the project in an Equity Priority Community? Yes☐ No☒

18. Is this project in a Priority Development Area or a Transit-Oriented Community? Yes☐ No☒

19. Project Budget and Schedule

Project Phase	TDA 3	Other Funds	Total Cost	Estimated Completion (month/year)
Bike/Ped Plan				
ENV				
PA&ED				
PS&E	10,000			Spring 2023
ROW				
CON	80,000			Fall 2023
Total Cost	90,000		90,000	

Project Eligibility

A. Has the project been reviewed by the Bicycle and Pedestrian Advisory Committee? Yes☐ No☒
If "YES," identify the date and provide a copy or link to the agenda.
If "NO," provide an explanation).

B. Has the project been approved by the claimant's governing body? Yes☐ No☒
If "NO," provide expected date: December 13, 2022

C. Has this project previously received TDA Article 3 funding? Yes☐ No☒
(If "YES," provide an explanation on a separate page)

D. For "bikeways," does the project meet Caltrans minimum safety design criteria pursuant to Chapter 1000 of the California Highway Design Manual? Yes☒ No☐

E. 1. Is the project categorically exempt from CEQA, pursuant to CCR Section 15301(c), Existing Facility? Yes☒ No☐

2. If "NO" above, is the project is exempt from CEQA for another reason? Yes☐ No☐
Cite the basis for the exemption. _____ N/A☒
If the project is not exempt, please check "NO," and provide environmental

documentation, as appropriate.

F. Estimated Completion Date of project (month and year): 12-2023

G. Have provisions been made by the claimant to maintain the project or facility, or has the claimant arranged for such maintenance by another agency? (If an agency other than the Claimant is to maintain the facility, please identify below and provide the agreement. Yes☒ No☐

H. Is a Complete Streets Checklist required for this project ? Yes☐ No☒
If the amount requested is over $250,000 or if the total project phase or construction phase is over $250,000, a Complete Streets checklist is likely required. Please attach the Complete Streets checklist or record of review, as applicable. More information and the form may be found here: https://mtc.ca.gov/planning/transportation/complete-streets

ATTACHMENT A: PROJECT LOCATION

PROJECT DESCRIPTION & LIMITS: City of Oakley Application: Pedestrian Crossing Lighting System Installation on Live Oak Road and O'Hara Avenue at Delta De Anza Trail Crossing

The project is divided up at two (2) locations as shown in the project Vicinity Map.

The installation of flashing beacons at existing mid-block trail crossings at the Live Oak Road and O'Hara Avenue trail access points will improve safety and visibility of trail users. The mid-block crossing at O'Hara Avenue is near the Laurel Ball Fields Park that experiences a high daily use by many residents of the City and has many recreational amenities making it a popular destination for trail users. Additionally, a mid-block crossing at Live Oak Road near Neroly Road will ensure that residents of the community who frequent the trail through the access point will be safe year-round when crossing though the nearby busy intersection. These locations have been identified as areas of safety concern for bicyclists and pedestrians. The installation of the flashing beacons will alert drivers that pedestrians/bicyclists are present and to stop to allow for their crossing.

LOCATION 1

Location 1 – Live Oak Road at Delta De Anza Trail



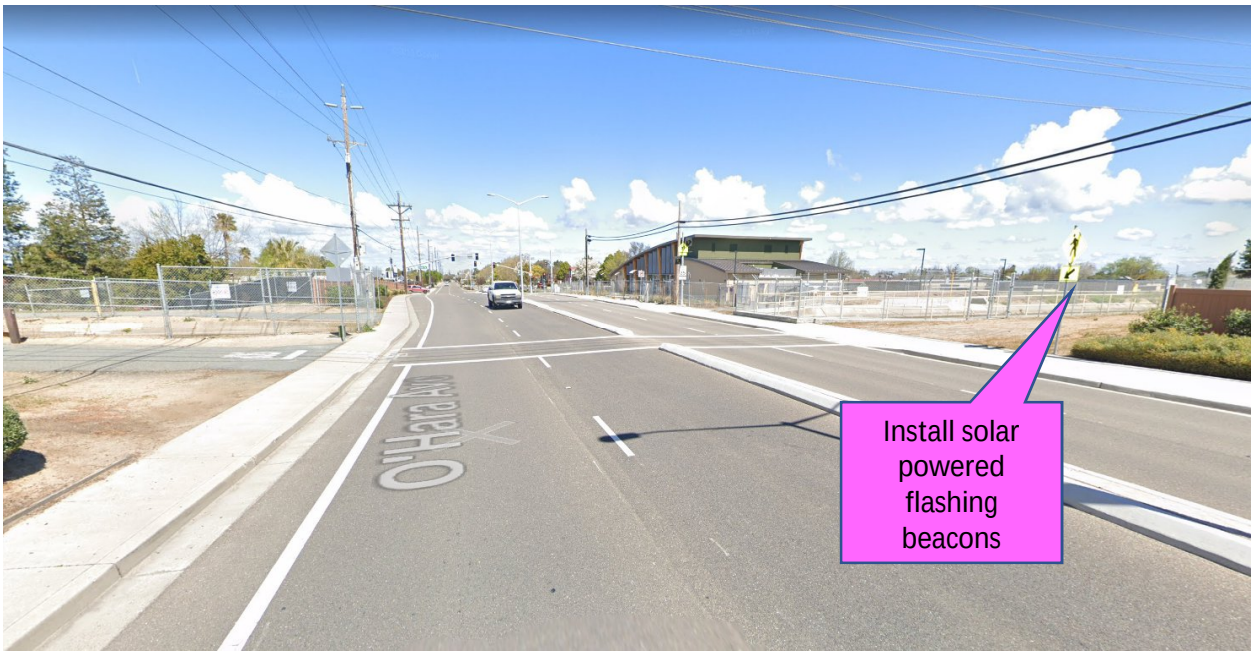
Live Oak Avenue at Delta De Anza Trail looking South



Live Oak Avenue at Delta De Anza Trail looking North

LOCATION 2

Location 2 – O'Hara Avenue at Delta De Anza Trail



O'Hara Avenue at Delta De Anza Trail looking North



O'Hara Avenue at Delta De Anza Trail looking South

Metropolitan Transportation Commission

Transportation Development Act Article 3 Funds: Bicycle and Pedestrian Projects

City of Oakley Application: Pedestrian Crossing Lighting System Installation on Live Oak Road and O'Hara Avenue at Delta De Anza Trail Crossing

TDA Article 3 Project Application Form

1. Agency	City of Oakley		
2. Primary Contact	Kevin Rohani, Public Works Director/City Engineer		
3. Mailing Address	3231 Main Street, Oakley CA 94561		
4. Email Address	Rohani@ci.oakley.ca.us	5. Phone Number	925-625-7003
6. Secondary Contact	Carlin Shelby, Associate, Townsend Public Affairs		
7. Mailing address	925 L Street Ste 1404, Sacramento, CA 94814		
8. Email Address	cshelby@townsendpa.com	9. Phone Number	916-765-0945
10. Send allocation instructions to:	Kevin Rohani, Rohani@ci.oakley.ca.us, 925-625-7003 3231 Main Street, Oakley CA 94561		
11. Project Title	Pedestrian Crossing Lighting System Installation on Live Oak Road and O'Hara Avenue at Delta De Anza Trail Crossing		
12. Amount requested	$90,000	13. Fiscal Year of Claim	2023

14. Description of Overall Project:

The proposed project will improve safety at trail crossings at two regional trails in the City of Oakley. The Delta de Anza and Marsh Creek Regional Trails comprise of over 27 miles of paved, multi-use trail and connects users to the Big Break Regional Trail, City Parks, and other neighboring cities such as City of Brentwood and City of Antioch.

The improvements include the installation of flashing beacons at mid-block trail crossings in two locations on Live Oak Road and O'Hara Avenue. These flashing beacons will improve pedestrian/bicycle safety and access for the trail crossings. The trail system in these areas provide recreational activities connecting to Big Break Regional Trail, City public parks, and Oakley's Recreational Center located on O'Hara Avenue just south of O'Hara Park Middle School.

Enhanced safety is very important for our community and this project will have both a local and regional benefit for all trail users in east Contra Costa County.

15. Project Scope Proposed for Funding:

The proposed project scope will include design, site preparation, traffic control, and construction.

16. Project Location:

A detailed description of the project location is provided at the end of this document in Attachment A.

Project Relation to Regional Policies (for information only)

17. Is the project in an Equity Priority Community? Yes☐ No☒

18. Is this project in a Priority Development Area or a Transit-Oriented Community? Yes☐ No☒

19. Project Budget and Schedule

Project Phase	TDA 3	Other Funds	Total Cost	Estimated Completion (month/year)
Bike/Ped Plan				
ENV				
PA&ED				
PS&E	10,000			Spring 2023
ROW				
CON	80,000			Fall 2023
Total Cost	90,000		90,000	

Project Eligibility

A. Has the project been reviewed by the Bicycle and Pedestrian Advisory Committee? Yes☐ No☒
If "YES," identify the date and provide a copy or link to the agenda.
If "NO," provide an explanation).

B. Has the project been approved by the claimant's governing body? Yes☐ No☒
If "NO," provide expected date: December 13, 2022

C. Has this project previously received TDA Article 3 funding? Yes☐ No☒
(If "YES," provide an explanation on a separate page)

D. For "bikeways," does the project meet Caltrans minimum safety design criteria pursuant to Chapter 1000 of the California Highway Design Manual? Yes☒ No☐

E. 1. Is the project categorically exempt from CEQA, pursuant to CCR Section 15301(c), Existing Facility? Yes☒ No☐

2. If "NO" above, is the project is exempt from CEQA for another reason? Yes☐ No☐
Cite the basis for the exemption. _____ N/A☒
If the project is not exempt, please check "NO," and provide environmental documentation, as appropriate.

F. Estimated Completion Date of project (month and year): 12-2023

G. Have provisions been made by the claimant to maintain the project or facility, or has the claimant arranged for such maintenance by another agency? (If an agency other than the Claimant is to maintain the facility, please identify below and provide the agreement. Yes☒ No☐

H. Is a Complete Streets Checklist required for this project ? Yes☐ No☒
If the amount requested is over $250,000 or if the total project phase or construction phase is over $250,000, a Complete Streets checklist is likely required. Please attach the Complete Streets checklist or record of review, as applicable. More information and the form may be found here: https://mtc.ca.gov/planning/transportation/complete-streets

ATTACHMENT A: PROJECT LOCATION

PROJECT DESCRIPTION & LIMITS: City of Oakley Application: Pedestrian Crossing Lighting System Installation on Live Oak Road and O'Hara Avenue at Delta De Anza Trail Crossing

The project is divided up at two (2) locations as shown in the project Vicinity Map.

The installation of flashing beacons at existing mid-block trail crossings at the Live Oak Road and O'Hara Avenue trail access points will improve safety and visibility of trail users. The mid-block crossing at O'Hara Avenue is near the Laurel Ball Fields Park that experiences a high daily use by many residents of the City and has many recreational amenities making it a popular destination for trail users. Additionally, a mid-block crossing at Live Oak Road near Neroly Road will ensure that residents of the community who frequent the trail through the access point will be safe year-round when crossing though the nearby busy intersection. These locations have been identified as areas of safety concern for bicyclists and pedestrians. The installation of the flashing beacons will alert drivers that pedestrians/bicyclists are present and to stop to allow for their crossing.

LOCATION 1

Location 1 – Live Oak Road at Delta De Anza Trail



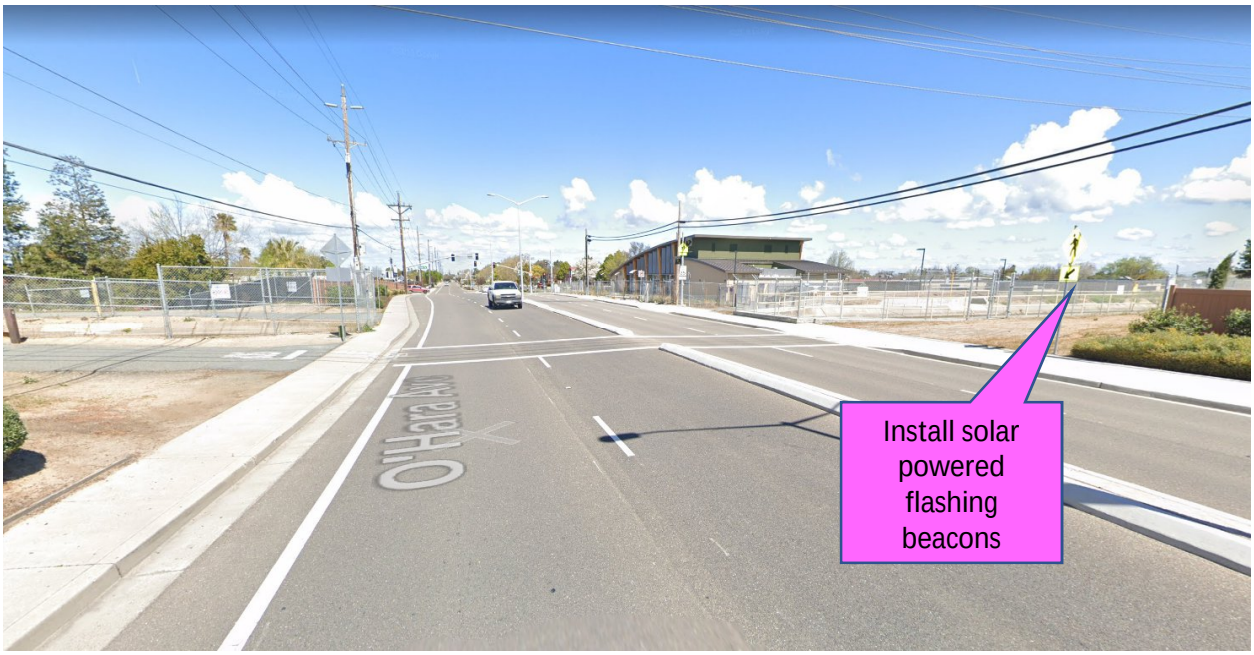
Live Oak Avenue at Delta De Anza Trail looking South



Live Oak Avenue at Delta De Anza Trail looking North

LOCATION 2

Location 2 – O'Hara Avenue at Delta De Anza Trail



O'Hara Avenue at Delta De Anza Trail looking North



O'Hara Avenue at Delta De Anza Trail looking South

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager *Approved and Forwarded to the City Council*

FROM: Tim Przybyla, Finance Director

SUBJECT: **Consideration of a Resolution Approving an Agreement with Buildings IOT for Digital Services and Authorizing the City Manager to Execute the Agreement**

Background and Analysis

Buildings IOT is the parent company of OTI, which is the company with which the City of Oakley has contracted for technology support. Rich Miller, who manages the OTI team and oversees our computer networks, approached the City with a proposal to provide digital services that would help the City to help to prevent unauthorized access to our computer network and protect sensitive data.

Zero Trust is a security model that does not trust any user, device, or network until it can be verified. Devices and users are authenticated before being given access to any resources. The Buildings IOT neverTrust Digital Service agreement includes all the software and tools implement a Zero Trust security model. The proposed agreement includes the software and licensing as well as the labor components to monitor and manage the system and keep the system up to date and secure.

Buildings IOT has partnered with AppGate to create and provide the neverTrust product. Because of their partnership and affiliation with AppGate, Buildings IOT can offer the City of Oakley far more favorable rates, compared to the pricing that are available directly from AppGate or other companies that are offering similar products and services. The breadth and scope of embarking on a Zero Trust journey can be prohibitively expensive, and the pricing from Buildings IOT reflects a 50% reduction in cost from a market perspective.

Furthermore, Buildings IOT provides the Zero Trust Network Access Platform (neverTrust) as a Software as a Service offering. This allows the City to leverage the knowledge and expertise the OTI team has acquired from managing the City Hall Network and negates the need to invest in specialized training on Zero Trust or to engage with security consultants that would be required without Buildings IOT. The

neverTrust platform provides software, hardware and management of the Zero Trust environment and includes support and management for staff and infrastructure alike.

The agreement for which staff is recommending City Council approval is a three-year contract with a fixed fee of $21,999 per year, which can be paid in advance or in monthly installments of $1,833.25 per month, without any interest charges. The labor for the onboarding of the neverTrust platform will be provided by our IT team at a one-time cost of $13,445. If approved by the City Council, this agreement and the $13,445 for labor would be paid for with the American Rescue Plan Act (ARPA) funds that have been appropriated for use on the modernization of the City's technology.

Consistency with the Oakley Strategic Plan 27+

This agenda item is consistent with the Strategic Plan 27+'s Finance and Fiscal Responsibility Goal for the City of Oakley to leverage its financial resources for the long-term benefit of our residents and businesses while maintaining sufficient reserves to provide stability and ensure a successful future. It is also consistent with the Finance and Fiscal Responsibility Objective to modernize Oakley to accommodate growth and improve efficiency by funding technology to improve infrastructure and asset management.

Fiscal Impact

The adoption of the proposed resolution will not impact the General Fund. Funding of $21,999 per year for the three-year agreement plus the one-time labor cost of $13,445 for onboarding will come from ARPA funds which have been appropriated for such use. The total fiscal impact to the ARPA Fund for the first year of the agreement, including labor, will be $35,444.

Staff Recommendation

Staff recommends the City Council adopt the resolution approving an agreement with Buildings IOT for digital services and authorizing the City Manager to execute the agreement.

Attachments

1. Resolution
2. Agreement
3. Proposal

RESOLUTION NO. XX-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY APPROVING AN AGREEMENT WITH BUILDINGS IOT FOR DIGITAL SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT

WHEREAS, on March 21, 2022, the Whitehouse issued a Statement by President Biden on our Nation's Cybersecurity, which indicated that "this is a critical moment to accelerate our work to improve domestic cybersecurity and bolster our national resilience"; and

WHEREAS, the City of Oakley is interested in improving efficiency by funding technology improvements and in protecting its infrastructure; and

WHEREAS, Building IOT has provided the City of Oakley with a proposal to provide digital services, entitled "neverTrust", that would help the City to help to prevent unauthorized access to our computer network and protect sensitive data at a discounted price; and

WHEREAS, the proposed neverTrust agreement provides for three (3) years of service at the rate of $21,999 per year, without increases; and

WHEREAS, the one-time cost for labor to onboard the neverTrust services is $13,445; and

WHEREAS, ARPA funds have been appropriated for use on such technology projects;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Oakley City Council approves the neverTrust agreement between Buildings IOT and the City of Oakley and authorizes the City Manager to execute the agreement.

PASSED, APPROVED AND ADOPTED this 13th day of December 2022 by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

APPROVED:

_____
Aaron Meadows, Mayor

ATTEST:

_____
Libby Vreonis, City Clerk

_____
Date

Buildings IOT
1200 Concord Av
Concord, CA 94520

Digital Services Agreement – neverTrust SaaS

This Digital Services Agreement is part of the Consulting Services Agreement (both of which are collectively part of the ("Agreement") as that term is used within), by and between Buildings IOT (BIOT) a California company, with its principal offices at 1200 Concord Av, Concord CA 94520 and The City of Oakley Customer Name. ("Client"), an individual with its principal place of business at 3231 Main Street as of January 1, 2023_ (the "Effective Date") until __December 31, 2025__. An optional extension will be available from __January 1, 2026____ to ___December 31, 2026____ upon written request by Client. The cost to deploy additional endpoints or services beyond the initial Scope of Work will be available during the lifetime of this contract and are on display in Exhibit A. Incremental increases are calculated at the end of each calendar month, on the last day of that month.

1. The Services. BIOT agrees to provide a Zero Trust Network Access (ZTNA) Platform as described in the Statement of Work attached as Exhibit A ("Services"). This product is known as "neverTrust". The Client hereby recognizes the limitations on the Scope of Work as described in Exhibit A ("Services not covered") and the service is a subscription based on the number of covered units described as Client-Connections. BIOT and its employees shall, at all times, use reasonable efforts and skills in performing the Services under this Agreement. Client and BIOT will jointly determine the method, details, and means of performing the above-described Services, except as specifically provided otherwise in this Agreement. Unless otherwise agreed, BIOT will provide all tools and supplies required to perform the Services. All Services will be coordinated with the Client's designated representative. BIOT shall cooperate with Client's personnel and any other third parties that Client hires to perform services related to the Statement of Work. BIOT shall use access to the Client's facilities and/or computer systems solely for the execution of its duties and not to make them accessible or to disclose them to any third person. BIOT shall not breach Client's security and shall not compromise the physical or network integrity or security of Client's facilities and equipment.

2. Compensation. The client agrees to pay BIOT the compensation as described in Exhibit A as payment in full for the performance of the Services. Unless specified otherwise in the Statement of Work, the Client shall pay in full all fees to BIOT no later than 15 days after receipt of the applicable invoice from BIOT. Invoices will be delivered on the 20th of each month, for the current month. Subscriptions may be paid for no more than 3 years in advance. Calculations of the number of Client Connections will be calculated at the end of each month and invoiced monthly if the number of Client Connections exceeds the baseline described in Exhibit A.

3. Completion. BIOT agrees to perform the Services in accordance with deadlines and timeframes as specified in Exhibit A.

4. Warranties. Each party warrants that they have all right, power, and authority necessary to enter into this Agreement and that its performance hereunder shall not violate any agreement between the party and any third party or any obligation owed to any third party. BOTH PARTIES SPECIFICALLY DISCLAIM ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, ARISING FROM OR RELATED TO THIS AGREEMENT INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT OF THIRD-PARTY RIGHTS. THE SERVICES PROVIDED UNDER THIS AGREEMENT ARE SUPPLIED "AS IS."

5. Indemnification. Each party shall indemnify and hold harmless the other party, its directors, officers, partners, agents, and employees from and against any and all liability, claims, demands, damages, losses, and expenses, including but not limited to attorney's fees, for which the indemnifying party is determined to be legally liable resulting from negligent or intentional acts, errors, or omissions by the indemnifying party, its officers, agents, and employees in the performance of this Agreement.

6. Limitation of Liability. EXCEPT UNDER SECTION 5, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, OR SPECIAL DAMAGES WHATSOEVER, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, AND THE LIKE, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. Term and Early Termination. (a) The Term of the Agreement shall commence on the Effective Date of this Agreement and continues until terminated, with at least thirty (30) days written notice. (b) In addition, either party may terminate with written notice in the event of a material breach of this Agreement by the other. In the case of material breach, in order for termination to have effect, 21 days written notice must be given to allow the cure of such breach. (c) In the event that the Client notifies BIOT of early Termination, without breach, the Client will be responsible to pay BIOT 80% of the remaining compensation amount due, per section 2, above, for services complete and not yet performed, for the full remaining term in appendix A, within 30 days of written termination.

8. Relationship Between the Parties. BIOT is an independent contractor. This Agreement shall not create the relationship of an

employer and employee, a partnership, or a joint venture between the parties.

9. Assignment. Both parties' rights and duties under this Agreement may not be assigned without the other party's prior written consent. Notwithstanding the foregoing, BIOT may assign or subcontract its obligations under this Agreement without Company's consent, provided however that BIOT shall be responsible for the performance of such subcontractors.

10. Confidential Information. Each party shall hold in strictest confidence, shall not use or disclose to any third party, and shall take all necessary precautions to secure any Confidential Information of the other party. The term "Confidential Information" shall mean all non-public information that a party designates as being confidential, or which, under the circumstances of disclosure ought to be treated as confidential, including know-how. If a party has any questions as to what comprises such Confidential Information, that party shall consult with the other party. "Confidential Information" shall not include information the receiving party can document: (i) is or has become readily publicly available through no fault of the receiving party or its employees or agents; (ii) is received from a third party lawfully in possession of such information and lawfully empowered to disclose such information; (iii) is rightfully in the possession of the receiving party prior to its disclosure by the other party; or (iv) is independently developed by the receiving party without the use of the disclosing party's Confidential Information. The receiving party may make disclosures required by law or court order provided the receiving party uses reasonable efforts to limit disclosure and to obtain confidential treatment.

11. Jurisdiction/Attorneys' Fees. This Agreement shall be governed by and construed in accordance with the laws of the State of California. If either party becomes involved in litigation arising out of this Agreement, the prevailing party shall be entitled to all available relief, including costs and reasonable attorneys' fees, as well as any injunctive relief.

12. General. This Agreement constitutes the entire agreement between the parties and merges all prior and contemporaneous communications. It shall not be modified except by a written agreement signed by both parties. Throughout this Agreement, reference to either party shall refer to the party, its affiliates, employees, designated representatives, agents, and successors. If for any reason a court of competent jurisdiction finds any provision of this Agreement to be unenforceable, that provision of the Agreement shall be null, and the remainder of this Agreement shall continue in full force and effect. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent, or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and such counterparts together shall constitute one instrument. BIOT and Client each agree to take all such actions and execute all such documents as may be necessary or desirable to carry out or implement and give full effect to the provisions and intent of this Agreement.

Compensation:

As full compensation for the above-described services and all related Work Products and rights, as described in the Digital Services Agreement; the Client will pay Buildings IOT according to the following schedule for the Current Unit Count:

Annual Fee is $ 21,999.00 or $. 1,833.25. per month due by the 5th of the following month.

Commitment: 3 Years – fixed rate for number of units reflected below: - Total Value: 65997.00

Current Unit Count (list sites/locations)	City Hall, Teen Center, Public Works.
Physical Locations	3
Server Client Connection	23
Named End-User Client Connection	50
License Fee – SaaS Model Usage (fixed)	1
Resource Connector (5 subnets)	1

Annual Client Count (Headless or End-User:

Client Device	132.00
Site / Location	2000.00
Resource Connector (5 subnets)	1800.00 – (up to 5 subnets)
API Integration / Function	Ad Hoc – Project to be quoted per Integration, requires approval

Optional Labor Rates for Ad Hoc Projects:

Network Engineer	195.00/hour
Emergency Engineer	335.00/hour
OT / Controls Engineer	175.50/hour

Scheduling

This contract includes labor service to an immediate 24x7x365 coverage for emergencies that inhibit the Client's ability to conduct business. The client will be required to initiate a service call by using the 24-hour service phone number as specified by their BIOT representative. If not immediately connected with the BIOT representative, the Client must leave a voice message with the nature of the issue, time, and date, to initiate the service timer. Texting is not a recognized method of communication to request service or to declare a disaster. The client is guaranteed to have a BIOT network engineer active within four hours of reporting an emergency that inhibits the company's ability to conduct business; 24/7/365.

Any other services or activities (outside of any regularly scheduled maintenance visits) will be scheduled at the earliest convenience of the Client and BIOT and will not exceed 48 hours from the original request for service. Any emergency coverage is included for the first four hours, after which normal emergency billable rates will be applied.

Service Warranties

BIOT warrants its workmanship and materials under this Agreement for a period of one year from the performance of the work and/or installation of materials up to, but not beyond the final date of this, or any subsequent Agreement for services. BIOT's sole obligation under this warranty shall be to provide the labor necessary to resolve any defective workmanship and to either repair or replace, at BIOT's sole discretion, any defective materials. The client is responsible for maintaining service contracts with software and hardware vendors to provide access to technical support from said vendors, and/or to maintain upgrade paths for software packages.

Except as expressly provided in this paragraph, BIOT disclaims and excludes all other warranties, expressed or implied, with respect to workmanship or materials, including, but not limited to any implied warranties of merchantability or fitness for a particular purpose. In no event shall BIOT be liable for any incidental, special, or consequential damages, costs, or expenses for any breach of warranty or arising out of, or in connection with, workmanship or materials provided by BIOT.

The authorized representatives of the parties have executed this Agreement as of the later of the dates set forth below.

BIOT	CUSTOMER NAME
Signature:	Signature:
Print Name: Richard Miller	Print Name:
Title: VP , Technology Sales	Title:
Date: XX/XX/XXXX	Date:

EXHIBIT A

Statement of Work

Services

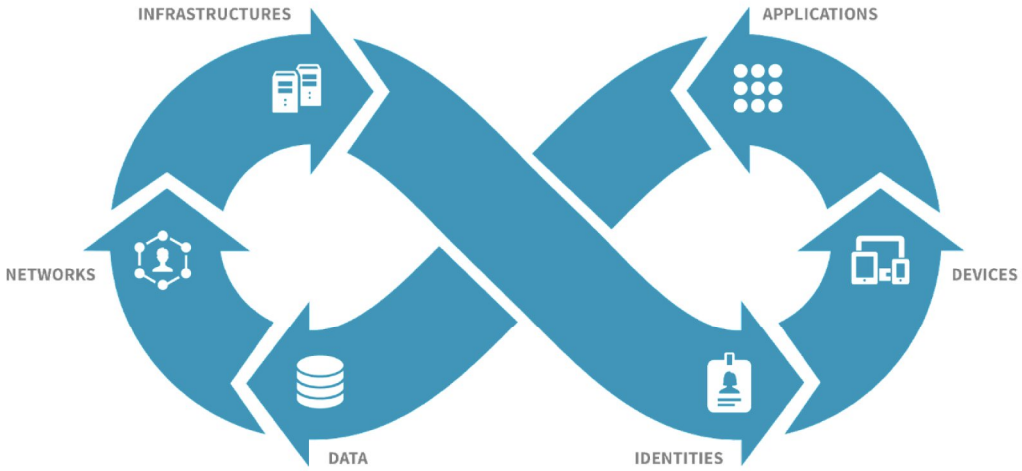
- neverTrust - MSP Platform – Up to 50 Users
- neverTrust – MSP Platform – 23 Windows Servers or Resources (SaaS)
- neverTrust – MSP Platform – up to 25 Industrial Machines or Sensors
- Authentication Services Integrated with Oakley Active Directory or Azure
- Segmentation of PD Network and City Hall Network, while allowing required connections
- Remote Access – Based on Security Group Membership
- Context-Aware restrictions for Remote Users, Systems & Vendors
- Connectivity for Teen Center and Public Works Offices
- Macro-Segmentation from End Users to Office 365
- IT Department access to neverTrust Management Platform

Services not Covered

BIOT MSP Service does not include: (can be added as a project)

- Installation of new physical equipment.
- Installation of any server, service, or component to customer network except for the neverTrust Gateway or Resource Group Appliance where Virtualization cannot be used.
- Installation of new software on workstations or servers except where required for SaaS.
- Monitoring workstation systems for component failure.
- Complete re-installation of workstations for any reason
- Complete re-installation of Servers for any reason
- Any changes, modifications, or service additions to the Logon Domain, network environment, or network infrastructures that are not maintained or disaster-recovery services by nature. (e.g. Enhancements to the environment)
- Recovery from failure caused by the installation or configuration of hardware or software to the network by any other vendor.
- Recovery or reactive service resulting from any environmental condition or failure, natural disaster, acts of sabotage or terrorism, or any circumstance known as an “act of god”.
- Recovery or reactive service resulting from any malicious or maligned efforts which create a condition of failure, Denial of Service Attack, Destruction of Networking or Server equipment, Network Down condition, or any circumstance known as a “hack”.

neverTrust – Zero Trust Platform as a Service



City of Oakley

3231 Main Street

Oakley, CA 95123

Prepared for:

Tim Przybyla

August 23, 2022

Overview Description

In this brave new world of IT and OT Infrastructure, having your workforce or vendors connected to the resources they need to perform their daily work activities is a constant challenge. In the office, at home, or around the world on the go, you need a method for your end-users to have directed access while remaining autonomous and secure. The safe delivery of data between sensors and collectors, authentication sessions or management sessions, and the ability to safely deliver those tools and resources can be done in a far more secure and dynamic fashion with the adoption of Zero Trust Architecture. But you need a platform that can connect different authentication sources, multi-Factor identity providers, Security Platforms, and Ticketing systems and that's just to name a few. neverTrust is a Platform as a Service that serves as the middleware between your entitled resources, end-users, contractors, and outside vendors. It does so transparently and efficiently and creates dynamic "segments of one" throughout your enterprise to keep your staff productive and safe at the same time.

Zero Trust Access Platform as a Service

The BIOT neverTrust platform provides an affordable alternative to the time, expertise, and combination of hardware and software required to delve into the world of Zero Trust Access. By leveraging our unique IT automation framework and our partnership with the AppGate SDP networking system, the road to Zero Trust Architecture is simplified, managed, and delivered at a far better price point.

Some of the benefits you will experience are:

- Directed entitlements delivered to end-users based on context, security group, and privilege
- Secure identity management between end users, servers, and sensors or collectors in the IT backbone or OT backbone.
- Transparent *"segments of one"* are built dynamically between entitled resources.
- Remote Access and Site to Site connectivity that is invisible to unauthenticated users
- Access to a staff of technical experts for you and your users
- A complete managed process for getting systems connected to the business center network
- Ticketing system for submittal of issues and related tasks
- Extensible Reporting Utilities

A world of possible Connections

Just to name a few, these are common uses cases for Zero Trust Access as a Platform

- Remote Access to City Hall Network Resources
- Remote Access for PW Vendors to SCADA, Water Systems, Traffic
- Internal – End users to File Server, Active Directory,
- Encrypted and Monitored connections to Office 365 and Munis (SaaS Systems)
- Site to Site connections based on required ports and protocols
- Segmentation between PD, Public Works, Teen Center & City Hall
- Creating an environment of "Zero Outside Footprint" for City Hall and the Police Department

Scope of Work – City of Oakley – Initial Deployment

- neverTrust - MSP Platform – Up to 50 Users
- neverTrust – MSP Platform – 23 Windows Servers or Resources (SaaS)
- neverTrust – MSP Platform – up to 25 Industrial Machines or Sensors

- Authentication Services derived from Oakley Active Directory
- Segmentation of PD Network and City Hall Network, while allowing (only) required connections
- Remote Access – Based on Security Group Membership
- Context-Aware restrictions for Critical Users, Systems & Vendors
- Connectivity for San Jose Servers to Azure Servers
- Macro-Segmentation from End Users to Office 365
- IT Department access to neverTrust Management Platform

Pricing

MSP pricing is based on the number of physical or virtual locations, end users, and web-based entities per annum. Monthly billing is calculated on the 30th day of the month or annual payments (with 30-day adjustments) are preferred.

neverTrust – Recurring Fees – per year

Line-Item Description	Quantity	Price Extended
Sites – City Hall, Teen Center, Public Works	3 @ 2000.00	6000.00
Named End User or Client Device	73 @ 132.00	9636.00
Resource Connector – Devices or Subnets	1 @ 1800.00	1800.00
License Fee – Controller, Gateway, Metered	1 @ 4563.00	4563.00
Total		**$** 21,999.00/Annually

neverTrust – One Time Fees

Line-Item Description	Quantity	Price Extended
Appliance Hardware N/A – (Using VMware)	0 @ 4200.00	0.00
MSP Service – Onboarding Labor	1	13,445.00
Sub Total		13,445.00
Total		**$** 13,445.00

Proposal Authorization

I certify I am authorized to submit a binding proposal on behalf of my company, BUILDINGS IOT-BIOT, and this proposal conforms to required RFP terms and conditions unless otherwise noted.

Company Name:	BUILDINGS IOT
Proposal Submitted By:	Richard Miller

Title:	VP Sales, Information Technology
Date:	July 26, 2022
Telephone Number:	510.517.8555
Email Address:	Richard.Miller@buildingsiot.com

Accepted By:

Name: _____

Title: _____

Date: _____

Purchase Order Number: _____

Signature: _____

Prices are firm for 60 days. Proposal is in accordance with BUILDINGS IOT's standard terms and conditions of sale.

BUILDINGS IOT Terms and Conditions

THE ORDER AND SALE REFERRED TO ON THE FACE OF THIS QUOTE IS ACCEPTED AND MADE ONLY UPON THE FOLLOWING TERMS AND CONDITIONS.

DELIVERY-
SHIPPING DATES ARE APPROXIMATE AND SUBJECT TO THE INVENTORY ON HAND, THE RECEIPT OF ALL INFORMATION AND THE EXISTENCE OF ALL CONDITIONS NECESSARY TO ENABLE SELLER TO MAKE DELIVERY. IN THE EVENT OF ANY DELAY IN DELIVERY, THE DATE OF DELIVERY SHALL BE EXTENDED FOR A PERIOD OF TIME EQUAL TO THE PERIOD OF DELAY. .

SHIPMENT AT PURCHASER'S RISK-
THE ACCEPTANCE OF SHIPMENT BY RAILROAD OR OTHER COMMON CARRIER SHALL CONSTITUTE DELIVERY TO THE PURCHASER REGARDLESS OF F.O.B. POINT OR WHETHER FREIGHT IS PREPAID, COLLECT OR ALLOWED. SELLER IS NOT RESPONSIBLE FOR DAMAGE OR LOSS IN TRANSIT AND IF GOODS ARRIVE IN DAMAGED CONDITION, PURCHASER SHOULD REQUIRE AGENT TO NOTE CONDITION ON BILL OF LADING OR SHIPPING MEMORANDUM AND PRESENT A CLAIM TO CARRIER THEREFORE.

SHORTAGE AND DEFECTS-
CLAIMS FOR SHORTAGE, DEFECTS OR OTHER CAUSE MUST BE MADE IN WRITING WITHIN A REASONABLE AMOUNT OF TIME AFTER RECEIPT OF SHIPMENT.

RETURNS-
EXCEPT WITH RESPECT TO DEFECTIVE MERCHANDISE, NO MERCHANDISE MAY BE RETURNED FOR CREDIT EXCEPT UPON PRIOR WRITTEN AUTHORIZATION FROM SELLER. IF SUCH PERMISSION IS GRANTED, PURCHASER SHALL PAY THE INSPECTION AND HANDLING COSTS OF AND THE ACCOUNTING EXPENSES INCURRED BY SELLER RESPECTING SUCH MERCHANDISE WHICH IN NO EVENT SHALL BE LESS THAN 10% OF THE SALES PRICE OF THE RETURNED GOODS. SELLER SHALL HAVE NO RESPONSIBILITY FOR GOODS RETURNED WITHOUT PRIOR AUTHORIZATION OF SELLER.

PAYMENT-
PAYMENT SHALL BE DUE AND PAYABLE WITHIN 30 DAYS OF RECEIPT OF A VALID INVOICE

TAXES-
ALL PRICES ARE SUBJECT TO THE ADDITION OF SALES TAX. PURCHASER MUST FURNISH SELLER WITH TAX EXEMPTION CERTIFICATE FOR EXEMPT STATUS.

PURPOSE-
THE MERCHANDISE PRESENTED FOR SALE TO BUYER IS INTENDED FOR USE ONLY FOR THE REFERENCED JOB. APPLICATION AND INSTALLATION MUST BE IN ACCORDANCE WITH MANUFACTURER'S SPECIFICATIONS AND INSTRUCTIONS.

INCONSISTENT PROVISION IN PURCHASE ORDER-
ANY TERMS OR PROVISIONS OF THE PURCHASER'S ORDER WHICH ARE NOT EXPRESSLY CONTAINED IN, OR IN ANY WAYS CONTRARY TO THE TERMS OF THIS INVOICE, SHALL NOT BE BINDING ON SELLER AND SHALL NOT BE CONSIDERED AND APPLICABLE TO THIS SALE.

TITLE-
TITLE TO THE ABOVE MERCHANDISE IS RESERVED BY AND REMAINS VESTED IN SELLER UNTIL THE PURCHASE PRICE IS PAID IN FULL. IF THE PURCHASER SHALL FAIL TO PAY ANY PART OF THE PURCHASE PRICE WHEN DUE, SELLER MAY TAKE POSSESSION OF SAID MERCHANDISE WITHOUT NBUILDINGS IOTCE OR LIABILITY TO PURCHASER.

SERVICE CHARGE-
A SERVICE CHARGE AT THE RATE OF 18% ANNUM IS PAYABLE BY PURCHASER FROM DUE DATE OF AN INVOICE UNTIL DATE OF PAYMENT, OR THE HIGHEST CHARGES ALLOWED BY LAW, WHICHEVER IS LESS.

ATTORNEY'S FEES-
IF ANY ACTION OR PROCEEDING IS INSTITUTED TO RECOVER FROM PURCHASER ANY SUMS UNPAID UNDER ANY CONTRACT OR ORDER OR IF THE ACCOUNT IS REFERRED TO ANY ATTORNEY FOR COLLECTION, PURCHASER SHALL PAY SELLER REASONABLE ATTORNEY'S FEES.

ENTIRE AGREEMENT-
NO STIPULATION, AGREEMENT OR UNDERSTANDING OF THE PARTIES HERETO SHALL BE VALID OR ENFORCEABLE UNLESS CONTAINED IN THIS AGREEMENT.

WARRANTIES-
SELLER SHALL PERFORM ALL SERVICES IN THE ACCORDANCE WITH THE HIGHEST GENERALLY ACCEPTED NATIONAL STANDARDS OF CARE, SKILL, DILIGENCE AND PROFESSIONAL COMPETENCE AVAILABLE TO SELLER. EXCEPT AS IS OTHERWISE PROVIDED, SELLER MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, NOR IS THERE ANY OTHER EXPRESS OR IMPLIED WARRANTY ASSOCIATED WITH THE SALE OF THESE GOODS. BUYER ACKNOWLEDGES THE USE OF ITS OWN SKILL AND EXPERTISE IN THE SELECTION OF THE PRODUCTS AND DOES NOT RELY TO FORM THE BASIS OF THE BARGAIN ON ANY ORAL OR WRITTEN STATEMENTS, REPRESENTATIONS, OR SAMPLES MADE OR PRESENTED TO BUYER PRIOR TO OR CONCURRENT WITH THE EXECUTION OF THIS CONTRACT. SELLER ASSUMES NO LIABILITY FOR ANY TECHNICAL ADVICE GIVEN TO BUYER ON THE USE OF THE GOODS PURCHASED, AND BUYER EXPRESSLY AGREES THAT SUCH ADVICE WILL BE USED AT ITS OWN RISK.

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager *Approved and Forwarded to the City Council*

FROM: Libby Vreonis, City Clerk

SUBJECT: **Adopt a Resolution Authorizing the Office of the City Clerk to Accept Claims Electronically**

Summary and Background

The Government Claims Act requires a claimant to submit a written claim to the City prior to bringing a lawsuit against it. Currently, claims may be submitted to the City Clerk's Office by delivery[1] or by mail[2]. Government Code Section 915(a)(3) allows for a claimant to submit a claim electronically if the local public entity expressly authorizes electronic claim submissions by resolution or ordinance. The proposed resolution would authorize claims to be submitted electronically to the City Clerk's Office and would continue to allow claims to be submitted by delivery or mail. If a claim is submitted electronically, City staff may send required notices to the electronic address from which the claim was received, or to an alternative electronic address if requested by the claimant[3]; therefore, there is efficiency for both claimant and City staff to authorize accepting claim electronically.

Consistency with the Oakley Strategic Plan 27+

Electronic claim filing is consistent with the Community and Collaborative Partnerships Goal to provide communication resources to execute the City's responsibilities in the Oakley Strategic Plan 27+.

Fiscal Impact

None.

Recommendation

Staff recommends that the City Council adopt the proposed resolution to authorize the Office of the City Clerk to accept claims electronically.

Attachments

1. Proposed Resolution

---

[1] California Government Code Section 915(a)(1)
[2] California Government Code Section 915(a)(2)
[3] California Government Code Section 915.4(a)(2)

RESOLUTION NO. XX-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY AUTHORIZING THE OFFICE OF THE CITY CLERK TO ACCEPT CLAIMS ELECTRONICALLY

WHEREAS, the Office of the City Clerk for the City of Oakley currently accepts claims submitted by delivery or mail pursuant to Government Code Sections 915(a)(1) and 915(a)(2); and

WHEREAS, Government Code Section 915(a)(3) allows for a claimant to submit a claim electronically if the local public entity expressly authorizes electronic claim submissions by resolution or ordinance; and

WHEREAS, there is efficiency for both claimant and City staff to allow for electronic claim submissions.

THEREFORE, BE IT RESOLVED by the City Council of the City of Oakley that the Office of the City Clerk for the City of Oakley may accept claims submitted electronically.

PASSED, APPROVED AND ADOPTED this 13th day of December by the following vote:

AYES:
NOES:
ABSTENTION:
ABSENT:

APPROVED:

_____
, Mayor

ATTEST:

_____
Libby Vreonis, City Clerk

_____
Date

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager *Approved and Forwarded to the City Council*

FROM: Kevin Rohani, P.E., Public Works Director/City Engineer

SUBJECT: Approve second reading of Ordinance No. 17-22 authorizing the levy of a special tax commencing in Fiscal Year 2023-24 and each ensuing fiscal year thereafter solely within and relating to City of Oakley Community Facilities District No. 2022-2 (Summer Lake North Maintenance Services)

Background and Analysis

The property located north of East Cypress Road, east of Bethel Island Road, and south and west of Sandmound Boulevard known as Summer Lake North (the "Project") is within Planning Area 2 of the East Cypress Corridor Specific Plan. The Project is expected to be comprised of 817 single-family residential units at build-out.

The applicant for the Project, Civic Summer Lake North, LLC (the "Developer"), is conditioned to mitigate the Project's financial impact on the City's parks, streetlighting, landscape and stormwater services budgets. The applicant is also conditioned to mitigate the Project's financial impact on the Reclamation District 799 ("RD 799") budget related to maintenance services for levee and stormwater improvements to be constructed with the Project.

The City received a signed petition from the Developer requesting the formation of Community Facilities District No. 2022-2 ("CFD No. 2022-2") to satisfy the conditions related to the City's parks, streetlighting, landscaping, and stormwater maintenance services and also maintenance of the levee associated with the Project that will be maintained by RD 799.

On October 11, 2022, the City Council adopted Resolution No. 113-22 ("Resolution of Intention"), declaring its intention to establish CFD No. 2022-2. The Public Hearing pursuant to the Resolution of Intention was held on Tuesday, November 15, 2022, and the Notice of Public Hearing was published in the East County Times on October 17, 2022. The rate and method of apportionment of special tax was attached to the

Resolution of Formation as Exhibit B thereto. Also, the Boundary Map was recorded with the Contra Costa County Recorder's office as required by the CFD Act.

On November 15, 2022, the City Council took the following actions:

- Adopted Resolution No. 132-22 which formed CFD No. 2022-1;

- Adopted Resolution No. 133-22 which called for a special land owner election to authorize the levy of special taxes within CFD No. 2022-2 for FY 2023-24 and each fiscal year thereafter;

- Held the special land owner election and subsequently adopted Resolution No. 134-22 declaring the results of the election, which was a unanimous vote in favor of the levy of special taxes; and

- Introduced Ordinance No. 17-22 authorizing the levy of a special tax commencing in Fiscal Year 2023-24 and each fiscal year thereafter solely within and relating to CFD No. 2022-2.

As required by the CFD Act, the notice of special tax lien was recorded with the Contra Costa County Recorder's office after the November 15, 2022, mmerCity Council meeting.

The second reading and final adoption of Ordinance No. 17-22 is the purpose of this Council item. Should Council adopt the Ordinance, the City Clerk is required to publish the Ordinance within 15 days after its passage in a newspaper of general circulation. Publication of the Ordinance will complete the process to authorize the levy of special taxes within CFD No. 2022-2 commencing in Fiscal Year 2023-24.

Consistency with the Oakley Strategic Plan 27+

This item is consistent with the Strategic Plan 27+ Park and Open Space and Finance and Fiscal Responsibility section goals.

Local Goals & Polices

On December 9, 2014, the City adopted Resolution No. 126-14, which amended the "City of Oakley's Statement of Local Goals and Policies and Appraisal Standards Concerning the Use of the Mello-Roos Community Facilities Act of 1982". In the future, if it is determined that the "Amended and Restated Local Goals and Policies and Appraisal Standards Concerning the Use of Mello-Roos Community Facilities Act of 1982" need to be further amended, the Council has the authority to amend them at any time. The formation of CFD No. 2022-2 complies with the City's "Amended and Restated Local Goals and Policies and Appraisal Standards Concerning the Use of Mello-Roos Community Facilities Act of 1982".

Fiscal Impact

There will be no financial impact to the City's General Fund. The Developer for the Project has funded all costs associated with the formation of CFD No. 2022-2. The proposed maximum annual special tax rates per Single-Family Residential Parcel for CFD No. 2022-2, in FY 2022-23 dollars, to fund the Authorized Services are shown in the table below:

Special Tax Component	Proposed FY 2022-23 Maximum Special Tax
City Regional Parks	$157.30
City Community Parks	$347.37
City Streetlighting	$68.58
City Landscaping, Neighborhood Parks, and Stormwater	$1,238.19
RD 799 Services	$492.63
Total:	$2,304.07

The Project is expected to consist of 817 Single-Family Residential Parcels at build-out. Therefore, successful formation of CFD No. 2022-2 would provide approximately $1.88 million (in FY 2022-23 dollars) in revenue annually at build-out. The CFD special taxes are anticipated to be placed on the property tax rolls commencing in FY 2023-24.

As specified in Exhibit “B” of the Resolution of Formation (the Rate and Method of Apportionment of Special Tax), the maximum annual special tax shall be increased by applying the percentage increase, if any, in the Consumer Price Index for San Francisco-Oakland-Hayward, CA (All Urban Consumers) for the prior year (February to February) to the maximum special tax in effect for the current fiscal year. Each annual adjustment of the maximum annual special tax shall become effective on the subsequent July 1.

The City will annually transfer a minimum of $394,584, increased annually by the Consumer Price Index described above, to RD 799 to fund RD 799 maintenance services and related administration costs.

Staff Recommendation

Staff recommends that the City Council adopt the following Ordinance:

1. Ordinance No. 17-22 authorizing the Levy of a Special Tax.

Attachments

1. Ordinance No. 17-22 authorizing the Levy of a Special Tax.

ORDINANCE NO. 17-22

ORDINANCE LEVYING SPECIAL TAX

CITY OF OAKLEY
Community Facilities District No. 2022-2
(Summer Lake North Maintenance Services)

SECTION 1. FINDINGS

A. The City Council (this "Council") of the City of Oakley (the "City") has adopted a resolution entitled "A Resolution of Intention to Establish a Community Facilities District" (the "Resolution of Intention"), and has conducted proceedings (the "Proceedings") to establish "City of Oakley Community Facilities District No. 2022-2 (Summer Lake North Maintenance Services)" (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act") to fund certain public services (the "Services") as provided in the Act.

B. Pursuant to notice as specified in the Act, and as part of the Proceedings, the Council has held a public hearing under the Act relative to the determination to proceed with the formation of the CFD and the rate and method of apportionment of the special tax ("Special Tax") to be levied within the CFD to finance the Services, and at such hearing all persons desiring to be heard on all matters pertaining to the formation of the CFD and the levy of the Special Tax were heard, substantial evidence was presented and considered by this Council and a full and fair hearing was held.

C. Upon the conclusion of the hearing, this Council adopted a resolution entitled "A Resolution of the City Council of Formation of Community Facilities District" (the "Resolution of Formation"), pursuant to which it completed the Proceedings for the establishment of the CFD, the authorization of the levy of the Special Tax within the CFD and the calling of an election within the CFD on the propositions of levying the Special Tax and establishing an appropriations limit within the CFD, respectively.

D. On November 15, 2022, a special election was held among the landowner voters within the CFD at which such voters approved such propositions by the two-thirds vote required by the Act, which has been confirmed by resolution of this Council.

SECTION 2. By the passage of this Ordinance, the Council hereby authorizes and levies the Special Tax within the CFD pursuant to the Act, at the rate and in accordance with the rate and method of apportionment of Special Tax set forth in the Resolution of Formation which rate and method is by this reference incorporated herein. The Special Tax is hereby levied commencing in fiscal year 2023-24 and in each fiscal year thereafter

to pay for the Services for the CFD, as contemplated by the Resolution of Formation and the Proceedings and all costs of administering the CFD.

SECTION 3. The Finance Director or designee, or an employee or consultant of the City, is hereby authorized and directed each fiscal year to determine the specific Special Tax to be levied for the next ensuing fiscal year for each parcel of real property within the CFD, in the manner and as provided in the Resolution of Formation.

SECTION 4. Exemptions from the levy of the Special Tax shall be as provided in the Resolution of Formation and the applicable provisions of the Act. In no event shall the Special Tax be levied on any parcel within the CFD in excess of the maximum Special Tax specified in the Resolution of Formation.

SECTION 5. All of the collections of the Special Tax shall be used as provided in the Act and in the Resolution of Formation, including, but not limited to, the payment of costs of the Services, the payment of the costs of the City in administering the CFD, and the costs of collecting and administering the Special Tax.

SECTION 6. The Special Tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes; provided, however, that the Council may provide for other appropriate methods of collection by resolution(s) of the Council. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent Special Tax payments. The Finance Director of the City is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of Contra Costa in order to effect proper billing and collection of the Special Tax, so that the Special Tax shall be included on the secured property tax roll of the County of Contra Costa for fiscal year 2023-24 and for each fiscal year thereafter until no longer required to pay for the Services or until otherwise terminated by the City.

SECTION 7. If for any reason any portion of this ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel within the CFD, by a court of competent jurisdiction, the balance of this ordinance and the application of the Special Tax to the remaining parcels within the CFD shall not be affected.

SECTION 8. The Mayor shall sign this Ordinance and the City Clerk shall cause the same to be published immediately after its passage at least once in a newspaper of general circulation circulated in the City.

SECTION 9. This Ordinance shall take effect 30 days from the date of final passage.

PASSED, APPROVED AND ADOPTED, this 13th day of December by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

APPROVED:

_____
, Mayor

ATTEST:

_____
Libby Vreonis, City Clerk

_____
Date

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager *Approved and Forwarded to the City Council*

FROM: Libby Vreonis, City Clerk

SUBJECT: **Adopt a Resolution Approving the 2023 City Council Committee Appointment List**

Summary and Background

Each year after the Oakley City Council reorganizes, the City Council reviews the City Council Committee Appointment List for the upcoming year to decide which local and regional committees each Councilmember shall serve. Traditionally, the Mayor and Vice Mayor are appointed to represent the City of Oakley on the Contra Costa County Mayors' Conference, East County Mayors and City Managers Meeting, and CalCities, unless the City Council should approve otherwise. Attached is the proposed list for 2023.

Fiscal Impact

None.

Recommendation

Staff recommends that the City Council review and discuss the 2023 City Council Committee Appointment List and adopt the final List as presented or as revised.

Attachments

1. Proposed 2023 City Council Committee Appointment List
2. Resolution Approving the 2023 City Council Committee Appointment List

Proposed 2023 City Council Committee Appointment List

Meadows, Aaron
Ad Hoc Parks Subcommittee
CalCities East Bay Division, *Voting*
CCC Mayors Conference
East County Mayors and City Managers
MCE Board
Oakley Inter-Agency Subcommittee (Public School Liaison)
TRANSPLAN/ECCRFFA/St. Route 4 Bypass (CC Rep)

Williams, Anissa
ABAG, *Alternate*
Ad Hoc Parks Subcommittee
CCC Mayors Conference, *Alternate*
East County Mayors and City Managers, *Alternate*
Oakley Inter-Agency Subcommittee (Public School Liaison)
Tri-Delta Transit

Fuller, George
ABAG, *Voting*
CalCities East Bay Division, *Alternate*
Contra Contra Costa Fire Protection District Board (Liaison)
East Bay Leadership Council (Liaison)
MCE Board, *Alternate*

Shaw, Shannon
Ironhouse Sanitary District Liaison
Tri-Delta Transit

Henderson, Hugh
Board of Green Empowerment Zone
Diablo Water District Liaison
Habitat Conservation Plan Exec. Committee/HCP Conservancy

RESOLUTION NO. XX 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY APPROVING THE 2023 CITY COUNCIL COMMITTEE APPOINTMENT LIST

BE IT RESOLVED by the City Council of the City of Oakley that the 2023 City Council Committee Appointment List attached as Exhibit A is hereby approved.

PASSED, APPROVED AND ADOPTED this 13th day of December 2022 by the following vote.

AYES:
NOES:
ABSTENTION:
ABSENT:

APPROVED:

_____
, Mayor

ATTEST:

_____
Libby Vreonis, City Clerk

_____
Date

OAKLEY
CALIFORNIA

STAFF REPORT

DATE: December 13, 2022

TO: Joshua McMurray, City Manager *Approved and Forwarded to the City Council*

FROM: Tim Przybyla, Finance Director

SUBJECT: Consideration of a Resolution Accepting the Annual Comprehensive Financial Report (ACFR), Memorandum on Internal Control, Required Communications and Report on Agreed Upon Procedures for Fiscal Year 2021-2022

Background and Analysis

The Fiscal Year 2021-2022 ACFR, including the City's audited financial statements is attached. The Successor Agency to the Oakley Redevelopment Agency is also included in the ACFR. In accordance with State Law, the Auditors also performed agreed upon procedures to review our Appropriations Limit calculations and compliance. Maze and Associates performed the engagements and have issued an unqualified (clean) opinion on the financial statements, as presented.

The Auditor's Memorandum on Internal Control and the Auditor's Required Communications letter include the required communications from Statement of Auditing Standards (SAS) No. 112 Communicating Internal Control Related Matters Identified in an Audit. SAS No. 112 requires that the Auditor report any "material weakness" or "significant deficiency" found during the audit. The attached Memorandum on Internal Control (MOIC) contains three (3) significant deficiencies this year, to which staff has provided management responses.

The Auditor's "Report on Agreed Upon Procedures for Compliance with the Proposition 111 2021-2022 Appropriations Limit Increment" is also attached. The agreed upon procedures is less in scope than the audit, but in carrying out the procedures, the Auditors walked through the calculation and confirmed the City followed appropriate procedures in complying with appropriations limit calculation requirements.

A representative of Maze & Associates will present the ACFR and other related documents to the City Council, which are attached to this staff report. City staff has

prepared the transmittal letter, which starts on page “i” and the Management Discussion and Analysis (MD&A), which starts on page 5 of the attached ACFR document. There is a lot of information to digest throughout the ACFR and the MD&A summarizes much of that information. However, below are some highlights related to the City’s financial health:

- The net change in fund balance for the General Fund was slightly over $2.3 million in Fiscal Year 2021/2022.

- Among other shifts in the General Fund’s fund balance categories, the City is moving $5 million into the Capital Projects Reserve because funds are available for that at the end of Fiscal Year 2021/2022 and that move will replenish the $5 million of Capital Projects Reserve that is budgeted for use in the current fiscal year.

- In past fiscal years, the General Fund’s Emergency Reserves were simply categorized within Unassigned Fund Balance. For the Fiscal Year 2021/2022 ACFR, we have established a separate grouping within Unassigned Fund Balance, to help the readers of the ACFR understand the Emergency Reserves are only available for expenditure during times of economic downturn. To hedge against potential revenue losses due to an economic downturn during Fiscal Year 2022/2023, the City has categorized $1 million in excess of the 30% minimum reserve balance as of June 30, 2022.

Consistency with the Oakley Strategic Plan 27+

This agenda item is consistent with the Strategic Plan 27+’s Finance and Fiscal Responsibility Goal for the City of Oakley to leverage its financial resources for the long-term benefit of our residents and businesses while maintaining sufficient reserves to provide stability and ensure a successful future. It is also consistent with the Finance and Fiscal Responsibility Objective to communicate on financial updates including financial health, priorities and unexpected expenditures.

Fiscal Impact

There is no fiscal impact of adopting this resolution.

Staff Recommendation

Staff recommends the City Council adopt the attached resolution accepting the reports.

Attachments

1. Resolution

2. FY 2021-2022 ACFR
3. FY 2021-2022 Memorandum on Internal Control
4. FY 2021-2022 Required Communications
5. FY 2021-2022 Gann Limit Report

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY ACCEPTING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR), MEMORANDUM ON INTERNAL CONTROL, REQUIRED COMMUNICATIONS, AND REPORT ON AGREED UPON PROCEDURES FOR FISCAL YEAR 2021-22

WHEREAS, each year the City hires an independent audit firm to complete an audit of the City's books and records; and

WHEREAS, the City's citizens, bondholders, bond insurers, rating agencies and others rely on the audited financial statements, and other related information published by the City to monitor the City's financial health; and

WHEREAS, the City publishes an Annual Comprehensive Financial Report (ACFR), which includes its audited Basic Financial Statements as defined in Governmental Accounting Standards, as well as Supplementary Information; and

WHEREAS, the Auditor has as part of its most recently completed audit prepared a "Memorandum on Internal Control" outlining any significant deficiencies, material weaknesses, and/ or any additional suggestions the Auditor feels might be of benefit to the City; and

WHEREAS, the Auditor has prepared a letter of "Required Communications" which includes certain information related to the audit that professional standards require to be communicated to the City Council and management under generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance; and

WHEREAS, the Auditor was also engaged to perform certain agreed upon procedures to verify the City's Appropriations Limit calculations and has issued a report related thereto; and

WHEREAS, the ACFR, Memorandum on Internal Control, Required Communications and Report on Agreed Upon Procedures performed for Fiscal Year 2021-22 are attached hereto as Exhibits A, B, C and D.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Oakley accepts the attached ACFR, Memorandum of Internal Control, Required Communications and Report on Agreed-Upon Procedures performed for Fiscal Year 2021-22.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Oakley held on the 13th day of December 2022 and adopted by the following vote:

AYES:
NOES:
ABSTENTION:

ABSENT:

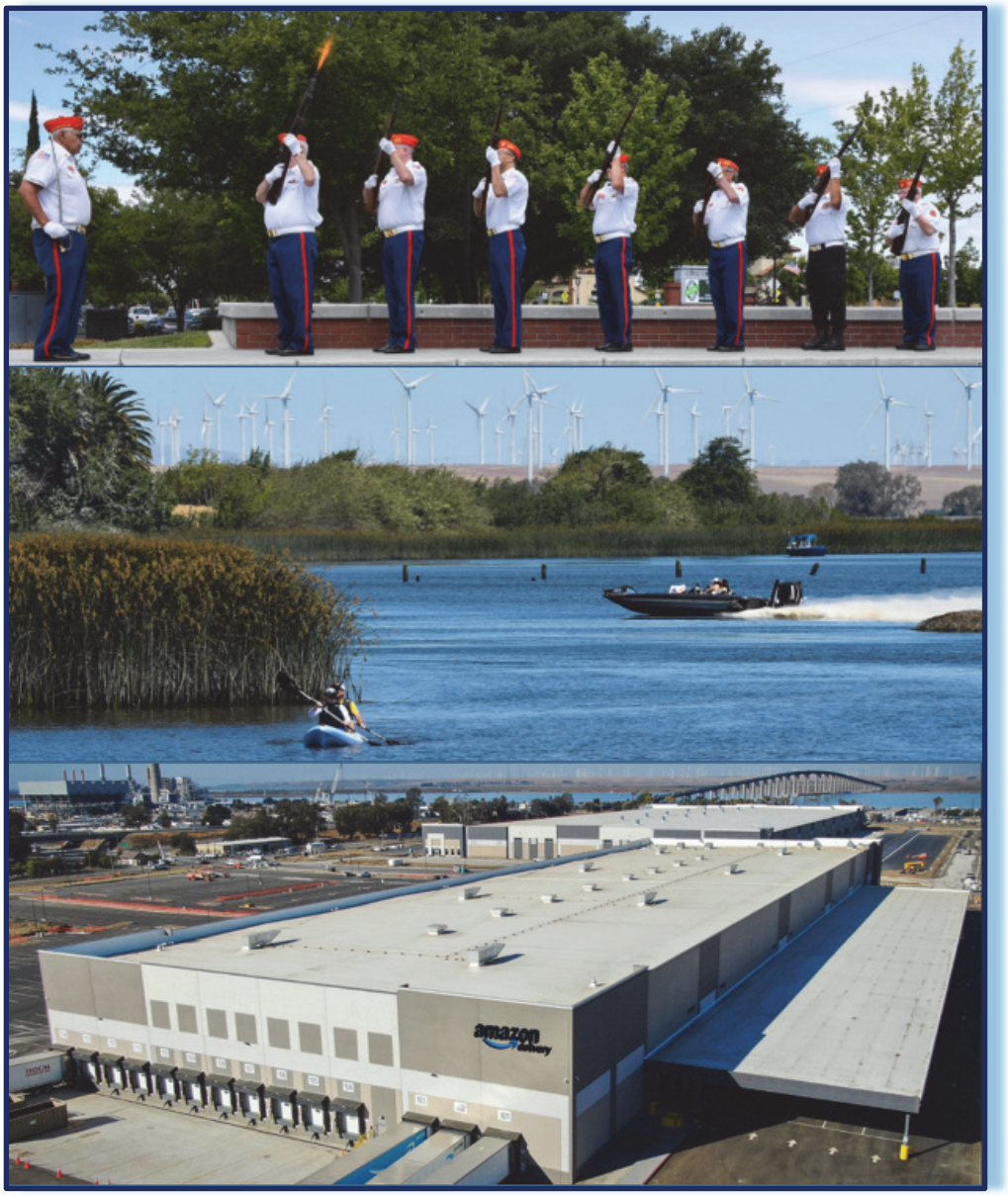
APPROVED:_____
Aaron Meadows, MAYOR

ATTEST:

_____
Libby Vreonis, CITY CLERK

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022



OAKLEY

CALIFORNIA

CITY OF OAKLEY, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

PREPARED BY THE

FINANCE DEPARTMENT

This Page Left Intentionally Blank

INTRODUCTORY SECTION

CITY OF OAKLEY, CALIFORNIA

Annual Comprehensive Financial Report
For the Year Ended June 30, 2022

Table of Contents

Page

INTRODUCTORY SECTION:

TABLE OF CONTENTS

Letter of Transmittal i

Organizational Chart viii

Elected Officials and Administrative Personnel ix

GFOA Certificate of Achievement x

FINANCIAL SECTION:

Independent Auditor's Report 1

Management's Discussion and Analysis 5

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position 16

Statement of Activities 17

Fund Financial Statements:

Governmental Funds:

Balance Sheet 20

Reconciliation of the Governmental Funds Balance Sheet with the Statement of Net Position 23

Statement of Revenues, Expenditures, and Changes in Fund Balances 24

Reconciliation of the Net Change in Fund Balances Total Governmental Funds with the Statement of Activities 26

CITY OF OAKLEY, CALIFORNIA

Annual Comprehensive Financial Report
For the Year Ended June 30, 2022

Table of Contents

Page

FINANCIAL SECTION (Continued):

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:

General Fund 27

Lighting and Landscaping Districts 28

Public Protection 29

Low and Moderate Income Housing Asset 30

American Rescue Plan Act (ARPA) 31

Proprietary Funds:

Statement of Net Position 34

Statement of Revenue, Expenses and Changes in Fund Net Position 35

Statement of Cash Flows 36

Fiduciary Funds:

Statement of Fiduciary Net Position 38

Statement of Changes in Fiduciary Net Position 39

Notes to Basic Financial Statements 41

Required Supplementary Information:

Schedule of the City's Proportionate Share of the Net Pension Liability 92

Schedule of Contributions 94

Supplemental Information:

Major Governmental Fund Other than the General Fund and Special Revenue Funds:

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Traffic Impact Fees 99

CITY OF OAKLEY, CALIFORNIA

Annual Comprehensive Financial Report
For the Year Ended June 30, 2022

Table of Contents

Page

FINANCIAL SECTION (Continued):

Non-major Governmental Funds:

Combining Balance Sheets 104

Combining Statements of Revenues, Expenditures, and Changes in Fund Balances 108

Combining Schedules of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual 112

Internal Service Funds:

Combining Statement of Net Position 122

Combining Statement of Revenue, Expenses and Changes in Fund Net Position 123

Combining Statement of Cash Flows 124

Custodial Funds:

Combining Statement of Net Position 126

Combining Statement of Changes in Net Position 127

STATISTICAL SECTION:

Financial Trends:

Net Position by Component – Last Ten Fiscal Years 133

Changes in Net Position – Last Ten Fiscal Years 134

Fund Balances of Governmental Funds – Last Ten Fiscal Years 135

Changes in Fund Balance of Governmental Funds – Last Ten Fiscal Years 136

Revenue Capacity:

Assessed and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years 137

Property Tax Rates – All Overlapping Governments – Last Ten Fiscal Years 138

Principal Property Tax Payers 139

Property Tax Levies and Collections – Last Ten Fiscal Years 140

CITY OF OAKLEY, CALIFORNIA

Annual Comprehensive Financial Report
For the Year Ended June 30, 2022

Table of Contents

Page

STATISTICAL SECTION (Continued):

Debt Capacity:

Ratio of Outstanding Debt by Type – Last Ten Fiscal Years 141

Computation of Direct and Overlapping Debt 142

Computation of Legal Bonded Debt Margin 143

Bonded Debt Pledged Revenue Coverage – Last Ten Fiscal Years 144

Demographic and Economic Information:

Demographic and Economic Statistics – Last Ten Fiscal Years 145

Principal Employers – Current Year and Nine Years Ago 146

Operating Information:

Budgeted Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years 147

Operating Indicators by Function/Program – Last Ten Fiscal Years 148

Capital Asset Statistics by Function/Program – Last Ten Fiscal Years 149

OTHER AUDIT REPORT

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in Accordance with *Government Auditing Standards* 153

CITY COUNCIL
Randy Pope, Mayor
Aaron Meadows, Vice Mayor
Anissa Williams
George Fuller
Sue Higgins

OAKLEY
CALIFORNIA

CITY HALL
3231 Main Street
Oakley, CA 94561
925.625.7000 tel
925.625.9859 fax
www.ci.oakley.ca.us

December 13, 2022

To the Citizens of the City of Oakley,
and the Honorable Members of the Oakley City Council,

We are pleased to submit to you the City of Oakley's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. This report is published in accordance with State law that requires financial statements be presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. It is also prepared to meet reporting standards set forth by the Governmental Finance Officers Association.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the management of the City has established a comprehensive internal control framework designed to both protect the government's assets from loss, theft, or misuse and compile sufficient reliable information for the presentation of the City's financial statements in conformity with GAAP. Given the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal control has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the changes in financial position of the governmental activities and the various funds of the City; and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs.

CITY PROFILE

The City of Oakley is a community of approximately 45,000 residents located in the eastern portion of Contra Costa County in the San Francisco Bay Area. The City entity is a California municipality incorporated on July 1, 1999 and operates under a Council-City Manager form of government. The City Council is comprised of five members elected by the voters, city-wide, serving in staggered four-year terms. The Council hires a City Manager to run the City's day-to-day operations.

The City provides the following services: Legislative; Administrative; Building and Safety; Code Enforcement, Planning; Engineering; Streets, Parks and Landscape Maintenance; Recreation; and Police Protection. Other community services that are provided by local special districts with their own governing boards include: Sewer, Water, Transit, Irrigation, Mosquito Abatement, Flood Control, Schools, and Fire Protection. The City contracts for sanitation services with a local firm under a long-term franchise agreement.

FINANCIAL INFORMATION

Discussion and analysis of the City's finances can be found in the MD&A section of the attached report. The information below includes a summary of what is recorded in the General Fund and certain Other Financial Information of ongoing interest but not included in the MD&A.

The Financial Statements presented in this ACFR include the City and its component unit, the Oakley Public Financing Authority. It is blended in the report since it is governed by the City Council sitting in a separate capacity and provides services exclusively to the City. The Oakley Redevelopment Agency was dissolved on January 31, 2012, and its assets and liabilities were transferred to the City, as Housing Successor, and to a Successor Agency. The Successor Agency is reported as a Private Purpose Trust Fund, since it is legally a separate Entity and its decisions and governance subject to the approval of parties other than the City Council.

Each year, the City Council holds a strategic planning discussion and adopts a budget to direct the allocation of City resources in accordance with its strategic planning priorities. The process typically begins in January with internal budget reviews, followed by a strategic planning session in March, a budget workshop in May to discuss a Proposed Budget, and adoption of a final Recommended Budget in June. The development of the Fiscal Year 2022/23 Proposed Budget included a strategic planning process in late 2021 when the City administered a survey to community members and employees to get their feedback on key priority areas. The survey was provided in English and Spanish and open for a month. More than 390 responses were collected and synthesized by strategic planning consultant Strategy Driver Inc. The process continued with a City Council Visioning Workshop on January 11, 2022.

A series of community workshops were held to get Council and community input on the various aspects of the strategic plan. On February 15, 2022, the City Council held the first workshop and drafted a preliminary mission, vision, and core values. At the following workshop, on March 10, 2022, the City Council and community members in attendance then discussed and updated the goals and sub-goals drafted based on community input. The final community workshop took place on March 31, 2022.The input that we received was incorporated into this budget as well.

The City operates on a fiscal year that begins each July 1 and ends on June 30. The adopted Budget includes the annual update of the City's Comprehensive Statement of Financial Policies, which serves as a framework for its financial practices, an update to its 10 Year Plan, and budgets for each of the funds under the City's control. Budgetary control is established at the Fund level.

The City's General Fund is its primary operating fund, and is used to account for Legislative, Administrative Services, Community Development, Recreation, Police and Public Works operations, and is where the City accounts for all its general-purpose revenues. It is distinguished from the City's other governmental funds that are used to account for special purpose revenues, capital projects, debt service activities, and monies held for the benefit of others.

Debt Management

The City generally does not incur debt, except in instances where there will be long-term benefits or where no other method of acquiring an asset is possible. Equipment purchases are generally funded through the City's Equipment Replacement Fund or with current revenues.

Reserves

The City has sufficient reserves to meet its current and immediate future obligations. The Statement of Financial Policies contains reserve policies and the City's Adopted Budget includes a 10 Year Plan which highlights the impact of near-term decisions on fund balances and reserves during the 10-year period. Furthermore, in order to maintain the 10 Year Plan's relevance, twice each year (at budget adoption and again at mid-year), the City reviews and updates the assumptions used in the Plan.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In preparing the budget for FY 2022/23, management considered the following significant factors likely to affect the financial condition of the City:

- Housing prices had continued to strengthen and building activity continued to grow, with 276 building permits for new single-family homes and 170 apartment units issued in FY 2021/22. Property tax revenue growth was budgeted conservatively at 3% for Fiscal Year 2022/23. However, with the County Assessor subsequently reported an increase of over 16% in assessed valuations which is anticipated to bring in roughly $1,000,000 more property tax and property tax in lieu of vehicle license fee revenue combined than was projected for Fiscal Year 2022/23. The City projected developers would complete approximately 220 new homes, 40 multi-family units and some new non-residential construction in Fiscal Year 2022/23. However, with rising interest rates and a slowing of the housing market, the City is anticipating a shortfall of those projections, which may be offset by the higher property tax revenues. To hedge against potentially further losses in revenue due to a recession, the City is assigning $1 million in excess of the 30% minimum reserve policy to the General Fund Emergency Reserve for Fiscal Year 2022/23.

  The City is also anticipating a rise in commercial and industrial development with the Contra Costa Logistic Center construction wrapping up in Fiscal Year 2022/23. Once complete, the Center will provide approximately 1.7 million square feet of new, Class A light industrial, warehousing, distribution, e-commerce fulfillment, and light manufacturing space that will serve as a regional catalyst for jobs and business in the City and beyond.

- The City has accumulated reserves well in excess of its adopted policy level of 30% of anticipated General Fund expenditures. With an adequate reserve, the Council has appropriated the excess to fund one-time additional infrastructure and economic development investments.

- In December 2016 the California Public Employees Retirement System ("CalPERS") lowered the discount rate assumption, the long-term rate of return from 7.50% to 7% over the subsequent three years. On November 15, 2021, the CalPERS Board voted to lower the rate further, from 7% to 6.8%. In FY 2017/18 the City set up a pension trust that will be used to reduce the unfunded accrued liability and/or provide rate stabilization in future years. In FY 2019/20, the City Council appropriated $200,000 towards the 115 Pension Trust and an additional $300,000 was appropriated in the FY 2020/21 Budget. The City of Oakley also paid down just over $1 million of its unfunded accrued liability (UAL) during FY 2019/20 and an additional $500,000 was paid down during FY 2020/21. The City has also set aside reserves of $700,000 for consideration of future section 115 Trust investments or UAL pay-downs.

- On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law. Section 9901 of the ARPA amended Title VI of the Social Security Act to add Section 603. This establishes the Coronavirus State & Local Fiscal Recovery Fund (CSLFRF) for local governments across the U.S. Every city and town received a funding allocation. In California, both large cities-entitlement cities (populations over 50,000) and small cities – non-entitlement cities (populations of less than 50,000, which includes the City of Oakley) have received ARPA funding allocations. In total, small cities (non-entitlement, cities including Oakley) in California received $1.2 billion. At the time the budget was being prepared, it was estimated that the City of Oakley would receive approximately $8 million. Since then, it has been determined that the City of Oakley will receive nearly $10.2 million, with half being received in July of 2021 and the other half to be received in July of 2022.

While the budget news was generally good, the City Council continues to support a budget process that uses recurring revenues for recurring expenditures and allocates one-time funds for one-time purposes, reflecting the Council's commitment to conservative budgeting, controlling costs, and using the City's revenues wisely.

LONG TERM FINANCIAL PLANNING

The City adopts a balanced budget for each fiscal year by June 30. The City has financial policies that include the use of one-time revenues will be used for non-recurring or one-time expenditures including capital and reserves. The City has adopted a fund balance policy that requires the unassigned fund balance in the General Fund to be at least 30% of operating expenditures. As part of the budgeting process a 10-year financial projection is approved each year. This creates the framework to evaluate the City's success in ensuring service sustainability. Each year, a 5-year Capital Improvement Plan is created to build and maintain the core infrastructure of the City.

THE LOCAL AND REGIONAL ECONOMIES

Oakley's local economy continued to grow in FY 2021/22, in spite of the COVID-19 Pandemic. While commercial activity in the region has improved, commercial vacancies in nearby cities remain a viable and competing alternative to new ground-up construction in Oakley. New development and City initiatives bring infrastructure improvements and attractive new neighborhoods. These investments support the City's efforts to attract new businesses and expand existing local employment opportunities. The City continues the revitalization of the downtown area with the improvement and widening of Main Street. New commercial development is planned in the downtown and grant funding has been received by the San Joaquin Joint Powers Authority to install an Amtrak train platform in the downtown area.

Like most small cities in metropolitan areas, Oakley's economy is influenced strongly by the regional economy. It rises as the region expands, and falls as the region contracts.

The San Francisco Bay Area led the country in economic growth in 2022, with a 4.8% increase in GDP, and employment for the City's residents continues to improve. Oakley has a labor force of 19,900, with an unemployment rate that significantly dropped to 3.4 % in October 2022, compared to 7.2 % in 2021 and 14.7% in 2020.

INDEPENDENT AUDITORS

State statutes require an annual audit by independent certified public accountants. The accounting firm of Maze & Associates has been engaged by the City to conduct this year's audit. The auditor's report on the basic financial statements is included in the financial section of the report.

AWARDS FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended June 30, 2021. To receive the award, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

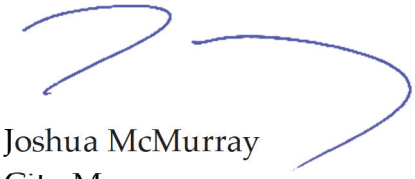
AVAILABILITY TO THE PUBLIC

Once accepted by the Council, the report will be made available to the public at the City Offices, on the City's website, at State and Federal repositories, and by providing copies to the City's bond disclosure dissemination agent.

CONCLUSION

We are proud to deliver to you the City's Annual Comprehensive Financial Report for the year ended June 30, 2022. The preparation of this report on a timely basis could not be accomplished without the dedicated services of Finance Department staff and the assistance of many others in the City organization. We would like to express our appreciation to everyone who contributed to its preparation and thank you for your continued support in planning and conducting the financial operations of the City in a responsible and progressive manner.

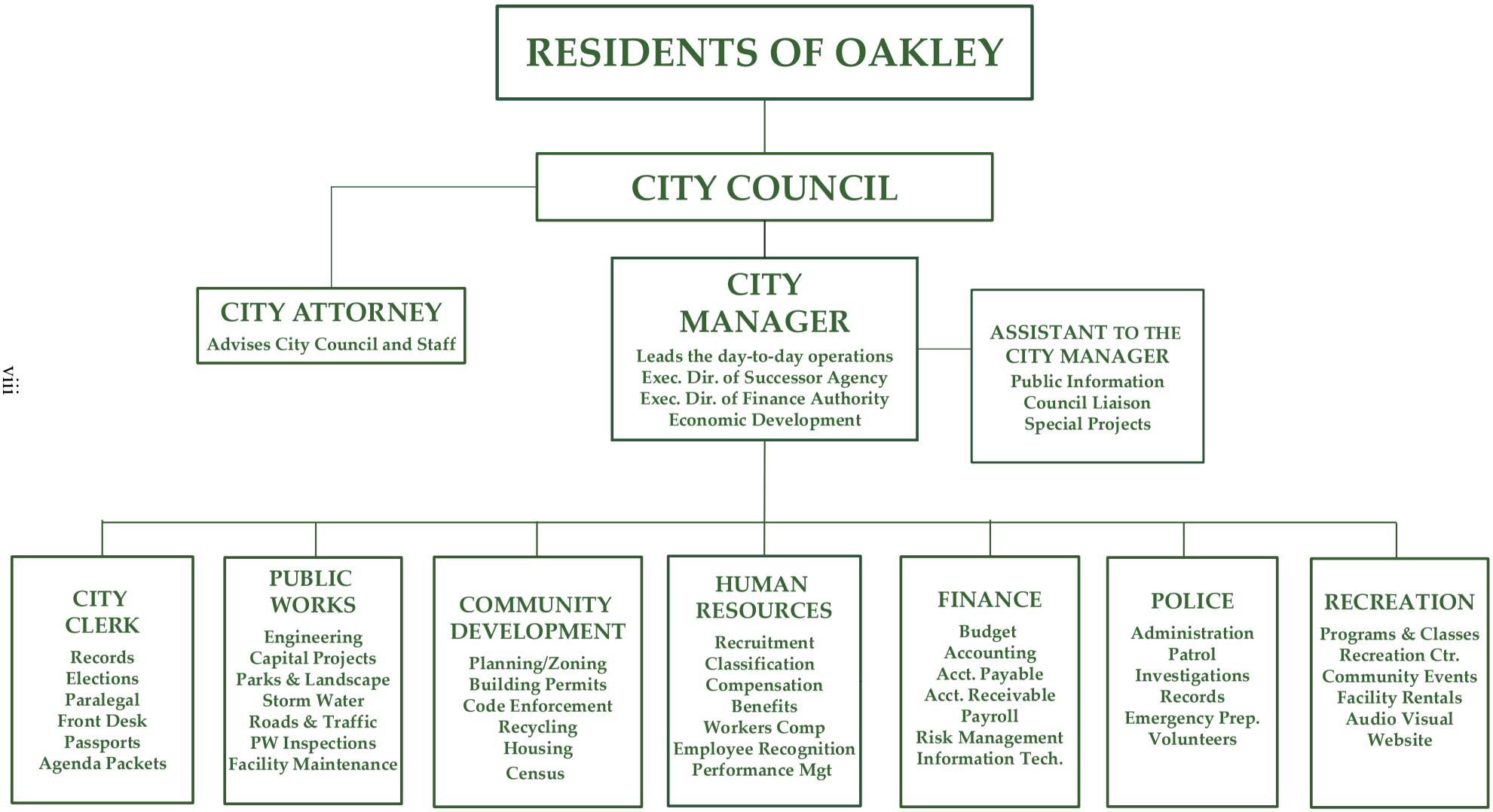
Respectfully submitted,



Joshua McMurray
City Manager



Tim Przybyla
Finance Director


RESIDENTS OF OAKLEY
CITY COUNCIL
CITY ATTORNEY
Advises City Council and Staff
CITY MANAGER
Leads the day-to-day operations
Exec. Dir. of Successor Agency
Exec. Dir. of Finance Authority
Economic Development
ASSISTANT TO THE CITY MANAGER
Public Information
Council Liaison
Special Projects
CITY CLERK
Records
Elections
Paralegal
Front Desk
Passports
Agenda Packets
PUBLIC WORKS
Engineering
Capital Projects
Parks & Landscape
Storm Water
Roads & Traffic
PW Inspections
Facility Maintenance
COMMUNITY DEVELOPMENT
Planning/Zoning
Building Permits
Code Enforcement
Recycling
Housing
Census
HUMAN RESOURCES
Recruitment
Classification
Compensation
Benefits
Workers Comp
Employee Recognition
Performance Mgt
FINANCE
Budget
Accounting
Acct. Payable
Acct. Receivable
Payroll
Risk Management
Information Tech.
POLICE
Administration
Patrol
Investigations
Records
Emergency Prep.
Volunteers
RECREATION
Programs & Classes
Recreation Ctr.
Community Events
Facility Rentals
Audio Visual
Website

CITY OF OAKLEY

ELECTED OFFICIALS AND ADMINISTRATIVE PERSONNEL

JUNE 30, 2022

ELECTED OFFICIALS

Mayor	Randy Pope
Vice-Mayor	Aaron Meadows
Council Member	George Fuller
Council Member	Sue Higgins
Council Member	Anissa Williams

ADMINISTRATIVE PERSONNEL

City Manager	Josh McMurray
City Attorney	Derek Cole
Finance Director	Tim Przybyla
Chief of Police	Paul Beard
City Clerk	Libby Vreonis
Human Resources Director	Jeri Tejeda
Public Works Director/City Engineer	Kevin Rohani
Recreation Director	Lindsey Bruno

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Oakley
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Oakley, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Oakley, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons listed in the Table of Contents as part of the basic financial statements for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W **mazeassociates.com**

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Change in Accounting Principles

Management adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*, which became effective during the year ended June 30, 2022 and required the restatement of fund balance and net position as discussed in Note 1M to the financial statements:

The emphasis of this matter does not constitute a modification to our opinions.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Supplemental Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplemental Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section listed in the Table of Contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Pleasant Hill, California
December 2, 2022

This Page Left Intentionally Blank

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the City of Oakley's financial performance for the fiscal year ended June 30, 2022, provides an overview of year ending results based on the government-wide statements, an analysis on the City's overall financial position and results of operations to assist users in evaluating the City's financial position, and discussions of both significant changes that occurred in funds and significant budget variances. In addition, it describes the activities during the year for capital assets and long-term debt. It concludes with a description of currently known facts, decisions, and conditions that are expected to have a significant effect on the financial position or results of operations. Please read this management's discussion and analysis in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- Government-wide net position increased by $20,285,696 or 6.86 percent this year.
- Government-wide program revenues exceeded program expenditures by $5,807,256.
- General Fund revenues were $457,375 more than budgeted; expenditures were $2,998,526 less than budgeted.
- The General Fund Balance at the end of the year was $26,642,301 of which $10,381,433 was available/unassigned.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and Statement of Activities (on pages 16 and 17) provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements start on page 20. For governmental activities, the fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds and other funds. The remaining fiduciary fund statement provides financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities:

Our analysis of the City as a whole begins on page 5. One of the most important questions asked about the City's finances is "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities to answer this question. These statements include all assets, deferred outflows/inflows of resources and liabilities of the City using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the City's *net position* and *changes in net position.* Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, which is one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net position is an indication of whether its *financial health* is improving or deteriorating. To put the City's financial health in perspective, you will likely need to consider certain non-financial factors, such as changes in the economy, that impact consumer spending or property values. In the Statement of Net Position and the Statement of Activities, we include City activities from two categories:

Governmental activities – Most of the City's basic services are reported in this category, and include general government (city manager, city clerk, finance, etc.), community development (planning and building, public works and parks, police protection, and recreation. Property taxes, sales tax, transient occupancy tax, user fees, interest income, franchise fees, state and federal grants, contributions from other agencies, and other revenues finance these activities.

Component unit activities – The City includes one additional legal entity in its report – the Oakley Public Financing Authority. Although legally separate, the City is financially accountable for this "component unit".

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds (called "major" funds) and other funds (called "non-major" funds) – not the City as a whole. Some funds are required by State law and/or by bond covenants; however, management has established other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for the use of certain taxes, grants, and other resources. The City's funds are classified as Governmental Funds, Proprietary Funds or Fiduciary Funds.

Governmental Funds

Most of the City's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental Fund financial statements to those in the Government-Wide financial statements are explained in a reconciliation following each Governmental Fund financial statement.

Proprietary Funds - Internal Service Activities

The City has established Equipment Replacement, Information Technology and Capital Facilities Maintenance and Replacement Internal Services Funds. Internal Service Funds are operated in a manner similar to a private business enterprise. In the case of the Equipment Replacement Fund, it charges the other City funds to accumulate amounts sufficient to maintain and replace fleet vehicles at the end of their useful life. The Information Technology Fund is funded by transfers from the General Fund that are sufficient to replace computer equipment as necessary, and the Capital Facilities Maintenance and Replacement Fund charges the other City Funds to accumulate sufficient amounts to pay for major repairs and building systems replacements when they may occur. These Funds are reported using the *accrual basis of accounting*.

Trust and Custodial Funds - Reporting the City's Fiduciary Responsibilities

The City is the trustee, or *fiduciary,* for certain funds held on behalf of bondholders and other governmental agencies. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. We exclude these activities from the City's other financial statements because the City doesn't own these assets and cannot use them to finance its operations. The City is the Successor Agency to the Oakley Redevelopment Agency, and the Successor Agency's assets and liabilities are accounted for in a private purpose trust fund reported with the City's other fiduciary funds.

THE CITY AS A WHOLE

For Fiscal Year 2021/2022, the City's combined net position increased $20,285,696 from $295,697,240 to $315,982,936. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental activities.

Table 1
Net Position
As of June 30, 2022 and 2021

Governmental Activities	**2022**	**2021**
Assets		
Current and Restricted Assets	$ 93,117,201	$ 78,678,228
Other long-term Assets	14,660,449	12,009,683
Capital Assets	230,225,015	223,742,426
Total Assets	338,002,665	314,430,337
Deferred Outflows of Resources Related to Pensions (Note 11)	3,889,373	3,437,053
Liabilities		
Long-term Debt Outstanding	8,245,000	8,560,000
Other Liabilities	15,947,698	12,969,236
Total Liabilities	24,192,698	21,529,236
Deferred Inflows of Resources		
Related to Pensions (Note 11)	608,584	640,914
Related to Leases (Note 14)	1,107,820	
Total Deferred Inflows of Resources	1,716,404	640,914
Net Position		
Net Investment in Capital Assets	221,980,015	214,187,285
Restricted	56,580,454	48,460,572
Unrestricted	37,442,467	33,049,383
Total Net Position	$ 315,982,936	$ 295,697,240

The City's Net Position is made up of three components: Net Investment in Capital Assets; Restricted Net Position; and Unrestricted Net Position. Net Investment in Capital Assets, representing capital assets, and principally infrastructure assets, accounts for the majority of the City's governmental activities' net position.

The increase of $7,792,730 in Net Investment in Capital Assets resulted primarily from the contribution of street and parks infrastructure from developers, including the Allicante, Vines at Oakley, Stonewood and Bella Estates housing developments.

The increase of $8,119,882 in Restricted Net Position is primarily due to funds restricted for capital projects, as a result of current year project expenditures and carryover to the next year for project completion.

The increase of $4,373,084 in Unrestricted Net Position is primarily attributed to the General Fund revenues in excess of expenditures. With a conservative budget due to the uncertainties of the COVID 19 pandemic, property tax, sales tax and building permits were all more than anticipated. Large capital projects, primarily related to street repairs, were carried over to Fiscal Year 2022/2023, bringing Fiscal Year 2021/2022 expenditures in under budget.

Table 2
Changes in Net Position
As of June 30, 2022 and 2021

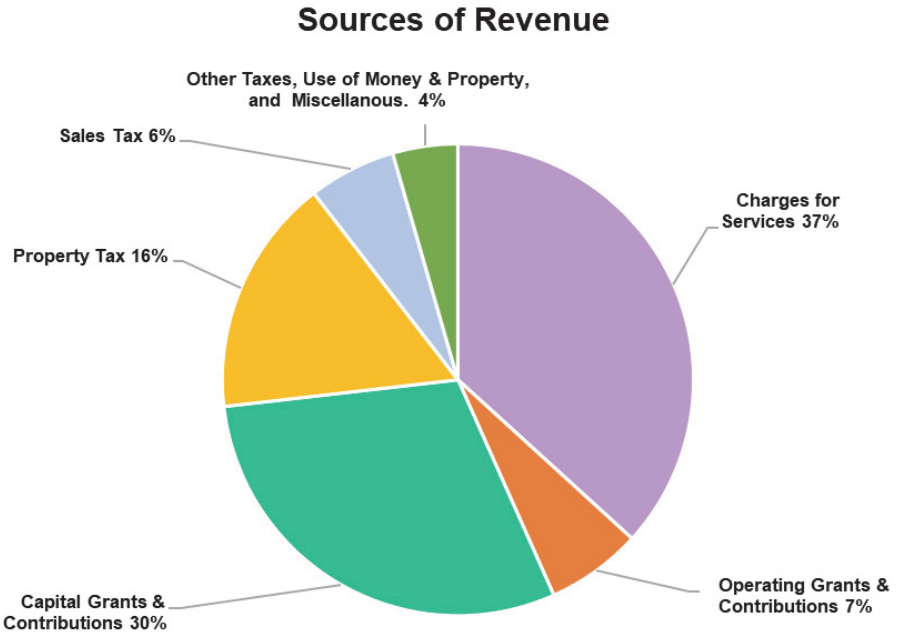
Governmental Activities	**2022**	**2021**
REVENUES		
Program revenues:		
Charges for Services	$19,848,551	$ 19,373,945
Operating Grants and Contributions	3,548,566	2,895,109
Capital Grants and Contributions	16,125,068	45,154,818
General Revenues:		
Property Tax	8,820,565	8,569,457
Sales Tax	3,245,824	2,485,023
Other Taxes	2,736,046	2,474,503
Use of Money and Property	(1,492,642)	755,854
Miscellaneous	1,158,843	1,241,615
Total Revenues	53,990,461	82,950,324
EXPENSES		
Legislative	620,315	722,088
Administrative Services	1,236,007	3,056,064
Law Enforcement	10,004,447	10,138,852
Community Development and Housing Programs	3,784,435	3,439,987
Public Works	16,987,021	21,436,956
Recreation	723,501	652,829
Interest on Long-term Debt	349,039	373,405
Total Expenses	33,704,765	39,820,181
Change in Net Position	20,285,696	43,130,143
Net Position – Beginning	295,697,240	252,567,097
Net Position – Ending	$315,982,936	$ 295,697,240

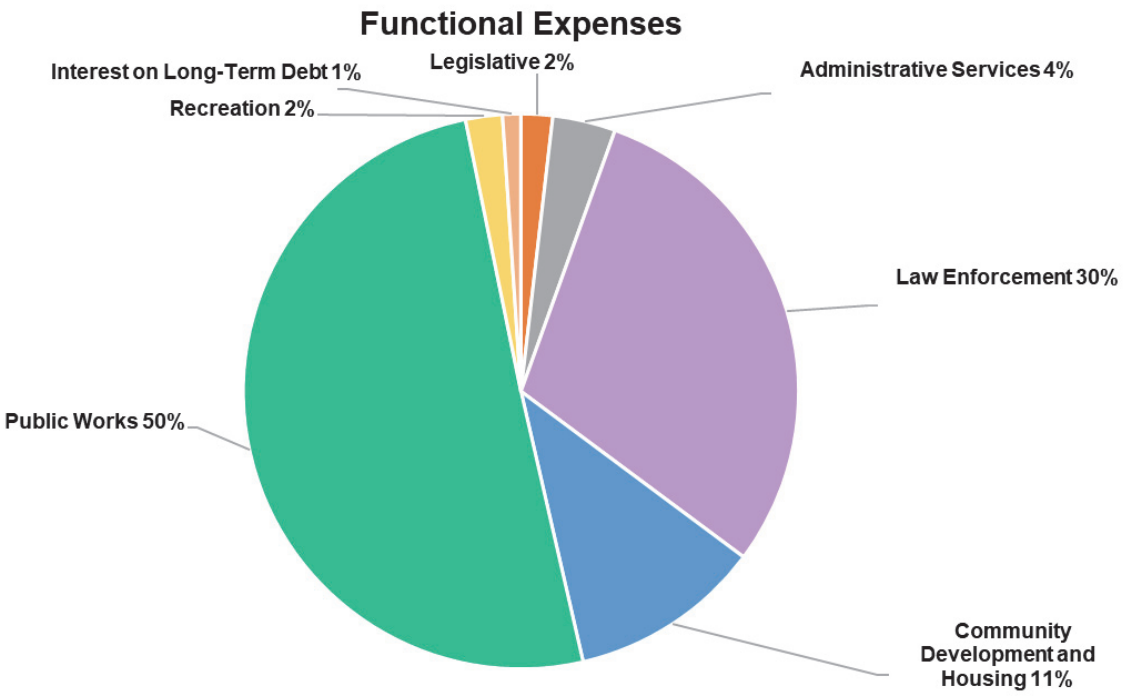
Governmental Activities

Total governmental revenue for Fiscal Year 2021/2022 was $53,990,461. Capital Grants and Contributions, which account for 30% of revenue, saw a decrease of $29,029,750, from $45,154,818 in Fiscal Year 2020/2021 to $16,125,068 in Fiscal Year 2021/2022. This decrease is due to significantly higher-than-usual capital projects that were completed in Fiscal Year 2020/2021. Charges for Services which account for 37% of revenue increased by $474,606, due to unprecedented development continuing within the City of Oakley. Property Taxes increased $251,108 due to a general increase in property values as well as an increase in the number of new homes on commercial and industrial buildings being assessed. With the exception of Use of Money and Property, most other categories experienced slight increases. The large decrease in Use of Money and Property was the result of rising interest rates, which created exceptionally high market losses on existing investments.

Total expenses were $33,704,765. Public Works, with $16,987,021 of expenses, represented the largest component of total governmental expenses. The $4,449,935 decrease in Public Works expenses resulted primarily from far fewer capital projects being completed in Fiscal Year 2021/2022, compared to the prior fiscal year. A $799,143 reduction in the pension-related expenses resulting from an exceptional year of earnings by CalPERS also helped to reduce Public Works expenses. Administrative Services was another category that decreased considerably; this decrease was mainly the result of a $1,326,457 reduction in Administrative Services' pension-related expenses. Other categories remained comparable to the prior year with some seeing slight decreases.

Fiscal Year 2022 Government Activities





On page 24, the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances is shown. The combined fund balance was $77,750,764, an increase of $9,334,498. The largest contributors to the change in fund balance were the increases in the General Fund ($2,307,378), the Traffic Impact Fees Fund ($3,228,646) and Other Governmental Funds ($3,388,475). The combined fund balance includes the General Fund Balance of $26,642,301.

The General Fund Balance increased by $2,307,378 from the prior year. The increased revenues in Property Tax were primarily due to the increased property valuations and growth in residential, commercial and industrial buildings. The increase in Sales Tax due was to the rise on gas prices, inflation and a return of consumer spending in 2022, compared to the prior fiscal year when COVID-19 was more prevalent. Total General Fund expenditures decreased by $66,165 primarily due to decreases in Administrative Services expenditures.

The General Fund Unassigned Fund Balance decreased by $2,409,326, due primarily to the assignment of another $5 million for use on future capital projects and a $1 million increase to Emergency Reserves, beyond the 30 percent minimum reserve balance, to help offset potential losses of revenue due to a recession and/or the downturn in the housing market. In Fiscal Year 2022/2023, $5 million of the Reserve for Capital Projects will be utilized for the construction of the downtown gateway roadway and parking project, which will leave the additional $5 million available for future capital projects.

General Fund revenues were $7,556,489 more than expenditures. That excludes Net Transfers of $5,368,810, which are categorized under Other Financing Sources (Uses).

General Fund Budgetary Highlights

For the City's General Fund, actual revenues of $19,735,885 were $457,375 more than the final budgeted revenues of $19,278,510. Sales Tax, Other Tax Revenues and Licenses and Permits exceeded final budget by $909,684. The increase in assessed value of property was approximately 6.4%, which was better than the projected increase of 3%. With the COVID 19 Pandemic still of concern during budget preparations, Sales Tax was anticipated to stay the same or decrease, as the effects of the Pandemic were unknown. However, the City received $445,824 or 15.9% more Sales Tax revenues than anticipated. Licenses and Permits exceeded final budget by $215,513, due to higher than anticipated development activity and permit revenue. Use of Money and Property revenue was a negative $817,797 due to unrealized market losses on investments created by rising interest rates, which reduced the market value of the investments. The City plans to hold most of its investments to maturity, rather than realize an actual loss on investments.

General Fund expenditures of $12,179,396 were $2,998,526 less than final budget of $15,177,922. Savings were realized primarily in Law Enforcement ($1,320,654) and Community Development ($734,456). The savings in Law Enforcement resulted from vacant police positions, creating a savings of just over $760,000 in Salaries and Benefits and roughly $560,000 related to increased CalPERS pension costs. The savings in community development resulted primarily from lower than anticipated Salaries and Benefit costs, consulting, and contract services. The Community Development Director position remained vacant for most of the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of Fiscal Year 2021/22, the City had $230,225,015 invested in a broad range of capital assets including land, streets, bridges, drainage systems, traffic lights, parks, buildings, vehicles and equipment. (See Table 3).

Table 3
Capital Assets
As of June 30, 2022 and 2021

Governmental Activities	**2022**	**2021**
Non Depreciable		
-Land	$18,531,130	$ 18,581,634
-Construction in Progress	7,234,020	2,457,845
Depreciable, net of Accumulated Depreciation:		
-Machinery, Equipment and Vehicles	987,248	614,714
-Buildings and Improvements	20,725,953	21,157,989
-Park Improvements	15,680,626	16,044,983
-Infrastructure	167,066,038	164,885,261
Total Capital Assets	$230,225,015	$223,742,426

Capital Assets increased by $6,482,589 during Fiscal Year 2021/22, with the most significant increases being in construction in progress ($4,776,175) and in infrastructure ($2,180,777).

The City's FY 2022/23 Capital Improvement Budget calls for the spending of $28,878,000 on new capital projects, the majority being the construction of roadways, street repair and resurfacing and a regional park project. The projects will be financed primarily with Traffic Impact Fees, Measure J, Park Impact fees and General Fund Allocations. Additional information about the capital assets can be found in Note 7 of the financial statements.

Debt

At year-end, the City's governmental activities had $8,245,000 of Outstanding Debt as shown in Table 4. In December 2016, the City issued the 2016 Lease Revenue Bonds of $10,025,000 to refinance the outstanding 2006 Certificates of Participation and to finance the construction of the Oakley Recreation Center. Additional information about the City's debt can be found in Note 8 of the financial statements.

Table 4
Outstanding Debt at Year-End

Governmental Activities	**2022**	**2021**
2016 Lease Revenue Bonds	$8,245,000	$8,560,000

During the year, the City made all of its current year debt service payments in a timely manner.

CONTACTING THE CITY FOR FINANCIAL INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department at the City offices at 3231 Main Street, Oakley, California, by calling (925) 625-7010, or forwarding your inquiry via the "contact us" page on the City's website (www.oakleyinfo.com). This Annual Comprehensive Financial Report (ACFR), as well as other financial documents, is posted in the Finance Department section of the City Website.

This Page Left Intentionally Blank

STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The Statement of Net Position and the Statement of Activities summarize the entire City's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the City's assets and deferred outflows of resources and all its liabilities and deferred inflows of resources, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the City's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between City funds have been eliminated.

The Statement of Net Position reports the difference between the City's total assets and deferred outflows of resources and the City's total liabilities and deferred inflows of resources, including all the City's capital assets and all its long-term debt. The Statement of Net Position focuses the reader on the composition of the City's Net Position, by subtracting total liabilities from total assets.

The Statement of Net Position summarizes the financial position of all of the City's Governmental Activities in a single column. The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Capital Projects and Debt Service Funds.

The Statement of Activities reports increases and decreases in the City's Net Position. It is also prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The Statement of Activities presents the City's expenses first, listed by program. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental program. The City's general revenues are then listed in the Governmental Activities and the Change in Net Position is computed and reconciled with the Statement of Net Position.

Both these Statements include the financial activities of the City and the Oakley Public Financing Authority, which is legally separate but is a component unit of the City because it is controlled by the City, which is financially accountable for the activities of the entity.

CITY OF OAKLEY
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
ASSETS	
Cash and investments available for operations (Note 3)	$86,202,021
Cash and investments with fiscal agent (Note 3)	1,496,596
Accounts receivable, net of allowance for doubtful accounts (Note 1F)	1,973,723
Interest receivable	100,831
Prepaids and deposits	19,848
Loans receivable (Note 5)	12,131,028
Land held for resale (Note 6)	3,324,182
Capital assets (Note 7):	
Land and construction in progress	25,765,150
Depreciable, net	204,459,865
Leases receivable (Note 14)	1,141,182
Net pension asset (Note 11)	1,388,239
Total Assets	338,002,665
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions (Note 11)	3,889,373
LIABILITIES	
Accounts payable	2,966,959
Accrued liabilities	710,916
Deposits payable	1,883,952
Unearned revenue	8,196,060
Interest payable	56,128
Claims payable - due in one year (Note 15)	88,723
Compensated absences (Note 1H):	
Due within one year	341,436
Due in more than one year	1,365,744
Advance from Fire District, due in more than one year (Note 16D)	337,780
Long-term debt (Note 8):	
Due within one year	330,000
Due in more than one year	7,915,000
Total Liabilities	24,192,698
DEFERRED INFLOWS OF RESOURCES	
Related to pensions (Note 11)	608,584
Related to leases (Note 14)	1,107,820
Total Deferred Inflows of Resources	1,716,404
NET POSITION (Note 10)	
Net investment in capital assets	221,980,015
Restricted for:	
Capital projects	45,409,925
Debt service	41,056
Low and moderate income housing	11,129,473
Total Restricted Net Position	56,580,454
Unrestricted net position	37,422,467
Total Net Position	$315,982,936

See accompanying notes to financial statements

CITY OF OAKLEY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Governmental Activities
Governmental Activities:					
Legislative	$620,315				($620,315)
Administrative Services	1,236,007	$1,240,158	$250,000		254,151
Community Development	3,781,533	3,832,021	849,379	$2,366,032	3,265,899
Public Works	16,987,021	7,962,194	1,994,401	13,759,036	6,728,610
Housing Programs	2,902				(2,902)
Law Enforcement	10,004,447	6,479,735	252,881		(3,271,831)
Recreation	723,501	334,443	201,905		(187,153)
Interest and fiscal charges	349,039				(349,039)
Total Governmental Activities	$33,704,765	$19,848,551	$3,548,566	$16,125,068	5,817,420
General revenues:					
Taxes:					
Property taxes					8,820,565
Sales taxes					3,245,824
Business license taxes					189,699
Transient occupancy taxes					261,273
Franchise taxes					2,285,074
Intergovernmental, unrestricted:					
Motor vehicle in lieu					49,555
Use of money and property					(1,578,042)
Gain on sale of property					85,400
Miscellaneous					1,108,928
Total General Revenues					14,468,276
Change in Net Position					20,285,696
Net Position-Beginning					295,697,240
Net Position-Ending					$315,982,936

See accompanying notes to financial statements

This Page Left Intentionally Blank

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the City in fiscal 2022. Individual non-major funds may be found in the Supplemental Section.

GENERAL FUND

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues deposited in the General Fund include property tax, sales tax, franchise fees, business licenses, fines and forfeitures and fees for services. This fund is used to finance most of the City's basic services including Legislative, General Administration, Law Enforcement, Public Works and Community Development.

LIGHTING AND LANDSCAPING DISTRICTS SPECIAL REVENUE FUND

This fund accounts for assessments made upon parcels of land within the Lighting and Landscaping Zones #1, #2 and #3 and their use in accordance with the provisions of the State of California Streets and Highway Code.

PUBLIC PROTECTION SPECIAL REVENUE FUND

This fund accounts for dedicated Police Services Special Taxes and State COPS program funds.

LOW AND MODERATE INCOME HOUSING ASSET SPECIAL REVENUE FUND

This fund accounts for the housing assets of the former Oakley Redevelopment Agency and loan repayments restricted to low and moderate income housing projects.

ARPA SPECIAL REVENUE FUND

This fund accounts for American Rescue Plan Act funding. The City is allowed to claim $10 million of the funds as an economic loss, which can be used to provide government services. The remaining $177,190 is being claimed as a partial reimbursement for special COVID-19 sick leave that the City's General Fund has paid out during the pandemic.

TRAFFIC IMPACT FEES CAPITAL PROJECTS FUND

This fund accounts for fees assessed on new development to provide street and road improvements.

CITY OF OAKLEY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022

	General	Lighting and Landscaping Districts	Public Protection
ASSETS			
Cash and investments available for operations (Note 3)	$23,171,418	$12,070,367	$1,572
Cash and investments with fiscal agent (Note 3)	974,147		
Accounts receivable, net of allowance for doubtful accounts (Note 1F)	1,438,074	250	
Interest receivable	31,303	15,600	298
Due from other funds (Note 4C)	1,175		
Prepaids and deposits	1,368		
Loans receivable (Note 5)	99,277		
Advances to other funds (Note 4B)	78,532		
Leases receivable (Note 14)	1,141,182		
Land held for resale (Note 6)	3,324,182		
Total Assets	$30,260,658	$12,086,217	$1,870
LIABILITIES			
Accounts payable	$688,255	$510,552	
Accrued liabilities	663,740		
Due to other funds (Note 4C)			
Deposits payable	6,136		
Unearned revenue	1,152,406		
Advances from other funds (Note 4B)		78,532	
Total Liabilities	2,510,537	589,084	
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - loans receivable			
Unavailable revenue - interest on advances to other funds			
Related to leases (Note 14)	1,107,820		
Total Deferred Inflows of Resources	1,107,820		
FUND BALANCES			
Fund balance (Note 10):			
Nonspendable	3,536,721		
Restricted	974,147	11,497,133	$1,870
Assigned	11,750,000		
Unassigned	10,381,433		
Total Fund Balances (Deficits)	26,642,301	11,497,133	1,870
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$30,260,658	$12,086,217	$1,870

See accompanying notes to financial statements

Low and Moderate Income Housing Asset	ARPA	Traffic Impact Fees	Other Governmental Funds	Total Governmental Funds
$235,966	$4,476,300	$14,054,064	$30,676,641	$84,686,328
			522,449	1,496,596
51,375			484,024	1,973,723
4,078	5,512	16,537	25,762	99,090
				1,175
	18,480			19,848
12,012,462		19,289		12,131,028
		593,523	580,885	1,252,940
				1,141,182
				3,324,182
$12,303,881	$4,500,292	$14,683,413	$32,289,761	$106,126,092
	$70,413	$26,207	$1,635,244	$2,930,671
			45,721	709,461
			1,175	1,175
			1,877,816	1,883,952
	4,411,399	2,216,113	416,142	8,196,060
$1,174,408				1,252,940
1,174,408	4,481,812	2,242,320	3,976,098	14,974,259
12,012,462				12,012,462
		141,905	138,882	280,787
				1,107,820
12,012,462		141,905	138,882	13,401,069
	18,480			3,555,201
		12,299,188	21,353,523	46,125,861
			6,869,420	18,619,420
(882,989)			(48,162)	9,450,282
(882,989)	18,480	12,299,188	28,174,781	77,750,764
$12,303,881	$4,500,292	$14,683,413	$32,289,761	$106,126,092

This Page Left Intentionally Blank

CITY OF OAKLEY
Reconciliation of the
GOVERNMENTAL FUNDS - BALANCE SHEET
with the
STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balances reported on the governmental funds balance sheet:	$77,750,764
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:	
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Government Funds.	230,225,015
ALLOCATION OF INTERNAL SERVICE FUND NET POSITION	
Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance, to individual governmental funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the Statement of Net Position.	1,479,691
NON-CURRENT REVENUES	
Revenues which are unavailable on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities.	12,293,249
LONG TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Long-term debt	(8,245,000)
Interest payable	(56,128)
Advance from Fire District	(337,780)
Compensated absences	(1,707,180)
Net pension liability and pension-related deferred outflows/inflows of resources	4,669,028
Claims Payable	(88,723)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$315,982,936

See accompanying notes to financial statements

CITY OF OAKLEY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	General	Lighting and Landscaping Districts	Public Protection
REVENUES			
Property taxes	$8,820,565		
Sales tax	3,245,824		
Other taxes	2,546,347	$715,847	
Licenses and permits	3,816,013		
Charges for services	198,944		
Fines and forfeits	105,621		
Intergovernmental	576,842	125	$161,285
Developer fees			
Special assessments		4,394,474	6,345,919
Loan repayments			
Use of money and property	(444,697)	(262,177)	(4,856)
Miscellaneous	870,426	3,125	
Total Revenues	19,735,885	4,851,394	6,502,348
EXPENDITURES			
Current:			
Legislative	875,487		
Administrative Services	2,291,014		
Community Development	2,345,632		
Public Works	1,772,350	4,629,227	
Housing programs			
Law Enforcement	4,095,855		6,502,348
Recreation	719,114		
Capital outlay	79,944		
Debt service:			
Principal			
Interest and fiscal charges		292	
Total Expenditures	12,179,396	4,629,519	6,502,348
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,556,489	221,875	
OTHER FINANCING SOURCES (USES)			
Transfers in (Note 4A)	177,190	130,111	
Transfers (out) (Note 4A)	(5,546,000)		
Proceeds from sale of property	119,699		
Total Other Financing Sources (Uses)	(5,249,111)	130,111	
NET CHANGE IN FUND BALANCES	2,307,378	351,986	
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR	24,334,923	11,145,147	1,870
FUND BALANCES (DEFICIT) AT END OF YEAR	$26,642,301	$11,497,133	$1,870

See accompanying notes to financial statements

Low and Moderate Income Housing Asset	ARPA	Traffic Impact Fees	Other Governmental Funds	Total Governmental Funds
			$510,455	$9,331,020
				3,245,824
			1,997,111	5,259,305
				3,816,013
				198,944
				105,621
	$677,195		2,781,767	4,197,214
		$4,538,726	6,392,876	10,931,602
			338,006	11,078,399
$96,041				96,041
(49,265)	(92,596)	(278,378)	(415,400)	(1,547,369)
		69,060	449,693	1,392,304
46,776	584,599	4,329,408	12,054,508	48,104,918
				875,487
				2,291,014
	336,398		2,216,802	4,898,832
		242,601	3,038,611	9,682,789
2,902				2,902
			11,728	10,609,931
			206,166	925,280
	52,531	858,161	7,936,945	8,927,581
			315,000	315,000
4,341			356,670	361,303
7,243	388,929	1,100,762	14,081,922	38,890,119
39,533	195,670	3,228,646	(2,027,414)	9,214,799
			6,242,871	6,550,172
	(177,190)		(826,982)	(6,550,172)
				119,699
	(177,190)		5,415,889	119,699
39,533	18,480	3,228,646	3,388,475	9,334,498
(922,522)		9,070,542	24,786,306	68,416,266
($882,989)	$18,480	$12,299,188	$28,174,781	$77,750,764

CITY OF OAKLEY
Reconciliation of the
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
with the
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$9,334,498
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSETS TRANSACTIONS	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	
Capital expenditures are added back to fund balance	8,985,928
Depreciation expense is deducted from fund balance (Depreciation expense is net of internal service fund depreciation of $574,254 which has already been allocated to serviced funds.)	(8,274,574)
Developer dedicated infrastructure is added to fund balance	5,695,410
Retirement of capital assets is deducted from fund balance	(50,504)
Capital expenditures contributed to internal service funds	(210,089)
LONG TERM DEBT PROCEEDS AND PAYMENTS	
Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.	
Repayment of debt principal is added back to fund balance	315,000
NON-CURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):	
Non-current portion of compensated absences	(252,454)
Interest payable	2,100
Unavailable revenue	144,260
Advance from Fire District	657,361
Net pension liability (asset) and deferred outflows/inflows related to pensions	3,533,447
Claims payable	(73,790)
ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY	
Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition and maintenance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.	
Change in Net Position - Internal Service Fund	479,103
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$20,285,696

See accompanying notes to financial statements

CITY OF OAKLEY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Amended Budget	Actual Amounts	Variance Positive (Negative)
REVENUES				
Property taxes	$7,890,000	$8,660,000	$8,820,565	$160,565
Sales taxes	2,000,000	2,800,000	3,245,824	445,824
Other taxes	1,982,000	2,298,000	2,546,347	248,347
Licenses and permits	3,542,500	3,600,500	3,816,013	215,513
Charges for services	147,000	147,000	198,944	51,944
Fines and forfeits	107,100	107,100	105,621	(1,479)
Intergovernmental	512,600	512,600	576,842	64,242
Use of money and property	373,100	373,100	(444,697)	(817,797)
Miscellaneous	846,842	780,210	870,426	90,216
Total Revenues	17,401,142	19,278,510	19,735,885	457,375
EXPENDITURES				
Current:				
Legislative	1,009,179	1,020,505	875,487	145,018
Administrative Services	2,439,795	2,638,746	2,291,014	347,732
Community Development	2,983,081	3,080,088	2,345,632	734,456
Public Works	1,527,342	1,762,170	1,772,350	(10,180)
Law Enforcement	5,924,193	5,416,509	4,095,855	1,320,654
Recreation	852,904	852,904	719,114	133,790
Capital outlay	22,000	407,000	79,944	327,056
Total Expenditures	14,758,494	15,177,922	12,179,396	2,998,526
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,642,648	4,100,588	7,556,489	3,455,901
OTHER FINANCING SOURCES (USES)				
Transfers in			177,190	177,190
Transfers (out)	(5,639,000)	(6,185,000)	(5,546,000)	639,000
Proceeds from sale of property		119,698	119,699	1
Total Other Financing Sources (Uses)	(5,639,000)	(6,065,302)	(5,249,111)	816,191
NET CHANGE IN FUND BALANCES	($2,996,352)	($1,964,714)	2,307,378	$4,272,092
Fund balance at beginning of year			24,334,923	
Fund balance at end of year			$26,642,301	

See accompanying notes to financial statements

CITY OF OAKLEY
LIGHTING AND LANDSCAPING DISTRICTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Other taxes	$452,334	$452,334	$715,972	$263,638
Special assessments	4,380,555	4,380,555	4,394,474	13,919
Use of money and property	71,550	71,550	(262,177)	(333,727)
Miscellaneous			3,125	3,125
Total Revenues	4,904,439	4,904,439	4,851,394	(53,045)
EXPENDITURES				
Current:				
Public Works	6,213,733	6,315,460	4,629,227	1,686,233
Debt service:				
Interest and fiscal charges			292	(292)
Total Expenditures	6,213,733	6,315,460	4,629,519	1,685,941
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,309,294)	(1,411,021)	221,875	1,632,896
OTHER FINANCING SOURCES (USES)				
Transfers in	190,000	190,000	130,111	(59,889)
Total Other Financing Sources (Uses)	190,000	190,000	130,111	(59,889)
NET CHANGE IN FUND BALANCES	($1,119,294)	($1,221,021)	351,986	$1,573,007
Fund balance at beginning of year			11,145,147	
Fund balance at end of year			$11,497,133	

See accompanying notes to financial statements

CITY OF OAKLEY
PUBLIC PROTECTION SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	$125,000	$125,000	$161,285	$36,285
Special assessments	5,400,000	6,157,500	6,345,919	188,419
Use of money and property	2,950	2,950	(4,856)	(7,806)
Total Revenues	5,527,950	6,285,450	6,502,348	216,898
EXPENDITURES				
Current:				
Law Enforcement	5,527,950	6,172,990	6,502,348	(329,358)
Total Expenditures	5,527,950	6,172,990	6,502,348	(329,358)
NET CHANGE IN FUND BALANCES		$112,460		($112,460)
Fund balance at beginning of year			1,870	
Fund balance at end of year			$1,870	

See accompanying notes to financial statements

CITY OF OAKLEY
LOW AND MODERATE INCOME HOUSING ASSET SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Loan repayment	$10,000	$10,000	$96,041	$86,041
Use of money and property	700	700	(49,265)	(49,965)
Total Revenues	10,700	10,700	46,776	36,076
EXPENDITURES				
Current:				
Housing programs			2,902	(2,902)
Debt service:				
Interest	10,000	10,000	4,341	5,659
Total Expenditures	10,000	10,000	7,243	2,757
NET CHANGE IN FUND BALANCES	$700	$700	39,533	$38,833
Fund balance (deficit) at beginning of year			(922,522)	
Fund balance (deficit) at end of year			($882,989)	

See accompanying notes to financial statements

CITY OF OAKLEY
AMERICAN RESCUE PLAN ACT (ARPA) SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	$8,000,000	$5,088,595	$677,195	($4,411,400)
Use of money and property			(92,596)	(92,596)
Total Revenues	8,000,000	5,088,595	584,599	(4,503,996)
EXPENDITURES				
Current:				
Community Development	349,098	1,464,000	336,398	1,127,602
Capital Outlay	7,650,000	3,300,000	52,531	3,247,469
Total Expenditures	7,999,098	4,764,000	388,929	4,375,071
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	902	324,595	195,670	(128,925)
OTHER FINANCING SOURCES (USES)				
Transfers out		(250,000)	(177,190)	72,810
Total Other Financing Sources (Uses)		(250,000)	(177,190)	72,810
NET CHANGE IN FUND BALANCES	$902	$74,595	18,480	($56,115)
Fund balance at beginning of year				
Fund balance at end of year			$18,480	

See accompanying notes to financial statements

This Page Left Intentionally Blank

INTERNAL SERVICE FUNDS

Internal service funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services to other City funds be financed through user fees to those funds.

The concept of major funds does not extend to internal service funds because they do not do business with outside parties. For the Statement of Activities, the net revenues or expenses of the internal service fund is eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

CITY OF OAKLEY
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities - Internal Service Funds
ASSETS	
Current:	
Cash and investments available for operations (Note 3)	$1,515,693
Receivables:	
Interest	1,741
Total Current Assets	1,517,434
Noncurrent:	
Capital assets (Note 7):	
Depreciable, net	6,259,866
Total noncurrent Assets	6,259,866
Total Assets	7,777,300
LIABILITIES	
Current:	
Accounts payable	36,288
Accrued liabilities	1,455
Total Liabilities	37,743
NET POSITION (Note 10)	
Investment in capital assets	6,259,866
Unrestricted	1,479,691
Total Net Position	$7,739,557

See accompanying notes to financial statements

CITY OF OAKLEY
PROPRIETARY FUNDS
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Charges for services	$981,081
Total Operating Revenues	981,081
OPERATING EXPENSES	
Supplies	124,655
Depreciation	574,254
Total Operating Expenses	698,909
Operating Income (Loss)	282,172
NONOPERATING REVENUES (EXPENSES)	
Gain on sale of capital assets	16,205
Interest income	(29,363)
Total Nonoperating Revenues	(13,158)
Income (Loss) Before Contributions and Transfers	269,014
Contributions	210,089
Transfers in	366,978
Transfers (out)	(366,978)
Change in net position	479,103
BEGINNING NET POSITION	7,260,454
ENDING NET POSITION	$7,739,557

See accompanying notes to financial statements

CITY OF OAKLEY
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$981,081
Payments to suppliers	(89,979)
Cash Flows from Operating Activities	891,102
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in	148,047
Transfers (out)	(148,047)
Cash Flows from Noncapital Financing Activities	
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES	
Proceeds from sale of capital assets	16,205
Acquisition of capital assets	(700,583)
Cash Flows from Capital Financing Activities	(684,378)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	(30,157)
Net Cash Flows	176,567
Cash and investments at beginning of period	1,339,126
Cash and investments at end of period	$1,515,693
NONCASH TRANSACTIONS	
Transfer of capital assets	$210,089
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:	
Operating income (loss)	$282,172
Adjustments to reconcile operating income (loss) to cash flows from operating activities:	
Depreciation	574,254
Net change in liabilities:	
Accounts payable	33,221
Accrued liabilities	1,455
Cash Flows from Operating Activities	$891,102

See accompanying notes to financial statements

FIDUCIARY FUNDS

These funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the City-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

Successor Agency to the Redevelopment Agency Private Purpose Trust Fund is used to account for the activities of the Successor Agency to the former Redevelopment Agency of the City of Oakley.

Custodial Funds are used to report resources, not in a trust, that are held by the City for other parties outside of the City's reporting entity.

CITY OF OAKLEY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022

	Successor Agency to the Redevelopment Agency Private Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and investments (Note 3 and 17)	$1,395,589	$3,325,072
Cash and investments with fiscal agent (Note 3 and 17)	318	505,244
Accounts receivable	67,882	
Interest receivable	562	2,010
Loans receivable (Note 17B)	579,750	
Total Assets	2,044,101	3,832,326
LIABILITIES		
Accounts payable		$564,329
Interest payable	261,923	
Due to other agencies		685,536
Due to bondholders		
Unearned revenue	18,692	
Long-term debt (Note 17C):		
Due within one year	880,000	
Due in more than one year	22,639,427	
Total Liabilities	23,800,042	1,249,865
NET POSITION (DEFICIT)		
Restricted for:		
Held in Trust for private purpose	(21,755,941)	
Bondholders		2,582,461
Total Net Position (Deficit)	($21,755,941)	$2,582,461

See accompanying notes to financial statements

CITY OF OAKLEY
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund	Custodial Funds
ADDITIONS		
Property taxes	$2,065,052	
Special assessments		$1,948,963
Payment from bondholders		10,496,000
Use of money and property	8,439	(32,557)
Total Additions	2,073,491	12,412,406
DEDUCTIONS		
Administrative expenses		245,539
Redevelopment and economic development	251,500	
Payments to bondholders and related fiscal charges		13,025,502
Debt service:		
Interest and fiscal charges	680,208	
Total Deductions	931,708	13,271,041
Change in Net Position	1,141,783	(858,635)
NET POSITION (DEFICIT) HELD IN TRUST FOR SUCCESSOR AGENCY AND OTHER GOVERNMENTS		
Beginning of year	(22,897,724)	3,441,096
End of year	($21,755,941)	$2,582,461

See accompanying notes to financial statements

This Page Left Intentionally Blank

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Oakley was incorporated as a general law city on July 1, 1999. Oakley is a community of approximately 40,144 residents situated in Contra Costa County on the east side of San Francisco Bay. Oakley is located approximately 50 miles east of the City of San Francisco. The City operates under the Council-Manager form of government and provides the following services: law enforcement, highways and streets, public improvements, planning and zoning, recreation, and general administration services.

The financial statements and accounting policies of the City conform with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. Reporting Entity

The City is governed by a five member council elected by City residents. The City is legally separate and fiscally independent which means it can issue debt, set and modify budgets and fees and sue or be sued. The accompanying basic financial statements include only the financial activities of the City and the Oakley Public Financing Authority, which is a component unit controlled by and dependent on the City. The Authority is included ("blended") with funds of the City since it is governed by the City Council sitting in a separate capacity.

The Oakley Public Financing Authority is a separate governmental entity whose purpose is to assist in the financing and refinancing of certain redevelopment activities of the former Redevelopment Agency and certain programs and projects of the City. The Authority's activities to date consist only of the purchase and resale of City or Redevelopment Agency debt issues, and the issuance of the 2004-1 Limited Obligation Bonds, the 2006-1 Infrastructure Revenue Bonds, the 2006 Certificates of Participation and the Refunding Revenue Bonds, Series 2012, the Refunding Revenue Bonds, Series 2014, and the 2016 Lease Revenue Bonds. Separate financial statements are not issued for the Oakley Public Financing Authority.

B. Basis of Presentation

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall City government. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements: The fund financial statements provide information about the City's funds, including blended component units. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

C. Major Funds

Major governmental funds are identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of their fund-type.

Major funds are defined as funds that have either assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues deposited in the General Fund include property tax, sales tax, franchise fees, business licenses, fines and forfeitures and fees for services. This fund is used to account for most of the City's basic services including Legislative, General Administration, Law Enforcement, Recreation and Community Development.

Lighting and Landscaping Districts Special Revenue Fund – This fund accounts for assessments made upon parcels of land within the Lighting and Landscaping Zones #1, #2 and #3 and their use in accordance with the provisions of the State of California Streets and Highway Code.

Public Protection Special Revenue Fund – This fund accounts for dedicated Police Services Special Taxes and State COPS program funds.

Developer Deposits Special Revenue Fund – This fund accounts for deposits received from contractors and property owners to offset the cost of providing certain Community Development services including processing applications and reviewing grading plans of applicant projects.

Low and Moderate Income Housing Asset Special Revenue Fund – This fund accounts for the housing assets of the former Oakley Redevelopment Agency and loan repayments restricted to low and moderate income housing projects.

ARPA Special Revenue Fund – This fund accounts for American Rescue Plan Act funding. The City is allowed to claim $10 million of the funds as an economic loss, which can be used to provide government services. The remaining $177,190 is being claimed as a partial reimbursement for special COVID-19 sick leave that the City's General Fund has paid out during the pandemic.

Traffic Impact Fees Capital Projects Fund – This fund accounts for fees assessed on new development to provide street and road improvements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City also reports the following fund types:

Internal Service Funds – The funds account for equipment replacement and capital facilities maintenance and replacement; all of which are provided to City departments on a cost reimbursement basis.

Fiduciary Funds – These funds are used to account for assets held by the City as an agent or trustee for individuals, private organizations, and other governments. The Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund accounts for the accumulation of resources to be used for payments at appropriate amounts and times in the future. Custodial funds are used to account for assets held by the City for the Assessment Districts 2004-1 and 2006-1, assets held on behalf of the County for regional mitigation fees and on behalf of other agencies for other purposes. The financial activities of these funds are excluded from the City-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

D. Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred,* regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, including lease liabilities, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as *expenditures* in governmental funds. Proceeds of governmental long-term debt and financing through leases are reported as *other financing sources*.

Those revenues susceptible to accrual are sales tax, transfer tax, fines, interest revenue and gross receipts taxes. Charges for services, and licenses and permits are not susceptible to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The City may fund programs with a combination of cost-reimbursement grants, categorical block grants, special purpose revenues and general purpose revenues. While both restricted and unrestricted Net Position may be available to finance program expenditures the City's policy is to first apply restricted purpose revenues to such programs, followed by general purpose revenues if necessary.

Certain indirect costs are included in program expenses reported for individual functions and activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position or balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue,* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: accounts receivable, interest on interfund advances, loans receivable and leases receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

F. Accounts Receivable

Receivables at June 30, 2022 were comprised of the following:

Governmental Activities:	Taxes	Accounts	Inter-Governmental	Total Receivables
General Fund	$1,257,949	$18,292	$161,833	$1,438,074
Lighting and Landscaping Districts Special Revenue Fund		250		250
Low and Moderate Income Housing Asset Special Revenue Fund		51,375		51,375
Non-Major Governmental Funds	93,006	202,957	188,061	484,024
Total	$1,350,955	$272,874	$349,894	$1,973,723

G. Property Taxes and Special Assessment Revenue

Revenue is recognized in the fiscal year for which the tax and assessment is levied. The County of Contra Costa levies, bills and collects property taxes and special assessments for the City; under the County's "Teeter Plan" the County remits the entire amount levied for secured taxes and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year.

Secured property tax is due in two installments, on November 1 and February 1 and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the personal property being taxed. Secured and unsecured property tax revenues are recognized by the City in the fiscal year they are assessed, provided they become available as defined above.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Compensated Absences

Compensated absences comprise unpaid vacation and certain compensated time off, which are accrued as earned. For all governmental funds, amounts expected to be paid out for permanent liquidation are recorded as fund liabilities; the long-term portion is recorded in the Statement of Net Position. The liability for compensated absences is determined annually. The changes in the compensated absences were as follows:

	Governmental Activities
Beginning Balance	$1,454,726
Additions	813,891
Payments	(561,437)
Ending Balance	$1,707,180
Current Portion	$341,436

The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

I. Prepaids and Deposits

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Prepaids and deposits in governmental funds are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

J. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

M. Restatement of Fund Balance and Net Position

The City implemented the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases,* during the year ended June 30, 2022. As a result, the City determined that beginning the balances of leases receivable and deferred inflows of resources related to leases were $613,731 as of July 1, 2021 and restated and increased the balances in that amount, and the net effect on beginning fund balance and net position was zero. See the Leases disclosure in Note 14.

N. New, Closed and Renamed Funds

During fiscal year 2021-22, the City established the following funds:

- Creekside Park Restoration Grant Special Revenue Fund accounts for a grant from the Delta Conservancy with the purpose of developing plans to restore 775 linear feet of Marsh Creek to provide habitat for native fish and wildlife. Various partners will be participating in the analysis including American Rivers, Inc., Contra Costa Flood District and the adjacent property owner/developer.

- ARPA Special Revenue Fund accounts for American Rescue Plan Act funding. The City is allowed to claim $10 million of the funds as an economic loss, which can be used to provide government services. The remaining $177,190 is being claimed as a partial reimbursement for special COVID-19 sick leave that the City's General Fund has paid out during the pandemic.

- Information Technology Internal Service Fund to finance and account for the replacement of technology equipment used by City departments.

The Youth Development Special Revenue Fund was closed as of July 1, 2021.

During fiscal year 2021-22, the Street Maintenance Reserve Capital Projects Fund was renamed to the Street Maintenance Rehab Capital Projects Fund.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

A. Budget Policy

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2. Work sessions are conducted to obtain citizen's comments.

3. The budget is legally enacted by City Council resolution.

4. All appropriations transfers between funds must be approved by the City Council by resolution during the fiscal year. The City Manager is authorized to transfer unencumbered appropriations within a fund. In addition, amendments that are made to authorize spending of increased or new special purpose revenues may be approved by the City Manager. The legally adopted budget requires that expenditures not exceed total appropriations at the fund level.

5. Budgets are adopted for all Governmental Funds except the 2006-1 Assessment District Capital Projects Fund, which is governed by bond convents.

6. Formal budgetary integration is employed as a management control device during the year for all budgeted funds.

7. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

8. Budgeted amounts appearing in the budgetary comparison statements are as originally adopted or as amended by the City Council or the City Manager, as authorized.

B. Encumbrances

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all budgeted funds. Unexpended operating appropriations lapse at year end and must be reappropriated in the following year. Unexpended capital projects appropriations are automatically reappropriated in the following year. Encumbrances outstanding at year-end are recorded as restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING (Continued)

C. Expenditures in Excess of Appropriations

The following funds incurred expenditures in excess of appropriations:

Fund	Excess of Expenditures Over Appropriations
Public Protection Special Revenue Fund	$329,358
Oakley Welcoming Special Revenue Fund	68,872
Citywide Community Facilities District Special Revenue Fund	31,806
OTS Police Grants Special Revenue Fund	11,728
Developer Deposits Special Revenue Fund	290,115
Public Facilities Impact Fee Capital Projects Fund	21,701
Fire Impact Fees Capital Projects Fund	419,536

The funds had sufficient revenues or other resources to finance these expenditures.

NOTE 3 – CASH AND INVESTMENTS

The City pools cash from all sources and all funds, except cash of the Successor Agency and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

The City and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable pieces of paper called *securities instruments,* or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. Individual investments are generally made by the City's fiscal agents as required under its debt issues. In order to maximize security, the City employs the Trust Department of a bank as the custodian of all City managed investments, regardless of their form.

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the City's name and places the City ahead of general creditors of the institution.

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

B. Classification

Cash and investments are classified in the financial statements as shown below:

City cash and investments:	
Cash and investments available for operations	$86,202,021
Cash and investments with fiscal agent	1,496,596
Total City Cash and Investments	87,698,617
Cash and investments in Fiduciary Funds (Separate Statement):	
Successor Agency to the Redevelopment	
Agency Private Purpose Trust Fund:	
Cash available for operations	1,395,589
Cash and investments with fiscal agent	318
Custodial Funds:	
Cash and investments available for operations	3,325,072
Cash and investments with fiscal agent	505,244
Total Cash and Investments	$92,924,840

NOTE 3 – CASH AND INVESTMENTS (Continued)

C. Investments Authorized by the California Government Code and the City's Investment Policy

The City's Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code or the City's Investment Policy:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Bonds	5 years		No Limit	No Limit
U.S. Treasury Obligations	5 years		No Limit	No Limit
State Obligations-California and Others	5 years	A	No Limit	No Limit
California Local Agency Obligations	5 years	A	No Limit	No Limit
U.S. Agency/Government Sponsored Obligations	5 years		33%	No Limit
Bankers Acceptances	180 days		40%	30%
Commercial Paper – Non-Pooled Funds	270 days	A-1	25%	10% (A)
Commercial Paper – Pooled Funds	270 days	A-1	40%	10% (A)
Negotiable Certificates of Deposit	5 years	A	30%	No Limit
Placement Service Certificates of Deposit	5 years	FDIC or NCUA Coverage	50%	No Limit
Non-negotiable Certificates of Deposit	5 years		No Limit	No Limit
Medium-Term Corporate Notes	5 years	A	30%	10% (A)
Money Market Mutual Funds and Mutual Funds	N/A	AAA	20%/(10% per fund)	No Limit
Asset-Backed Securities	5 years	AAA	20%	No Limit
California Local Agency Investment Fund	N/A		No Limit	$75 million per account
Shares of beneficial interest in a Joint Powers Authority (e.g. Investment Trust of California (CalTrust) or California Asset Management Program (CAMP)	N/A		No Limit	No Limit
Supranational Obligations	5 years	AA	30%	No Limit

(A) The City may purchase no more than 10% of the outstanding commercial paper and medium-term notes of any single issuer.

NOTE 3 – CASH AND INVESTMENTS (Continued)

D. Investments Authorized by Debt Agreements

The City and Successor Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
U.S. Government Securities	N/A	Aaa/AAA
U.S. Government Agency Securities	N/A	N/A
Local Agency Investment Fund	N/A	$75 million per account
Bankers Acceptances	360 days	A1/A1+/P1
Commercial Paper	270 days	A-1+/P-1
Money Market Funds	N/A	A/AAAm/AAAm
Municipal Obligations	N/A	Aaa/AAA
Pre-refunded Municipal Obligations	N/A	Highest
General Obligations	N/A	A2/A
Investment Agreements/Contracts	N/A	A
Repurchase Agreements	N/A	N/A
Investments fully insured by the FDIC	N/A	N/A
Tax-exempt Obligations	N/A	Highest Rating
Short term Certificates of Deposit	360 days	A1/A1+/P1
Certificates of Deposit	N/A	A
California Asset Management Program	N/A	N/A
Shares in a California Common Law Trust	N/A	N/A

E. Public Agencies Post-Employment Trust

On June 29, 2017, the City Council adopted resolution 86-17 approving the adoption of the Public Agencies Post-Employment Trust administered by Public Agency Retirement Services (PARS). The Trust is an irrevocable trust and qualifies as an Internal Revenue Section 115 trust. This trust will assist the City in mitigating the CalPERS contribution rate volatility. Investments of funds held in Trust are governed by the Investment Guideline Document for the investment account and by the agreement for administrative services with PARS, rather than the general provisions of the California Government Code or the City's investment policy. The City elected a discretionary investment approach which allows the City to maintain oversight of the investment management, control on target yield and the portfolio' risk tolerance, under the Balanced Index PLUS investment option. The assets in the Trust will eventually be used to fund pension plan obligations.

NOTE 3 – CASH AND INVESTMENTS (Continued)

F. Interest Rate Risk and Fair Value Hierarchy

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City generally manages its interest rate risk by holding investments to maturity.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the distribution of the City's investments by maturity or earliest call date:

Investment Type	Less Than One Year	One to Five Years	Total
Cash and Investments in City Treasury:			
U.S. Treasury Notes	$3,573,320	$21,596,196	$25,169,516
Medium Term Corporate Notes	285,199	3,335,931	3,621,130
Local Agency Investment Fund	56,144,262		56,144,262
Money Market Funds	1,814,758		1,814,758
Capital Asset Management Program	104,069		104,069
CalTRUST	272,149		272,149
Held by Fiscal Agents:			
Capital Asset Management Program			
PARS Balanced Index PLUS	974,147		974,147
Money Market Funds	1,028,011		1,028,011
Total Investments	$64,195,915	$24,932,127	89,128,042
Cash deposits in banks			3,796,798
Total Cash and Investments			$92,924,840

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Each regular LAIF account is permitted to have up to 15 transactions per month, with a minimum transaction amount of $5,000, a maximum transaction amount of $75 million and at least 24 hours advance notice for withdrawals of $10 million or more. Bond proceeds accounts are subject to a one-time deposit with no cap and are set up with a monthly draw down schedule. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. On June 30, 2022, these investments matured in an average of 311 days.

NOTE 3 – CASH AND INVESTMENTS (Continued)

The City is a participant in the Short-Term Fund of the Investment Trust of California (CalTRUST), a joint powers authority and public agency established by its members under the provisions of Section 6509.7 of the California Government Code. Members and participants are limited to California public agencies. CalTRUST is governed by a Board of Trustees of seven Trustees, at least seventy-five percent of whom are from the participating agencies. The City reports its investment in CalTRUST at the fair value amount provided by CalTRUST, which is the same as the value of the pool shares. The balance is available for withdrawal on demand, and is based on the accounting records maintained by CalTRUST. Included in CalTRUST's investment portfolio are: United States Treasury Notes, Bills, Bonds or Certificates of Indebtedness; registered state warrants or treasury notes or bonds; California local agency bonds, notes, warrants or other indebtedness; federal agency or United States government-sponsored enterprise obligations; bankers acceptances; commercial paper; negotiable certificates of deposit; repurchase agreements; medium-term notes; money market mutual funds; notes, bonds or other obligation secured by a first priority security interest in securities authorized under Government Code Section 53651; and mortgage passthrough securities, collateralized mortgage obligations, and other asset – backed securities.

CalTRUST's Short-Term Fund has a target portfolio duration of 0 to 2 years. On June 30, 2022, these investments matured in an average of 328 days. The investment in CalTRUST, classified in Level 2 of the fair value hierarchy, is valued based on the fair value factor provided by the CalTRUST, which is calculated as the average cost to net asset value per share of the Short-Term Fund. At June 30, 2022, the fair value approximated the City's cost.

The Successor Agency is a participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (the Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the "Act") for the purpose of exercising the common power of its Participants to invest certain proceeds of debt issues and surplus funds. CAMP's investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. The Successor Agency reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share in accordance with GASB 79 requirements. At June 30, 2022, the fair value approximated the Successor Agency's cost. At June 30, 2022, these investments have an average maturity of 28 days.

The City and Successor Agency, as CAMP shareholders, may withdraw all or any portion of the funds in each CAMP account at any time by redeeming shares. The CAMP Declaration of Trust permits the CAMP trustee to suspend the right of withdrawal from CAMP or to postpone the date of payment of redemption proceeds if the New York Stock Exchange is closed other than for customary weekend and holiday closings, if trading on the New York Stock Exchange is restricted, or if, in the opinion of the CAMP trustees, an emergency exists such that disposal of the CAMP pool securities or determination of its net asset value is not reasonably practicable. If the right of withdrawal is suspended, the Successor Agency or City may either withdraw its request for that withdrawal or receive payment based on the net asset value of the CAMP pool next determined after termination of the suspension of the right of withdrawal.

Money market funds are available for withdrawal on demand and at June 30, 2022 matured in an average of 27 days.

NOTE 3 – CASH AND INVESTMENTS (Continued)

G. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2020 for each investment type as provided by Standard and Poor's investment rating system.

Investment Type	AAA/AAAm	AA+/AA/AA-	A+/A/A-	Total
Cash and Investments in City Treasury:				
Medium Term Corporate Notes		$1,548,522	$2,072,608	$3,621,130
Capital Asset Management Program	$104,069			104,069
CalTRUST		272,149		272,149
Money Market Funds	1,814,758			1,814,758
Held by Fiscal Agents:				
Money Market Funds	1,028,011			1,028,011
Total Rated Investments	$2,946,838	$1,820,671	$2,072,608	6,840,117
Not Rated:				
Local Agency Investment Fund				56,144,262
PARS Balanced Index PLUS				974,147
Exempt:				
U.S. Treasury Notes				25,169,516
Total Investments				$89,128,042

NOTE 3 – CASH AND INVESTMENTS (Continued)

H. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2020:

Investment Type	Level 1	Level 2	Measured at Net Asset Value	Measured at Amortized Cost	Total
Cash and Investments in City Treasury:					
U.S. Treasury Notes	$25,169,516				$25,169,516
Medium Term Corporate Notes		$3,621,130			3,621,130
Capital Asset Management Program				$104,069	104,069
CalTRUST			$272,149		272,149
Money Market Funds				1,814,758	1,814,758
Held by Fiscal Agents:					
PARS Balanced Index PLUS			974,147		974,147
Money Market Funds				1,028,011	1,028,011
Total Investments	$25,169,516	$3,621,130	$1,246,296	$2,946,838	32,983,780
Investments Exempt from Fair Value Hierarchy:					
Local Agency Investment Fund					56,144,262
Cash deposits in banks					3,796,798
Total Cash and Investments					$92,924,840

Investments classified in Level 1 of the fair value hierarchy were valued using quoted prices in active markets. All investments classified in Level 2 of the fair value hierarchy were valued using matrix pricing techniques maintained by various pricing vendors. These prices were obtained from various pricing sources from our custodian bank. The California Local Agency Investment Fund is exempt from classification in the fair value hierarchy. Fair value is defined as the quoted market value on the last trading day of the period.

I. Concentration of Credit Risk

At June 30, 2022, City had no significant investments in the securities of any individual issuers, other than U. S. Treasury securities, investment pools and money market funds.

NOTE 4 – INTERFUND TRANSACTIONS

A. Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. Transfers are used: to move revenue from the fund that statute or budget requires to collect the item to the fund that statute or budget requires to expend the item; distribute unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; and to provide additional resources for current operations or debt service.

Transfers between Funds during the fiscal year ended June 30, 2022 and the purpose for each were as follows:

Fund Receiving Transfer	Fund Making Transfers	Transfer Amount	
General Fund	ARPA Special Revenue Fund	$177,190	(A)
Lighting and Landscaping Districts Special Revenue Fund	Non-Major Governmental Fund	130,111	(A)
Non-Major Governmental Funds	General Fund	5,546,000	(A)
	Non-Major Governmental Funds	696,871	(A),(B)
Internal Service Fund	Internal Service Fund	366,978	(C)
	Total Interfund Transfers	$6,917,150	

(A) To fund capital projects and administration.

(B) To fund debt service.

(C) To establish new fund.

NOTE 4 – INTERFUND TRANSACTIONS (Continued)

B. Long-Term Interfund Advances

At June 30, 2022, the funds below had made advances which were not expected to be repaid within the next year. The balances in the funds with the advance to other funds are offset by deferred inflow, or nonspendable or restricted fund balance.

Advances to Other Funds	Advances from Other Funds	Advanced Amount
General Fund	Lighting and Landscaping Districts Special Revenue Fund	$78,532
Traffic Impact Fees Capital Projects Fund	Low and Moderate Income Housing Asset Special Revenue Fund	593,523
Non-Major Governmental Funds	Low and Moderate Income Housing Asset Special Revenue Fund	580,885
	Total Interfund Advances	$1,252,940

Since the City's formation in 1999, the General Fund has, on occasion, made advances to the Lighting and Landscaping Districts Special Revenue Fund to cure operating deficits in two of the Landscaping Districts. The advances bear interest at the City's investment pool rate. The balance of these advances totaled $78,532 at June 30, 2022.

The Traffic Impact Fees Capital Projects Fund, Park Impact Fees Capital Projects Fund, and Public Facilities Impact Fees Capital Projects Fund agreed to accept deferred payment of impact fees by the former Redevelopment Agency to assist with the Courtyards at Cypress Grove affordable housing project. Although no cash was advanced, these obligations were recorded as advances to the former Redevelopment Agency. The City's Low and Moderate Income Housing Asset Special Revenue Fund, as Housing Successor to the former Redevelopment Agency's housing activities, assumed the obligation to repay the advances, which will be repaid from future loan collections. The advances bear interest at the City's annual pooled investment rate which was of 0.037% for fiscal year 2022. The balance outstanding at June 30, 2022 was $1,174,408.

C. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after at the end of the fiscal year. The Fire Impact Fees Capital Projects Fund owed the General Fund $1,175 as of June 30, 2022.

NOTE 5 – LOANS RECEIVABLE

A. Low and Moderate Income Housing and City Loans Receivable

The former Redevelopment Agency engaged in programs designed to encourage construction of or improvement in low-to-moderate income housing. Under these programs, grants or loans were provided under favorable terms to homeowners or developers who agreed to expend these funds in accordance with the Agency's terms. With the dissolution of the Redevelopment Agency as discussed in Note 17, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result the Low and Moderate Income Housing Asset Fund assumed the loans receivable of the Redevelopment Agency's Low and Moderate Income Housing Fund. In addition, the City has made loans to certain employees and to local businesses for economic development. Although these loans and notes are expected to be repaid in full, their balance has been offset by unavailable revenue or nonspendable fund balance. The balances of the loans receivable, including accrued interest, on June 30, 2022 are set forth below:

Golden Oak Manor	$1,244,148
Silver Oak Apartments	654,611
Oakley Senior Housing	611,347
Oakley Cypress Associates	3,743,750
Carol Lane	5,635,472
First Time Homebuyer	123,134
New Lifeline Ministries	19,289
Downtown Revitalization Loan Program	99,277
Total	$12,131,028

B. Golden Oak Manor

Under the terms of a Loan Agreement dated December 19, 1994 between the Redevelopment Agency and the Developer, Golden Oak Manor, L.P., the Agency loaned the amount of $780,000 to construct 50 senior residential rental units, with 24 of the units being restricted to very low income households. The loan is secured by a deed of trust on the property, is due in 2054 and bears simple annual interest of 3 percent. Interest and principal are deferred for 60 years or upon transfer of the property to an unqualified entity. Any unpaid amounts are considered deferred; all deferred principal and interest is due when the note matures. During fiscal year 2017, the loan was assigned and transferred from Golden Oak Manor, L.P., to Golden Oak Manor II, L.P.

C. Silver Oak Apartments

Under the terms of a Loan Agreement dated May 1, 1998 between the Redevelopment Agency and the Developer, Ecumenical Association for Housing, the Agency loaned $374,220 along with an additional $99,206 in January 1999, for a total loan amount of $473,426, to fund the construction of 24 affordable housing units. The loan is secured by a deed of trust on the property, is due in 2058 and bears simple annual interest of 3 percent with principal and interest due annually to the extent there is "residual receipts" as defined in the agreement. Any unpaid amounts are considered deferred; all deferred principal and interest is due when the note matures.

NOTE 5 – LOANS RECEIVABLE (Continued)

D. Oakley Senior Housing

Under the terms of a Loan Agreement dated February 8, 2000 between the Redevelopment Agency and the Developer, Oakley Senior Associates, L.P., the Agency loaned the amount of $1,800,000 to fund the acquisition and development costs to construct eighty units of affordable housing for low and moderate income seniors. The loan is secured by a deed of trust on the property, is due in 55 years from the issuance of the certificate of completion, but not later than 2058, and bears simple annual interest of 3 percent, with principal and interest due annually to the extent there is "residual receipts" as defined in the agreement. Any unpaid amounts are considered deferred; all deferred principal and interest is due when the note matures. The Agency received a payment of $547,000 from the developer during fiscal year 2002. A portion of the loan had been funded by the Redevelopment Agency Projects Fund, and with the dissolution of the Agency effective February 1, 2012, the assets of the Redevelopment Agency Projects Fund, including a portion of the Oakley Senior Housing loan in the amount of $623,082, were assumed by the Successor Agency as discussed in Note 17. In July 2022, the Successor Agency agreed to subordinate its loan to the primary lender on the project, which puts the Successor Agency's loan in the second position.

E. Oakley Cypress Associates

Under the terms of the Loan Agreement dated December 1, 2005, the former Redevelopment Agency loaned $2.5 million to Oakley Cypress Associates to assist in the development of 96 affordable housing units. The loan is secured by a deed of trust on the property and bears simple interest of 3 percent annually. Principal and interest payments are due annually to the extent that Oakley Cypress Associates has "residual receipts" as defined in the agreement. The remaining balance of unpaid principal and accrued interest is due fifty-five years after the issuance of the certificate of completion, but no later than December 1, 2063.

F. Carol Lane

Under the terms of a Loan Agreement dated February 23, 2007 between the Redevelopment Agency and the Developer, 59 Carol Lane, L.P., the Agency loaned the amount of $3,858,753 to fund the acquisition and development costs to construct two hundred and eight units of senior and family affordable housing for low and very-low income households. The loan is secured by a deed of trust on the property, is due in 55 years from the issuance of the certificate of completion, but not later than 2062, and bears simple interest of 3 percent annually, with principal and interest due annually to the extent there are "residual receipts" as defined in the agreement. Any unpaid amounts are considered deferred; all deferred principal and interest is due when the note matures.

G. First-Time Homebuyer Program

The Redevelopment Agency administered a First-Time Homebuyers Program funded by Bond proceeds in the amount of $512,392 in 1994, under which low and moderate income individuals may qualify for first-time home buyer deferred second mortgages to purchase homes in the Oakley area. The individual loans are 30-year fixed rate deferred loans, bearing interest at a rate equal to two percent below the Lender's rate and do not exceed $50,000. These loans are due thirty years from the date of issuance, but principal and accrued interest will be forgiven at maturity if the unit was owner occupied for the full thirty years. Under the terms of the Program, loans must be repaid in full if the property is sold to a nonqualified buyer.

NOTE 5 – LOANS RECEIVABLE (Continued)

H. New Lifeline Ministries

The City installed frontage improvements that are to be paid by the property owner, New Lifeline Ministries. Under the terms of a June 2015 reimbursement agreement, New Lifeline Ministries agreed to reimburse the City for its costs incurred in the amount of $36,165. The loan is unsecured, bears interest of 1% and is repayable in equal monthly installments over 15 years. The balance of the loan as of June 30, 2022 was $19,289.

I. Revitalization Loan Program

In 2014, the City Council approved funds to be allocated for the Downtown Revitalization Loan Program. The goal of the Loan Program is to leverage public funds and private investment to further enhance the physical appearance and economic vitality of the commercial buildings and businesses in the downtown corridor. The long-term objectives of the program include improving the physical appearance of the buildings and area, encouraging the retention and attraction of businesses to the corridor, increasing property values, increasing tenant stability, increasing pedestrian walkability and creating a stronger "sense of place". Loan funds under the program can be used for façade improvements, landscaping and exterior lighting, signage, ADA compliance, building infrastructure upgrades needed for new tenant conversion and demolition. The loan program requires that the applicant contribute minimum equity of 10% of the total projects.

The loans under this program are secured by a promissory note and a personal guarantee, as well as UCC filings on all equipment purchased by the loan. 50% of the loan, or $37,500, of the loan can be assumed and prepaid with no prepayment penalty, but is due and payable if the business is sold. The balance of the loan was $99,277 as of June 30, 2022.

NOTE 6 – LAND HELD FOR RESALE

The City has purchased parcels that are expected to be resold in the near future. Such land parcels are accounted for at the lower of cost or net realizable value or agreed-upon sales price if a disposition agreement has been made with a developer.

The balance of land held for resale in the General Fund at June 30, 2022 was $3,324,182.

NOTE 7 – CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed.

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the half-year convention method which is like the straight-line method in that the cost of the asset is divided by its expected useful life in years, but the asset is depreciated over 6 months instead over one year in its first year. The result is charged to expense each year until the asset is fully depreciated. The capitalization threshold for equipment with a cost of $5,000 or more and a useful life of more than two years, and for all buildings, improvements and infrastructure with a cost of $50,000 or more and a useful life of more than two years. The City has assigned the useful lives listed below to capital assets:

Buildings	40 years
Improvements	5-15 years
Machinery and Equipment	5 years
Vehicles	5 years
Roadways:	
Streets (includes pavement, sidewalk, curb & gutters, trees & signs)	7-40 years
Traffic Signals	25 years
Street Lights	40 years
Bridges	100 years
Parks and Recreation:	
General Improvement	25 years
Specialty Features	10 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

NOTE 7 – CAPITAL ASSETS (Continued)

A. Capital Assets Additions and Retirements

Capital asset balances comprise the following:

	Balance as of June 30, 2021	Additions	Retirements	Transfers	Balance as of June 30, 2022
Governmental Activities:					
Capital assets not being depreciated:					
Land	$18,581,634		($50,504)		$18,531,130
Construction in Progress	2,457,845	$8,726,267		($3,950,092)	7,234,020
Total capital assets not being depreciated	21,039,479	8,726,267	(50,504)	(3,950,092)	25,765,150
Capital assets being depreciated:					
Buildings and Improvements	28,260,200	292,492		101,184	28,653,876
Machinery and Equipment	2,481,630	364,865			2,846,495
Vehicles	1,995,608	302,887	(179,368)		2,119,127
Roadways:					
Pavement	219,898,911	1,356,095		3,018,352	224,273,358
Sidewalks	11,277,188	455,588			11,732,776
Storm Drains	5,043,978	2,511,735			7,555,713
Curbs and Gutters	12,253,943	693,989		113,202	13,061,134
Traffic Signals	7,802,726			202,457	8,005,183
Regulatory Signs and Street Trees	4,323,431	670,303		55,090	5,048,824
Street Lights	4,594,308	7,700			4,602,008
Bridges	4,422,722				4,422,722
Parks and Recreation Structures	23,752,184			459,807	24,211,991
Total capital assets being depreciated	326,106,829	6,655,654	(179,368)	3,950,092	336,533,207
Less accumulated depreciation for:					
Buildings and Improvements	(7,102,211)	(825,712)			(7,927,923)
Machinery and Equipment	(2,262,699)	(117,582)			(2,380,281)
Vehicles	(1,599,825)	(177,636)	179,368		(1,598,093)
Roadways:					
Pavement	(90,262,664)	(5,518,273)			(95,780,937)
Sidewalks	(3,604,505)	(173,337)			(3,777,842)
Storm Drains	(100,880)	(251,994)			(352,874)
Curbs and Gutters	(3,615,542)	(203,497)			(3,819,039)
Traffic Signals	(2,440,481)	(294,767)			(2,735,248)
Regulatory Signs and Street Trees	(1,964,417)	(302,689)			(2,267,106)
Street Lights	(1,496,820)	(114,951)			(1,611,771)
Bridges	(1,246,637)	(44,226)			(1,290,863)
Parks and Recreation Structures	(7,707,201)	(824,164)			(8,531,365)
Total accumulated depreciation	(123,403,882)	(8,848,828)	179,368		(132,073,342)
Net capital assets being depreciated	202,702,947	(2,193,174)		3,950,092	204,459,865
Governmental activities capital assets, net	$223,742,426	$6,533,093	($50,504)		$230,225,015

NOTE 7 – CAPITAL ASSETS (Continued)

B. Capital Asset Contributions

Some capital assets may be acquired using federal and State grant funds, or they may be contributed by developers or other governments. These contributions are accounted for as revenues at the time the capital assets are contributed.

C. Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program are as follows:

Governmental Activities	
Administrative Services	$188,533
Public Works	8,086,041
Internal Service Funds	574,254
Total Depreciation	$8,848,828

NOTE 8 – LONG-TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt. The City's long-term debt is recorded only in the government-wide financial statements.

In governmental fund types, debt discounts and issuance costs are recognized in the current period.

A. Current Year Transactions and Balances

The City's debt issue and transaction is shown below and discussed in detail thereafter.

	Original Issue Amount	Balance June 30, 2021	Retirements	Balance June 30, 2022	Current Portion
2016 Lease Revenue Bonds					
2.00-5.00%, due 5/1/2041	$10,025,000	$8,560,000	($315,000)	$8,245,000	$330,000

B. 2016 Lease Revenue Bonds

On December 1, 2016, the Oakley Public Financing Authority issued the 2016 Lease Revenue Bonds in the principal amount of $10,025,000 to: (i) refinance the outstanding 2006 Certificates of Participation together with related lease payment obligations, (ii) obtain additional funds to finance the construction of a community center and related facilities (the "2016 Project"), (iii) pay the premium of a debt service reserve policy for the Bonds and (iv) pay the costs of issuing the Bonds, including the premium for the Policy. Principal is payable annually and the interest is payable semi-annually through 2041. The 2006 Certificates of Participation were called on January 14, 2017.

NOTE 8 – LONG-TERM DEBT (Continued)

Under the terms of the Trust Agreement for the 2016 Lease Revenue Bonds, an event of default occurs if (i) the Authority fails to pay interest or principal on the Bonds when due and payable, (ii) the Authority fails to observe or perform in any material way any other covenant or term contained in the Trust Agreement, (iii) the Authority commences a voluntary case under Title 11 of the United States Code, or (iv) an event of default occurs under the lease entered into in connection with the Bonds (the "Lease"). The City has pledged City Hall as collateral for the Lease payments due to the Authority.

Upon the occurrence of an event of default, the Trustee may enforce all rights of the bond owners, including without limitation the right to receive and collect the lease payments payable by the City under the Lease (the "Lease Payments") and declare the principal and interest of all of the Bonds then outstanding to be due and payable immediately; provided, that neither the Authority nor the Trustee may accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable.

The City's failure to pay Lease Payments when due, among other items, constitutes an event of default under the Lease. Upon the occurrence of an event of default under the Lease Agreement, the Authority may exercise any and all remedies available under law or granted under the Lease and the Trustee acting at the direction of the insurer of the Bonds, has the right to re-enter and re-let City Hall and to terminate the Lease.

C. Debt Service Requirements

Annual debt service requirements are shown below for the City's long-term debt:

For the Year Ending June 30	Principal	Interest
2023	$330,000	$336,769
2024	345,000	323,569
2025	360,000	309,769
2026	380,000	295,369
2027	395,000	280,169
2028 - 2032	2,195,000	1,172,671
2033 - 2037	2,170,000	697,270
2038 - 2041	2,070,000	218,008
	$8,245,000	$3,633,594

NOTE 9 – ASSESSMENT DEBT WITH NO CITY COMMITMENT

On August 3, 2004, and July 19, 2006, the Oakley Public Financing Authority issued $17,150,000 principal amount of Revenue Bonds and $11,460,000 principal amount of Infrastructure Revenue Bonds to finance the construction and acquisition of certain public improvements within the City's Special District Nos. 2004-1 and 2006-1, respectively. On March 3, 2012, the 2004 Bonds were refunded by the Refunding Revenue bonds, Series 2012 in the principal amount of $14,775,000. On October 15, 2014, the Oakley Public Financing Authority issued Refunding Revenue Bonds, Series 2014, in the principal amount of $9,070,000 to refund the 2006 Bonds. On July 28, 2021, the Oakley Public Financing Authority issued Refunding Revenue Bonds, Series 2021, in the principal amount of $10,496,000 to refund the 2012 Bonds. The 2021 Bonds are secured only by revenues received as payment of assessments levied against property within Special District Nos. 2004-1 and 2006-1. Neither the faith and credit nor the general taxing power of the City of Oakley have been pledged to the payment of the Bonds. Therefore, the Bonds have been excluded from the accompanying financial statements. The outstanding balances of the 2014 and 2021 Bonds were $6,820,000 and $9,807,000, respectively, at June 30, 2022.

NOTE 10 – NET POSITION AND FUND BALANCES

Net Position is measured on the full accrual basis, while Fund Balance is measured on the modified accrual basis.

A. Net Position

Net Position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below:

Net investment in capital assets describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes.

Unrestricted describes the portion of Net Position which is not restricted to use.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash, receivables and deferred outflows of resources, less its liabilities and deferred inflows of resources.

The City's fund balances are classified based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

NOTE 10 – NET POSITION AND FUND BALANCES (Continued)

Nonspendable represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

Committed fund balances have constraints imposed by formal action of the City Council, such as by Resolution or Ordinance, which are equally binding, and may be altered only by the same formal action of the City Council.

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee under the Appropriations Control Policy, the City Manager. This category includes encumbrances that are not to be liquidated by restricted or committed resources; nonspendables, when it is the City's intent to use proceeds or collections for a specific purpose; and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds, which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

NOTE 10 – NET POSITION AND FUND BALANCES (Continued)

Detailed classifications of the City's Fund Balances, as of June 30, 2022, are below:

		Major Special Revenue Funds				Major Capital Projects Fund		
Fund Balance Classifications	General Fund	Lighting and Landscaping District	Public Protection	Low and Mod Income Housing Asset	ARPA	Traffic Impact Fees	Other Governmental Funds	Total
Nonspendables:								
Items not in spendable form:								
Prepaids and deposits	$1,368				$18,480			$19,848
Loans receivable	99,277							99,277
Land held for resale	3,324,182							3,324,182
Advances	78,532							78,532
Leases receivable	33,362							33,362
Total Nonspendable Fund Balances	3,536,721				18,480			3,555,201
Restricted for:								
Pension benefits	974,147							974,147
Lighting and landscaping services		$11,497,133						11,497,133
Traffic impact projects						$12,299,188		12,299,188
Police services			$1,870					1,870
Public facilities impact projects							$3,485,873	3,485,873
Street maintenance and improvement							3,852,491	3,852,491
2006-1 Assessment District							649,428	649,428
NPDES projects							49,127	49,127
Community Facilities District #1							2,365,530	2,365,530
Community Facilities District 2015-1							2,169,765	2,169,765
Citywide Community Facilities							921,662	921,662
Agricultural conservation							7,159	7,159
Debt service							41,056	41,056
Park impact fees							5,906,364	5,906,364
Cypress Grove improvements							112,309	112,309
Regional Park							1,792,759	1,792,759
Government services								
Total Restricted Fund Balances	974,147	11,497,133	1,870			12,299,188	21,353,523	46,125,861
Assigned to:								
Termination payments	300,000							300,000
Uninsured claims payable	450,000							450,000
Outlay projects								
Capital projects	10,000,000							10,000,000
Unfunded pension liability	1,000,000							1,000,000
Main Street Projects							6,869,420	6,869,420
Total Assigned Fund Balances	11,750,000						6,869,420	18,619,420
Unassigned:								
General Fund:								
Unassigned - Emergency Reserve	8,894,792							8,894,792
Unassigned - Contingency Reserve	90,125							90,125
Other Unassigned	1,396,516							1,396,516
Other fund deficits				($882,989)			(48,162)	(931,151)
Total Unassigned Fund Balances	10,381,433			(882,989)			(48,162)	9,450,282
Total Fund Balances	$26,642,301	$11,497,133	$1,870	($882,989)	$18,480	$12,299,188	$28,174,781	$77,750,764

NOTE 10 – NET POSITION AND FUND BALANCES (Continued)

C. Minimum Fund Balance Policies

The City's Budget Policies require the City to strive to maintain the following fund balances:

1) A minimum of 30% of the annual operating expenditures in the General Fund's Unassigned Fund Balance for emergencies and unforeseen operating or capital needs. The primary purpose of this reserve is to protect the City's essential service programs and funding requirements during periods of economic downturn (defined as a recession lasting two or more years) or other unforeseen catastrophic costs not covered by the annually budgeted Contingency Reserve.

2) Budget a Contingency Reserve each year for non-recurring unanticipated expenditures or to set aside funds to cover known contingencies with unknown costs. The level of the Contingency Reserve will be established as needed but shall not be less than 2% of General Fund operating expenditures. The balance of the reserve, which is a component of the General Fund's Unassigned Fund Balance was $90,125 as of June 30, 2022.

3) Establish an account to accumulate funds to be used for payment of accrued employee benefits for terminated employees. The accumulated amount in the reserve will equal the projected payout of accumulated benefits requiring conversion to pay on retirement for employees then eligible for retirement so there are funds to pay out accumulated benefits requiring conversion to pay on termination. The balance of the reserve was $300,000 as of June 30, 2022.

4) Claims Reserves will be budgeted at a level which, together with purchased insurance, adequately protects the City. The City will maintain a reserve of two times its deductibles for those claims covered by the insurance pool of which the City is a member (currently the Municipal Pooling Authority of Northern California). In addition, the City will perform an annual analysis of past claims not covered by the pool, and reserve an appropriate amount to pay for uncovered claims, including Labor Code Section 4850 Salary Continuation payments. The balance of the reserve was $450,000 as of June 30, 2022.

5) The City had previously established a Vehicle and Equipment Replacement Reserve Fund for the accumulation of funds for the replacement of worn and obsolete vehicles and other capital equipment. In Fiscal Year 2021/2022, the City split that fund out into the Equipment Replacement Internal Service Fund (Fund 501) and the Information Technology Internal Service Fund (Fund 503). Adequate funds will be set aside in both of these funds each year to ensure that funds are available for asset replacement at the end of the respective assets' life cycles. As of June 30, 2022, the balance of available resources was approximately $855,000 in the Equipment Replacement Internal Service Fund and $132,000 in the Information Technology Internal Services Fund.

   Staff has created a schedule of vehicles and computer equipment, along with their estimated lives and replacement values, and determined that the cost to replace existing vehicles is approximately $158,000 per year and the cost to replace existing computer equipment is approximately $142,000 on average, per year. The revised policy will ensure the City's ability to replace assets when they reach the end of their useful lives.

NOTE 10 – NET POSITION AND FUND BALANCES (Continued)

6) The City will seek to build and maintain a Facilities Maintenance Capital Asset Reserve Fund for capital costs associated with the maintenance of all City building facilities. The reserve will be maintained at a level at least equal to projected five year facilities maintenance capital costs. Park operating funds shall budget annual capital replacement costs and use them to fund reserves for future equipment replacement and resurfacing needs. The balance of the Facilities Maintenance Capital Asset Reserve was $491,876 as of June 30, 2022 and many of the park operating funds do not have sufficient revenues to adequately fund reserves, which does not meet the targeted level. However, management believes the balance is sufficient to fund all anticipated replacements.

7) The City will seek to build and maintain a Storm Drain Depreciation Reserve for costs associated with the major maintenance and capital improvement costs included in the Storm Drain (NPDES) program budget. The minimum reserve level will be 50% of the costs projected over the next five years, or $250 thousand per year as of June 30, 2020. The balance of the reserve which is a component of the NPDES Special Revenue Fund's Restricted Fund Balance was $49,127 as of June 30, 2022.

8) The City will establish a Reserve for Qualifying Expenditures and will transfer into it from current revenues all amounts necessary to ensure compliance with Gann Limit provisions. These funds will be used solely to pay for Gann Limit excludable capital expenditures. To qualify, they must be for assets having a value greater than $100,000 and having a useful life of at least 10 years. The City was in compliance with the Gann Limit provisions as of June 30, 2022, and therefore was not required to establish a Reserve for Qualifying Expenditures as of June 30, 2022.

D. Fund Balance Deficit

The Oakley Welcoming Special Revenue Fund had deficit fund balance of $6,684 as of June 30, 2022, which is expected to be eliminated by future revenues or funding from the General Fund.

E. Net Investment in Capital Assets

The balances related to Net Investment in Capital Assets are comprised of the following as of June 30, 2022:

	Governmental Activities
Capital Assets, Net of Accumulated Depreciation	$230,225,015
Less Capital Debt	(8,245,000)
Net Investment in Capital Assets	$221,980,015

NOTE 11 – PENSION PLAN

A. General Information about the Pension Plan

Plan Description – All qualified permanent, probationary and part-time employees are eligible to participate in the City's Safety (police) and Miscellaneous (all other) Employee Pension Rate Plans. The City's Miscellaneous and Safety Rate Plans are part of the public agency cost-sharing multiple-employer defined benefit pension plan (PERF C), which is administered by the California Public Employees' Retirement System (CalPERS). PERF C consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. The employer participates in one cost-sharing multiple-employer defined benefit pension plan regardless of the number of rate plans the employer sponsors. The City sponsors four rate plans (three miscellaneous and one safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

NOTE 11 – PENSION PLAN (Continued)

In August 2010, the City Council authorized an amendment to the contract between the City and the CalPERS in order to establish a Tier 2 retirement benefits structure. The Tier 2 changed the retirement benefit formula from 2.5% @ 55 to 2% @ 60 for new miscellaneous employees hired on or after October 18, 2010. A Tier 3 structure was established to implement the provisions of the Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, and is applicable to employees new to CALPERS, and hired after December 31, 2012, and not subject to grandfathering into the previously existing Tier 2 Rate Plan.

Effective August 12, 2015, the City established a Safety Rate Plan that provides benefits for safety employees hired after January 1, 2013 using the 2.7% @ 57 benefit formula.

The Plan's provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Miscellaneous		
	Classic Tier 1	Classic Tier 2	PEPRA Tier 3
Hire date	Prior to October 18, 2010	On or after October 18, 2010	On or after January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0 % to 2.5%	1.092% - 2.418%	1.0% - 2.5%
Required employee contribution rates	8.00%	7.00%	6.75%
Required employer contribution rates	12.20%	9.13%	7.59%
Required UAL contribution	$82,542	$9,447	$6,043

	Safety
	PEPRA
Hire date	On or after January 1, 2013
Benefit formula	2.7% @ 57
Benefit vesting schedule	5 years service
Benefit payments	monthly for life
Retirement age	50 - 57
Monthly benefits, as a % of eligible compensation	2.0% - 2.7%
Required employee contribution rates	13.75%
Required employer contribution rates	13.75%
Required UAL contribution	$22,117

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability (UAL). The dollar amounts are billed on a monthly basis or can be paid in a lump sum at a reduced amount. The City elected to make the lump sum contributions and the required contribution for the unfunded liability was $120,149 in fiscal year 2022, as shown in the table above.

NOTE 11 – PENSION PLAN (Continued)

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the year ended June 30, 2022, the City's total contributions to the Plan were $1,113,410.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

As of June 30, 2022, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability (Asset)
Miscellaneous	($1,058,664)
Safety	(329,575)
Total Net Pension Liability (Asset)	($1,388,239)

The governmental activities net pension liability is liquidated primarily by the General Fund.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2021 was as follows:

Proportion - June 30, 2020	0.01526%
Proportion - June 30, 2021	0.02567%
Change - Increase (Decrease)	0.01041%

NOTE 11 – PENSION PLAN (Continued)

For the year ended June 30, 2022, the City recognized pension expense of ($2,420,036). As of June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$1,113,411	
Differences between actual and expected experience		($175,026)
Changes in assumptions		
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	1,655,644	(433,558)
Net differences between projected and actual earnings on plan investments	1,120,318	
Total	$3,889,373	($608,584)

$1,113,411 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Annual Amortization
2023	$804,167
2024	629,072
2025	424,769
2026	309,370
Total	$2,167,378

NOTE 11 – PENSION PLAN (Continued)

Actuarial Assumptions – For the measurement period ended June 30, 2021, the total pension liability was determined by rolling forward the June 30, 2020 total pension liability. The June 30, 2020 total pension liabilities were based on the following actuarial methods and assumptions for all benefit tiers:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	(1)
Investment Rate of Return	7.15% (2)
Mortality	Derived using CalPERS Membership Data for all Funds (3)
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

(1) Depending on age, service and type of employment
(2) Net of pension plan investment expenses, including inflation
(3) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for the Plan was 7.15%. The projection of cash flows used to determine the discount rate for the Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 11 – PENSION PLAN (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the expected real rates of return by asset class.

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1 - 10(b)	Real Return Years 11+(c)
Public Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.0%	-0.92%
Total	100.0%		

(a) In the CalPERS Annual Comprehensive Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.0% used for this period.

(c) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.15%
Net Pension Liability (Asset)	$1,205,933
Current Discount Rate	7.15%
Net Pension Liability (Asset)	($1,388,239)
1% Increase	8.15%
Net Pension Liability (Asset)	($3,528,844)

NOTE 11 – PENSION PLAN (Continued)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Subsequent Event - Reduction of CalPERS Discount Rate

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy approved by the CalPERS Board in 2015, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the CalPERS Board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense, but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the CalPERS Board. These new assumptions will be reflected in the CalPERS GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS

A. PORAC Retiree Medical Trust Plan

The City established a post-employment health care defined contribution plan in May 2016, pursuant to a negotiated Memoranda of Understanding (MOU) with its Oakley Police Officers Association employee bargaining unit. The City's funding obligation for the plan is defined within the MOU and is a specified contribution of $450 per month per police employee.

The administration of benefits for the plan rests with the plan administrator. The administrator for the plan is the Peace Officers Research Association of California (PORAC) Retiree Medical Trust. There are no vesting requirements to be eligible to use these funds post-employment for qualified medical expenses. The benefit can only be used to purchase post-employment health insurance.

Contributions to the plan during fiscal year 2022 were $158,550.

B. Retirement Health Savings Plan

In February 2020, the City established a retirement health savings (RHS) plan for all non-safety employees. The City's funding obligation for the plan is $50 per month per employee.

The administration of benefits for the plan rests with the plan administrator. The administrator for the plan is Mission Square Retirement (formerly ICMA RC). To be vested in the plan an employee must have 5 years of employment to be eligible to use these funds post-employment. The benefit can only be used to fund post-employment medical expenses.

Contributions to the plan during fiscal year 2022 were $11,016.

NOTE 13 – DEFERRED COMPENSATION PLANS

City employees may also defer a portion of their compensation under City sponsored Deferred Compensation Plans. The City offers the opportunity to participate in one of two plans, one created in accordance with Internal Revenue Code Section 457, and one created in accordance with Internal Revenue Code 401a. Under the 457 Plan, different rules apply and amounts contributed may be either pre-tax or after-tax depending on applicable plan rules; under the 401a Plan participants are not taxed on the deferred portion of their compensation until distributed to them. Under both plans, distributions may be made only at termination, retirement, death or in an emergency as defined by each Plan.

The Plans are part of the public agency agent multiple-employer defined contribution plans that are administered by Mission Square Retirement (formerly ICMA RC). Benefit provisions under the Plans are established by City resolution.

The City has no liability for any losses incurred by the Plans and does not participate in any gains, but does have the duty of due care that would be required of an ordinary prudent investor. The City has a contract with Mission Square to manage and invest the assets of each Plan. The administrator pools the assets of each Plan with those of other participants and does not make separate investments for the City. The assets in the Plans are the sole property of the participants or their beneficiaries. Since the assets held under the Plans are not the City's property and are not subject to claims by general creditors of the City, they have been excluded from these financial statements. The Plans require investments to be stated at fair market value and it requires all gains and losses on Plan investments to accrue directly to participant accounts.

The City contributes a 1% match of employee contributions to the 457 Plan for all employees, except those under the Oakley Police Officers Association. Police Department lieutenants receive an additional employer contribution of 2% of base pay, for a total contribution of 3%. The employer contributions vest 60% after one year, increasing 10% per year until they are 100% vested in year five.

The City contributes a 1% match of employee earnings, excluding overtime and bonuses, to the 401a Plan for employees that work an average of 30 hours per week. The employer contributions vest 60% after one year, increasing 10% per year until they are 100% vested in year five.

If an employee participates in both plans, the maximum employer matching contribution is 1%, except for Police Department lieutenants, which is a maximum of 3%.

The City's required contributions for the year ended June 30, 2022 totaled $27,335.

NOTE 14 - LEASES

A. Policies

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. The City recognizes lease receivables or liabilities with an initial, individual value of $50,000 or more.

Lessee - The City does not have any noncancellable leases of nonfinancial assets as of June 30, 2022. If there were such leases outstanding, the City would recognize a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

NOTE 14 – LEASES (Continued)

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments as follows:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor - The City is a lessor for noncancellable leases of commercial space and communication sites. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts as follows:

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

NOTE 14 – LEASES (Continued)

B. Leases Receivable

The balances related to leases receivable and deferred inflows of resources as of June 30, 2022 were:

	Lease Receivable	Deferred Inflow of Resources
General Fund		
Leases Receivable (Lessor)		
Facilities rentals:		
Skipolini's Inc.	$620,729	$604,162
Mr. Pickles Sandwich Shop	63,742	61,847
Guanatos Ice Cream	96,070	92,696
Communication sites:		
American Tower	175,990	170,778
Sprint Nextel (T-Mobile)	184,651	178,337
Total Leases Receivable	$1,141,182	$1,107,820

Facilities Rentals – The City leases commercial space to third parties. During the year ended June 30, 2022, the City had three leases that were subject to being recorded as leases receivable under generally accepted accounting principles. The original lease terms were from five years to fifteen years and as of June 30, 2022, the three leases had 2.75 to 12.9 years remaining. Two of the leases can be renewed for one additional five year term and one lease can be renewed for up to three, five year terms upon written notice of the tenant. The City did not include the extension periods in the calculation of the lease receivable balances. The City recognized $65,082 in lease revenue and $10,525 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

Communication Site Leases – The City leases various locations to third parties for the provisions of mobile/wireless communications services. During the year ended June 30, 2022, the City had two leases, with original lease terms ranging from twenty to thirty years, including the optional extension periods, and as of June 30, 2022, the leases had 5.6 to 6.8 years remaining. The City recognized $56,685 in lease revenue and $11,831 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

NOTE 15 – RISK MANAGEMENT

A. Municipal Pooling Authority of Northern California (MPA)

The City is a member of the Municipal Pooling Authority of Northern California. The Authority provides coverage against various types of loss risks under the terms of a joint-powers agreement with the City and several other cities and governmental agencies. The City participates in the coverage programs as follows:

Types of Coverage (Deductible)	Coverage Limits
Liability ($25,000)	$29,500,000
Vehicle - Physical Damage ($3,000 for police vehicles, $2,000 for all others)	250,000
Worker's Compensation (no deductible)	50,000,000
Property:	
All Risk ($25,000), Fine Art and Copper Claims ($5,000), Water Claims ($150,000)	1,000,000,000
Flood*	25,000,000
Pollution Liability ($250,000)	1,000,000
Boiler and Machinery ($10,000)	100,000,000
Cyber Liability ($50,000)	2,000,000
Government Crime ($2,500)	5,000,000
Employment Liability ($50,000)	2,000,000

* $100,000 minimum deductible per occurrence, except Zones A and V, which are subject to a $250,000 deductible per occurrence.

The Authority is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of the Authority, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

The City's deposits with the Authority are in accordance with formulas established by the Authority. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Audited financial statements for the Authority are available from MPA, 1911 San Miguel Drive, Suite 200, Walnut Creek, CA 94596.

NOTE 15 – RISK MANAGEMENT (Continued)

B. Liability for Uninsured Claims

Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed, above, the City has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims. Settlements have not exceeded insurance coverage for the past three fiscal years.

The City's liability for uninsured liability claims at June 30 was estimated by management based on claims experience during the fiscal year and was computed as follows:

	June 30	
	2022	2021
Balance at beginning of year	$14,933	$14,386
Liability for current fiscal year claims	76,956	155
Change in liability for prior fiscal year claims and claims incurred but not reported (IBNR)	32,999	140,388
Claims paid	(36,165)	(139,996)
Balance at end of year	$88,723	$14,933

NOTE 16 – COMMITMENTS AND CONTINGENCIES

A. Construction and Other Commitments

The City has the following outstanding construction commitments as of June 30, 2022 which are included in the balance of encumbrances in Note 16E:

East Cypress - Knightsen Avenue Intersection Signal	$5,988,995
Oakley Regional Community Park	3,017,919
Downtown Gateway Plaza Roadway and Parking Lot	1,190,202
Cypress Grove SD Pump Station Building	802,600
Downtown Parking Lot Project	729,137
Sheriff Annex Building Demolition	400,000
O'Hara Avenue / Carpenter Road Intersection Improvements	247,730
Piper Lane Drainage Channel Trash Capture	204,135
Main Street/Delta Intersection Improvements	200,000
Main Street/Brownstone Intersection Improvements	200,000
West Cypress Road Bridge Reconstruction at Contra Costa Canal	151,854
Main Street Bridge Rehabilitation at Contra Costa Canal	101,821
Police Parking Lot Expansion	55,392
Other Projects	31,469

NOTE 16 – COMMITMENTS AND CONTINGENCIES (Continued)

B. Litigation

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney, there is no presently filed litigation which is likely to have a material adverse effect on the financial position of the City.

C. Federal and State Grant Programs

The City participates in several federal and State grant programs. These programs are subject to audit by the City's independent accountants in accordance with the provisions of the federal Single Audit Act as amended and applicable State requirements. No cost disallowances have been proposed as a result of audits completed to date; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

D. Funding Plan for Construction of Station 55 and Advance from Fire District

In September 2018, the City entered into a cooperative funding agreement with the East Contra Costa Fire Protection District for the construction of Fire Station No. 55 in the Summer Lakes subdivision. Under the terms of a separate settlement agreement with a developer, the City received $3.12 million for the design and construction of Fire Station #55 along with the dedication of a one acre parcel on which the station is to be built. Under the terms of the cooperative funding agreement, the District agreed to advance $1.9 million to the City to complete the design and construction of Station 55. Within thirty days of final completion of the project, the City agrees to transfer title to Station 55 and the associated one acre parcel to the District.

Starting sixty days following the final completion of the project, the advance from the District is repayable on a monthly basis from fire facilities impact fees collected by the City in the previous month. Title was transferred to the Fire District in May 2021 and the fire station opened in June 2022. The advance of funds does not bear interest and the balance of the advance was $337,780 at June 30, 2022.

E. Encumbrances

Encumbrances outstanding as of June 30, 2022 by fund were as follows:

Major Governmental Funds:	
Traffic Impact Fees Capital Projects Fund	$119,964
Non-Major Governmental Funds	2,781,794
Total Encumbrances	$2,901,758

NOTE 16 – COMMITMENTS AND CONTINGENCIES (Continued)

F. Developer Impact Fee Credits

In April 2022, the City entered into an agreement with a developer who is developing the Grand Cypress Preserve residential project. The City agreed to grant the developer impact fee credits and other reimbursements for its costs incurred, since the developer will construct certain improvements beyond what is needed to serve the specific project. The value of these credits and reimbursements do not increase for inflation, nor do they accrue interest.

Under the terms of the agreement, the developer is expected to install improvements with a total cost of $64,384,181 (Developer's Cost), of which the City will provide fee credits or reimbursements totaling $28,607,255 (City's Share), and if other future development of the property occurs, the City will reimburse the developer an additional amount which is the difference between the Developer's Share and $45,282,801 (Full Fair-Share Amount).

Reimbursement of the City's Share is payable from three sources: traffic impact fees (TIF) of $10,041,089, proceeds from the sale of property the City owns of $11,755,637, and $6,781,166 from other sources, which may include the issuance of bonds. The developer will receive fee credits for 100% of the TIF for the first 747 lost constructed. The final payment of the City's Share is due within four months of the date the developer obtains approval from Contra Costa Water District for the construction of levee improvements. Once the City has satisfied the City's Share, the City is to reimburse the developer for 50% of the future developers' share of TIF collected until the Full Fair-Share Amount is reimbursed.

As of June 30, 2022, no credits had been used and no reimbursements had been paid to the developer.

The accounting for the amounts due are not recorded as indebtedness since the payments (use of the credits or reimbursements) are contingent upon the developer's development of residential lots or the collection of development fees from future building growth which has not yet occurred.

NOTE 17 – REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES

A. REDEVELOPMENT DISSOLUTION

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012 (collectively referred to as the Dissolution Act), which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on January 31, 2012.

The suspension provisions prohibited all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

NOTE 17 – REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES (Continued)

In addition, the Dissolution Act directs the State Controller to review the activities of all redevelopment agencies and successor agencies to determine whether an asset transfer between an agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the redevelopment agency. The State Controller's Office completed its asset transfer review in July 2015, which did not require the transfer of any additional assets to the Successor Agency.

Effective January 31, 2012, the Redevelopment Agency was dissolved. In accordance with the Dissolution Act, certain assets of the Redevelopment Agency Low and Moderate Income Housing Fund were distributed to a Housing Successor; and all remaining Redevelopment Agency assets and liabilities were distributed to a Successor Agency.

Under the provisions of ABx1 26, the City was eligible to elect to become the Housing Successor and retain the housing assets and elected to do so. On February 1, 2012, the Agency's housing assets were transferred to the City's Low and Moderate Income Housing Asset Special Revenue Fund. The activities of the Housing Successor are reported in the Low and Moderate Income Housing Assets Special Revenue Fund as the City has control of those assets, which may be used in accordance with the low and moderate income housing provisions of California Redevelopment Law.

The City also elected to become the Successor Agency and on February 1, 2012 the Redevelopment Agency's remaining assets were distributed to and liabilities were assumed by the Successor Agency. ABx1 26 requires the establishment of an Oversight Board to oversee the activities of the Successor Agency and one was established on April 17, 2012. The activities of the Successor Agency are subject to review and approval of the Oversight Board, which is comprised of seven members, including one member of City Council and one former Redevelopment Agency employee appointed by the Mayor.

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board and the Department of Finance. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency.

The Department of Finance issued the Successor Agency a Finding of Completion on August 15, 2014.

Cash and investments of the Successor Agency as of June 30, 2022 includes the following:

Cash available for operations:	
Cash available for operations	$43,146
Cash held for September 1, 2022 debt service payment	1,352,443
Cash and investments with fiscal agent	318
Total Cash and Investments	$1,395,907

Details regarding cash and investments are discussed in Note 3. Information presented in the following footnotes represents other assets and liabilities of the Successor Agency as of June 30, 2022.

NOTE 17 – REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES (Continued)

B. LOANS RECEIVABLE

The Successor Agency assumed the non-housing loans receivable of the Redevelopment Agency as of February 1, 2012. The Redevelopment Agency engaged in programs designed to encourage construction of or improvement to low-to-moderate income housing. Under these programs, grants or loans were provided under favorable terms to homeowners or developers who agreed to expend these funds in accordance with the Agency's terms. The balance of the portion of the Oakley Senior Housing loan assumed by the Successor Agency as discussed in Note 5D above was $579,750 as of June 30, 2022.

C. LONG-TERM DEBT

The Successor Agency assumed the long-term debt of the Redevelopment Agency as of February 1, 2012.

1. Current Year Transaction and Balances

All of the long-term debt of the Successor Agency is comprised of Tax Allocation Bonds issued by the Redevelopment Agency. The Bonds are special obligations of the Agency and are secured only by the Agency's tax increment revenues. Tax Allocation Bond transactions were as follows:

	Original Issue Amount	Balance June 30, 2021	Retirements	Balance June 30, 2022	Current Portion
2015A Tax Allocation Bonds					
3.375-5.00%, due 9/01/2028	$2,595,000	$2,595,000		$2,595,000	
2015B Tax Allocation Bonds					
2.00-3.75%, due 9/01/2024	3,115,000	1,915,000	($500,000)	1,415,000	$510,000
2018 Tax Allocation Refunding Bonds					
3.25-6.00%, due 9/01/2038	18,655,000	18,255,000	(345,000)	17,910,000	370,000
Add: Unamortized Bond Premium		1,881,679	(282,252)	1,599,427	
Total		$24,646,679	($1,127,252)	$23,519,427	$880,000

2. Successor Agency 2015 Tax Allocation Bonds

On May 6, 2015, the Agency issued $2,595,000 in 2015 Tax Allocation Bonds, Series A, and $3,115,000 in 2015 Tax Allocation Bonds, Series B. The proceeds of these bonds, secured by property tax revenues in the Redevelopment Property Tax Trust Fund, were used to refund and defease the outstanding 2003 Tax Allocation Bonds. The 2003 Bonds were called on June 19, 2015.

Under the terms of the Trust Indenture for the 2015 Bonds, an event of default occurs if, among other things, the Successor Agency (i) fails to pay interest or principal on the 2015 Bonds when due and payable, (ii) fails to observe or perform any other covenant or term contained in the Trust Indenture, or (iii) commences a voluntary case under Title 11 of the United States Code. Upon the occurrence of an event of default, the Trustee may exercise any remedies available to the Trustee and the bond owners in law or at equity.

The 2015 Bonds are secured by the Successor Agency's property tax revenues in the Redevelopment Property Tax Trust Fund. Annual principal payments on the Series A Bonds do not start till September 1, 2024, and semi-annual interest payments are due March 1 and September 1, through 2028. Annual principal payments on the Series B Bonds are due September 1, and semi-annual interest payments are due March 1 and September 1, through 2024.

NOTE 17 – REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES (Continued)

3. Successor Agency 2018 Tax Allocation Refunding Bonds

On July 19, 2018, the Agency issued $18,655,000 in 2018 Tax Allocation Refunding Bonds. The proceeds of these bonds, secured by property tax revenues in the Redevelopment Property Tax Trust Fund, were used to refund and defease the outstanding 2008 Subordinate Tax Allocation Bonds. The refunding reduces the total debt service payments over 21 years by $7,649,546 and results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $3,097,278. The 2008 Bonds were called on September 1, 2018.

Under the terms of the Trust Indenture for the 2018 Bonds, an event of default occurs if, among other things, the Successor Agency (i) fails to pay interest or principal on the 2018 Bonds when due and payable, (ii) fails to observe or perform any other covenant or term contained in the Trust Indenture, or (iii) commences a voluntary case under Title 11 of the United States Code. Upon the occurrence of an event of default, the Trustee may exercise any remedies available to the Trustee and the bond owners in law or at equity.

The 2018 Bonds are secured by the Successor Agency's property tax revenues in the Redevelopment Property Tax Trust Fund. The 2018 Bonds are on parity with the 2015 Bonds discussed above Annual principal payments on the 2018 Bonds are due September 1, and semi-annual interest payments are due March 1 and September 1, through 2028.

4. Pledge of Tax Revenues

As discussed above, the Agency had pledged all future tax increment revenues, less amounts required to be set aside in the Redevelopment Agency Low and Moderate Income Housing Capital Projects Fund and certain tax increment pass through payments, for the repayment of both the 2003 and 2008A Tax Allocation Bonds (non-housing revenues). The Agency had also pledged tax increment revenues required to be set aside in the Redevelopment Agency Low and Moderate Income Housing Capital Projects Fund (housing revenue) for the repayment of a portion of the 2003 Tax Allocation Bonds. With the issuance of the 2018 Bonds, the tax increment revenue is pledged on parity with the 2015 and 2018 Bonds. The pledge of all future tax increment revenues ends upon repayment of the $30,557,308 remaining debt service on the 2015 and 2018 Bonds above, which is scheduled to occur in 2039.

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues. Beginning in fiscal year 2012, under the provisions of the laws dissolving the Redevelopment Agency, the Successor Agency only receives the funds necessary to fulfill its approved obligations. Total property taxes available for distribution to the Successor Agency and other taxing entities for fiscal year 2022 calculated by the County Auditor-Controller was $4,656,502 and the total received by the Successor Agency for fiscal year 2022 debt service was $2,065,052 which represented 114% of the $1,807,305 of debt service.

NOTE 17 – REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES (Continued)

5. Debt Service Requirements

Annual debt service requirements for the Bonds are shown below:

For the Year Ending June 30	Principal	Interest
2023	$880,000	$925,498
2024	920,000	887,048
2025	955,000	846,489
2026	1,000,000	799,986
2027	1,050,000	748,736
2028 - 2032	6,020,000	2,966,508
2033 - 2037	7,620,000	1,344,822
2038 - 2039	3,475,000	118,221
	21,920,000	$8,637,308
Add: Unamortized Premium	1,599,427	
Net Long Term Debt	$23,519,427	

D. COMMITMENTS AND CONTINGENCIES

1. State Approval of Enforceable Obligations

The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) semi-annually that contains all proposed expenditures for the subsequent six-month period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. Although the State Department of Finance may not question items included on the ROPS in one period, they may question the same items in a future period and disallow associated activities. The amount, if any, of current obligations that may be denied by the State Department of Finance in the future cannot be determined at this time.

2. State Asset Transfer Review

The activities of the former Redevelopment Agency and the Successor Agency were also subject to further examination by the State of California. The State Controller's Office conducted a review of the propriety of asset transfers between the former Redevelopment Agency or the Successor Agency and any public agency that occurred on or after January 1, 2011. The results of that review were issued in July 2015 and although the review did identify ineligible transfers of assets from the former Redevelopment Agency to the City, the report reflected the current year and prior year transfers discussed in Note 17A and made no further demands for the return of assets to the Successor Agency.

NOTE 17 – REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES (Continued)

E. CONTRA COSTA COUNTYWIDE CONSOLIDATED OVERSIGHT BOARD

On July 1, 2018, the duties of the Oakley Oversight Board transferred to a new Contra Costa Countywide Consolidated Oversight Board, which is responsible for overseeing the winddown affairs of all Successor Agencies in Contra Costa County, including the Successor Agency to the Oakley Redevelopment Agency.

REQUIRED SUPPLEMENTARY INFORMATION

This Page Left Intentionally Blank

REQUIRED SUPPLEMENTARY INFORMATION

Miscellaneous and Safety Rate Plans, a Cost Sharing-Employer Defined Benefit Pension Plan
Last 10 Years*

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Measurement Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017
Plan's Proportion of the Net Pension Liability (Asset)	0.04460%	0.05032%	0.04978%	0.02077%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	$1,102,233	$1,380,410	$1,729,323	$2,059,612
Plan's Covered Payroll	$1,972,266	$2,494,839	$3,497,131	$6,800,698
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	55.89%	55.33%	49.45%	30.29%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	79.82%	78.40%	74.06%	73.31%

Notes to Schedule:

* - Fiscal year 2015 was the 1st year of implementation.

REQUIRED SUPPLEMENTARY INFORMATION

6/30/2018	6/30/2019	6/30/2020	6/30/2021
0.02053%	0.02258%	0.01526%	-0.02567%
$1,978,129	$2,313,974	$1,660,558	($1,388,239)
$8,031,468	$8,224,932	$8,331,862	$8,425,819
24.63%	28.13%	19.93%	-16.48%
75.26%	75.26%	75.10%	88.29%

REQUIRED SUPPLEMENTARY INFORMATION

Miscellaneous and Safety Rate Plans, a Cost Sharing-Employer Defined Benefit Pension Plan
Last 10 Years*

SCHEDULE OF CONTRIBUTIONS

For the year Ended June 30	2015	2016	2017	2018
Actuarially determined contribution	$296,613	$382,769	$746,429	$986,847
Contributions in relation to the actuarially determined contributions	296,613	382,769	746,429	986,847
Contribution deficiency (excess)	$0	$0	$0	$0
Covered payroll	$2,494,839	$3,497,131	$6,800,698	$8,031,468
Contributions as a percentage of covered payroll	11.89%	10.95%	10.98%	12.29%

* Fiscal year 2015 was the 1st year of implementation.

2019	2020	2021	2022
$1,038,446	$2,174,321	$1,595,273	$1,113,411
1,038,446	2,174,321	1,595,273	1,113,411
$0	$0	$0	$0
$8,224,932	$8,331,862	$8,425,819	$8,601,562
12.63%	26.10%	18.93%	12.94%

This Page Left Intentionally Blank

SUPPLEMENTAL INFORMATION

MAJOR GOVERNMENTAL FUND, OTHER THAN GENERAL FUND AND SPECIAL REVENUE FUNDS

TRAFFIC IMPACT FEES CAPITAL PROJECTS FUND

This fund accounts for fees assessed on new development to provide street and road improvements.

CITY OF OAKLEY
TRAFFIC IMPACT FEES
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Developer fees	$3,900,000	$4,538,726	$638,726
Use of money and property	30,000	(278,378)	(308,378)
Miscellaneous		69,060	69,060
Total Revenues	3,930,000	4,329,408	399,408
EXPENDITURES			
Current:			
Community Development			
Public Works	278,257	242,601	35,656
Capital outlay	8,496,993	858,161	7,638,832
Total Expenditures	8,775,250	1,100,762	7,674,488
NET CHANGE IN FUND BALANCES	($4,845,250)	3,228,646	$8,073,896
Fund balance at beginning of year		9,070,542	
Fund balance at end of year		$12,299,188	

SPECIAL REVENUE FUNDS

GAS TAX

This fund accounts for revenues and expenditures received from the State of California under Street and Highways Code Sections 2105, 2106, 2107 and 2107.5. This fund also accounts for the revenues and expenditures related to Senate Bill 1 (SB 1) Road Maintenance and Rehabilitation Program received from the State of California under Street and Highways Code Sections 2032. All allocations must be spent for street maintenance and construction.

NPDES

This fund accounts for storm water utility fees assessed on properties city-wide and used to pay for the "National Pollution Discharge Elimination System" to prevent further polluting of our streams and bays as mandated by the Federal government.

YOUTH DEVELOPMENT

This fund accounts for youth development grant programs.

COMMUNITY FACILITIES DISTRICT #1

This fund accounts for maintenance and operations related to drainage and flood control at the Cypress Grove development.

COMMUNITY FACILITIES DISTRICT 2015-1

This fund accounts for the activities associated with the maintenance of neighborhood parks, community parks, regional parks, street lighting, landscaping and storm water detention facilities at Emerson Ranch.

OAKLEY WELCOMING

This fund accounts for the activities associated with the grant-funded Oakley Welcoming program under the You Me We Oakley! brand.

AG CONSERVATION

This fund accounts for the activities associated with establishing and carrying out the City's agricultural conservation program.

CITYWIDE COMMUNITY FACILITIES DISTRICT

This fund was established to account for the activities associated with the maintenance of neighborhood parks and stormwater detention facilities in the areas of the 2015-2 Citywide Community Facility District.

REGIONAL PARK

This fund was established to account for the activities associated with the development and maintenance of the Oakley Regional Community Park.

OTS POLICE GRANTS

This fund was established to account for grant funding received to pay for overtime expenses on eligible traffic operations.

CREEKSIDE PARK RESTORATION GRANT

This fund accounts for a grant from the Delta Conservancy with the purpose of developing plans to restore 775 linear feet of Marsh Creek to provide habitat for native fish and wildlife. Various partners will be participating in the analysis including American Rivers, Inc., Contra Costa Flood District and the adjacent property owner/developer.

DEVELOPER DEPOSITS SPECIAL REVENUE FUND

This fund accounts for deposits received from contractors and property owners to offset the cost of providing certain Community Development services including processing applications and reviewing grading plans of applicant projects.

CAPITAL PROJECTS FUNDS

MEASURE J

This fund accounts for the City's portion of the half-cent County-wide sales tax levied to fund transportation improvements to local streets.

GENERAL CAPITAL PROJECTS

This fund accounts for revenues and expenditures related to General Fund contributions, grants and other funding accounts for capital projects not accounted for in other capital projects funds. It accounts for the total expenditures for each project charged to this fund.

PARK IMPACT FEES

This fund accounts for fees assessed on new development to provide for park acquisition and development.

PUBLIC FACILITIES IMPACT FEE

This fund accounts for fees assessed on new development to provide for public facilities.

FIRE IMPACT FEES

This fund accounts for fees assessed on new developments to provide for fire protection capital facilities.

MAIN STREET

This fund accounts for Main Street related projects funded by the General Fund.

CYPRESS GROVE CAPITAL PROJECT

This fund accounts for funds from the 2004-1 Limited Obligation Bonds used to purchase infrastructure assets built by developers in the 2004-1 Assessment District area.

STREET MAINTENANCE RESERVE

This fund was established to account for the accumulation of funds for the long-term maintenance of the City's streets. The amounts transferred into the reserve will be used to augment the City's Gas Tax, Measure J, and other street improvement revenues in completing street maintenance and improvement projects. The reserve shall be considered fully funded when the balance and the combination of anticipated special revenues eligible for street maintenance is sufficient to pay for the next 3 years' anticipated maintenance, which is anticipated to occur by June 30, 2018.

2006-1 ASSESSMENT DISTRICT CAPITAL PROJECTS

This fund accounts for funds from the 2006 Infrastructure Revenue Bonds that will ultimately be used to purchase infrastructure assets built by developers in the 2006-1 Assessment District area.

DEBT SERVICE FUND

This fund accounts for principal and interest on the City's debt issues.

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2022

	SPECIAL REVENUE FUNDS			
	Gas Tax	NPDES	Community Facilities District #1	Community Facilities District 2015-1
ASSETS				
Cash and investments available for operations	$2,901,900	$26,868	$2,408,688	$2,186,117
Cash with fiscal agent				
Accounts receivable, net	160,460	113,384		
Interest receivable	3,133	115	2,793	2,497
Advances to other funds				
Total Assets	$3,065,493	$140,367	$2,411,481	$2,188,614
LIABILITIES				
Accounts payable	$929,892	$53,664	$45,951	$18,849
Accrued liabilities				
Due to other funds				
Deposits payable				
Unearned revenue		37,576		
Total Liabilities	929,892	91,240	45,951	18,849
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - interest on advances to other funds				
Total Deferred Inflows of Resources				
FUND BALANCES				
Restricted	2,135,601	49,127	2,365,530	2,169,765
Assigned				
Unassigned				
Total Fund Balance	2,135,601	49,127	2,365,530	2,169,765
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$3,065,493	$140,367	$2,411,481	$2,188,614

SPECIAL REVENUE FUNDS						
Oakley Welcoming	Ag Conservation	Citywide Community Facilities District	Regional Park	OTS Police Grants	Creekside Park Restoration Grant	Developer Deposits
$38,890	$7,151	$1,077,041	$1,795,759		$5,613	$1,720,231
147	8	1,093				192,505
$39,037	$7,159	$1,078,134	$1,795,759		$5,613	$1,912,736
$45,721		$156,472			$47,090	$37,921
			$3,000			1,874,816
45,721		156,472	3,000		47,090	1,912,737
	$7,159	921,662	1,792,759			
(6,684)					(41,477)	(1)
(6,684)	7,159	921,662	1,792,759		(41,477)	(1)
$39,037	$7,159	$1,078,134	$1,795,759		$5,613	$1,912,736

(Continued)

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2022

	CAPITAL PROJECTS FUNDS			
	Measure J	General Capital Projects	Park Impact Fees	Public Facilities Impact Fee
ASSETS				
Cash and investments available for operations	$1,715,291	$2,615,236	$5,565,105	$3,374,737
Cash with fiscal agent				
Accounts receivable, net		16,500		
Interest receivable	1,599	3,482	6,428	3,964
Advances to other funds			440,038	140,847
Total Assets	$1,716,890	$2,635,218	$6,011,571	$3,519,548
LIABILITIES				
Accounts payable		$219,671		
Accrued liabilities				
Due to other funds				
Deposits payable				
Unearned revenue		378,566		
Total Liabilities		598,237		
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - interest on advances to other funds			$105,207	$33,675
Total Deferred Inflows of Resources			105,207	33,675
FUND BALANCES				
Restricted	$1,716,890		5,906,364	3,485,873
Assigned		2,036,981		
Unassigned				
Total Fund Balance	1,716,890	2,036,981	5,906,364	3,485,873
Total Liabilities, Deferred Inflows of Resources	$1,716,890	$2,635,218	$6,011,571	$3,519,548

CAPITAL PROJECTS FUNDS						
Fire Impact Fees	Main Street	Cypress Grove Capital Project	Street Maintenance Rehab	2006-1 Assessment District	Debt Service Fund	Total Nonmajor Governmental Funds
	$1,343,878		$3,611,651	$241,992	$40,493	$30,676,641
		$114,953		407,171	325	522,449
$1,175						484,024
				265	238	25,762
						580,885
$1,175	$1,343,878	$114,953	$3,611,651	$649,428	$41,056	$32,289,761
	$104,228	$2,644	$18,862			$1,635,244
						45,721
$1,175						1,175
						1,877,816
						416,142
1,175	104,228	2,644	18,862			3,976,098
						138,882
						138,882
		112,309		$649,428	$41,056	21,353,523
	1,239,650		3,592,789			6,869,420
						(48,162)
	1,239,650	112,309	3,592,789	649,428	41,056	28,174,781
$1,175	$1,343,878	$114,953	$3,611,651	$649,428	$41,056	$32,289,761

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS			
	Gas Tax	NPDES	Community Facilities District #1	Community Facilities District 2015-1
REVENUES				
Property taxes		$510,455		
Other taxes				$641,317
Intergovernmental	$1,906,245			
Developer fees				
Special assessments			$338,006	
Use of money and property	(52,652)	(1,912)	(47,059)	(41,811)
Miscellaneous	7,460	420	6,366	
Total Revenues	1,861,053	508,963	297,313	599,506
EXPENDITURES				
Current:				
Community Development				
Public Works	534,422	636,330	209,909	532,572
Law Enforcement				
Recreation				
Capital outlay	1,037,164	107,516	213,182	
Debt service:				
Principal				
Interest and fiscal charges				
Total Expenditures	1,571,586	743,846	423,091	532,572
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	289,467	(234,883)	(125,778)	66,934
OTHER FINANCING SOURCES (USES)				
Transfers in			25,501	
Transfers (out)	(130,111)			
Total Other Financing Sources (Uses)	(130,111)		25,501	
NET CHANGE IN FUND BALANCES	159,356	(234,883)	(100,277)	66,934
Fund balance (deficit) at beginning of year	1,976,245	284,010	2,465,807	2,102,831
Fund balances (deficit) at end of year	$2,135,601	$49,127	$2,365,530	$2,169,765

SPECIAL REVENUE FUNDS

Oakley Welcoming	Ag Conservation	Citywide Community Facilities District	Regional Park	OTS Police Grants	Creekside Park Restoration Grant	Developer Deposits
		$1,094,357	$261,437	$12,579	$129,031	$1,330,216
($2,423)	($140)	(18,361)	23,200			
201,905						
199,482	(140)	1,075,996	284,637	12,579	129,031	1,330,216
					170,508	1,330,217
		914,558		11,728		
206,166			54,199			
206,166		914,558	54,199	11,728	170,508	1,330,217
(6,684)	(140)	161,438	230,438	851	(41,477)	(1)
		(25,501)				
		(25,501)				
(6,684)	(140)	135,937	230,438	851	(41,477)	(1)
	7,299	785,725	1,562,321	(851)		
($6,684)	$7,159	$921,662	$1,792,759		($41,477)	($1)

(Continued)

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	CAPITAL PROJECTS FUNDS			
	Measure J	General Capital Projects	Park Impact Fees	Public Facilities Impact Fee
REVENUES				
Property taxes				
Other taxes				
Intergovernmental	$733,912			
Developer fees			$2,696,628	$1,708,671
Special assessments				
Use of money and property	(26,920)	($64,235)	(108,171)	(66,629)
Miscellaneous		16,500		
Total Revenues	706,992	(47,735)	2,588,457	1,642,042
EXPENDITURES				
Current:				
Community Development				57,541
Public Works	120,447		90,373	
Law Enforcement				
Recreation				
Capital outlay	1,750	2,421,616	69,439	
Debt service:				
Principal				
Interest and fiscal charges				
Total Expenditures	122,197	2,421,616	159,812	57,541
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	584,795	(2,469,351)	2,428,645	1,584,501
OTHER FINANCING SOURCES (USES)				
Transfers in		1,196,000		
Transfers (out)				(671,370)
Total Other Financing Sources (Uses)		1,196,000		(671,370)
NET CHANGE IN FUND BALANCES	584,795	(1,273,351)	2,428,645	913,131
Fund balance (deficit) at beginning of year	1,132,095	3,310,332	3,477,719	2,572,742
Fund balances (deficit) at end of year	$1,716,890	$2,036,981	$5,906,364	$3,485,873

CAPITAL PROJECTS FUNDS						
Fire Impact Fees	Main Street	Cypress Grove Capital Project	Street Maintenance Rehab	2006-1 Assessment District	Debt Service Fund	Total Nonmajor Governmental Funds
						$510,455
						1,997,111
						2,781,767
$657,361						6,392,876
						338,006
		$34		($4,341)	($3,980)	(415,400)
1,175		92,444		123,423		449,693
658,536		92,478		119,082	(3,980)	12,054,508
658,536						2,216,802
						3,038,611
						11,728
						206,166
	$1,418,838	55,090	$2,558,151			7,936,945
					315,000	315,000
					356,670	356,670
658,536	1,418,838	55,090	2,558,151		671,670	14,081,922
	(1,418,838)	37,388	(2,558,151)	119,082	(675,650)	(2,027,414)
	350,000		4,000,000		671,370	6,242,871
						(826,982)
	350,000		4,000,000		671,370	5,415,889
	(1,068,838)	37,388	1,441,849	119,082	(4,280)	3,388,475
	2,308,488	74,921	2,150,940	530,346	45,336	24,786,306
	$1,239,650	$112,309	$3,592,789	$649,428	$41,056	$28,174,781

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS					
	GAS TAX			N.P.D.E.S.		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes				$500,000	$510,455	$10,455
Other taxes						
Intergovernmental:	$1,887,615	$1,906,245	$18,630			
Developer fees						
Special assessments						
Use of money and property	1,500	(52,652)	(54,152)	1,000	(1,912)	(2,912)
Miscellaneous		7,460	7,460		420	420
Total Revenues	1,889,115	1,861,053	(28,062)	501,000	508,963	7,963
EXPENDITURES						
Current:						
Community Development						
Public Works	805,545	534,422	271,123	686,101	636,330	49,771
Law Enforcement						
Recreation						
Capital outlay	2,504,482	1,037,164	1,467,318	332,210	107,516	224,694
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	3,310,027	1,571,586	1,738,441	1,018,311	743,846	274,465
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,420,912)	289,467	1,710,379	(517,311)	(234,883)	282,428
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers (out)	(190,000)	(130,111)	59,889			
Total Other Financing Sources (Uses)	(190,000)	(130,111)	59,889			
NET CHANGE IN FUND BALANCES	($1,610,912)	159,356	$1,770,268	($517,311)	(234,883)	$282,428
Fund balances (deficit) at beginning of year		1,976,245			284,010	
Fund balances (deficit) at end of year		$2,135,601			$49,127	

SPECIAL REVENUE FUNDS

COMMUNITY FACILITIES DISTRICT #1			COMMUNITY FACILITIES DISTRICT 2015-1			OAKLEY WELCOMING		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
			$641,315	$641,317	$2			
$344,772	$338,006	($6,766)						
5,000	(47,059)	(52,059)	5,700	(41,811)	(47,511)		($2,423)	($2,423)
	6,366	6,366				$130,000	201,905	71,905
349,772	297,313	(52,459)	647,015	599,506	(47,509)	130,000	199,482	69,482
323,002	209,909	113,093	664,464	532,572	131,892			
						137,294	206,166	(68,872)
1,080,000	213,182	866,818						
1,403,002	423,091	979,911	664,464	532,572	131,892	137,294	206,166	(68,872)
(1,053,230)	(125,778)	927,452	(17,449)	66,934	84,383	(7,294)	(6,684)	610
25,501	25,501							
25,501	25,501							
($1,027,729)	(100,277)	$927,452	($17,449)	66,934	$84,383	($7,294)	(6,684)	$610
	2,465,807			2,102,831				
	$2,365,530			$2,169,765			($6,684)	

(Continued)

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS					
	AG CONSERVATION			CITYWIDE COMMUNITY FACILITIES DISTRICT		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes						
Other taxes				$879,886	$1,094,357	$214,471
Intergovernmental:						
Developer fees						
Special assessments						
Use of money and property		($140)	($140)	1,100	(18,361)	(19,461)
Miscellaneous						
Total Revenues		(140)	(140)	880,986	1,075,996	195,010
EXPENDITURES						
Current:						
Community Development						
Public Works				882,752	914,558	(31,806)
Law Enforcement						
Recreation						
Capital outlay						
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures				882,752	914,558	(31,806)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(140)	(140)	(1,766)	161,438	163,204
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers (out)				(25,501)	(25,501)	
Total Other Financing Sources (Uses)				(25,501)	(25,501)	
NET CHANGE IN FUND BALANCES		(140)	($140)	($27,267)	135,937	$163,204
Fund balances (deficit) at beginning of year		7,299			785,725	
Fund balances (deficit) at end of year		$7,159			$921,662	

SPECIAL REVENUE FUNDS

REGIONAL PARK			OTS POLICE GRANTS			CREEKSIDE PARK RESTORATION GRANT		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
$120,000	$261,437	$141,437						
				$12,579	$12,579	$436,465	$129,031	($307,434)
15,000	23,200	8,200						
135,000	284,637	149,637		12,579	12,579	436,465	129,031	(307,434)
						436,465	170,508	265,957
				11,728	(11,728)			
78,879	54,199	24,680						
78,879	54,199	24,680		11,728	(11,728)	436,465	170,508	265,957
56,121	230,438	174,317		851	851		(41,477)	(41,477)
$56,121	230,438	$174,317		851	$851		(41,477)	($41,477)
	1,562,321			(851)				
	$1,792,759						($41,477)	

(Continued)

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUNDS		
	DEVELOPER DEPOSITS			MEASURE J		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes						
Other taxes						
Intergovernmental				$600,000	$733,912	$133,912
Developer fees	$1,040,102	$1,330,216	$290,114			
Special assessments						
Use of money and property				5,000	(26,920)	(31,920)
Miscellaneous						
Total Revenues	1,040,102	1,330,216	290,114	605,000	706,992	101,992
EXPENDITURES						
Current:						
Community Development	1,040,102	1,330,217	(290,115)			
Public Works				214,178	120,447	93,731
Law Enforcement						
Recreation						
Capital outlay				1,158,540	1,750	1,156,790
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	1,040,102	1,330,217	(290,115)	1,372,718	122,197	1,250,521
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(1)	(1)	(767,718)	584,795	1,352,513
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers (out)						
Total Other Financing Sources (Uses)						
NET CHANGE IN FUND BALANCES		(1)	($1)	($767,718)	584,795	$1,352,513
Fund balances (deficit) at beginning of year					1,132,095	
Fund balances (deficit) at end of year		($1)			$1,716,890	

CAPITAL PROJECTS FUNDS

GENERAL CAPITAL PROJECTS			PARK IMPACT FEES			PUBLIC FACILITIES IMPACT FEE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
			$2,800,000	$2,696,628	($103,372)	$1,100,000	$1,708,671	$608,671
$15,000	($64,235)	($79,235)		(108,171)	(108,171)	5,000	(66,629)	(71,629)
200,000	16,500	(183,500)						
215,000	(47,735)	(262,735)	2,800,000	2,588,457	(211,543)	1,105,000	1,642,042	537,042
						35,840	57,541	(21,701)
			92,520	90,373	2,147			
4,806,580	2,421,616	2,384,964	3,336,715	69,439	3,267,276			
4,806,580	2,421,616	2,384,964	3,429,235	159,812	3,269,423	35,840	57,541	(21,701)
(4,591,580)	(2,469,351)	2,122,229	(629,235)	2,428,645	3,057,880	1,069,160	1,584,501	515,341
1,196,000	1,196,000							
						(671,370)	(671,370)	
1,196,000	1,196,000					(671,370)	(671,370)	
($3,395,580)	(1,273,351)	$2,122,229	($629,235)	2,428,645	$3,057,880	$397,790	913,131	$515,341
	3,310,332			3,477,719			2,572,742	
	$2,036,981			$5,906,364			$3,485,873	

(Continued)

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	CAPITAL PROJECTS FUNDS					
	FIRE IMPACT FEES			MAIN STREET		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes						
Other taxes						
Intergovernmental						
Developer fees	$238,000	$657,361	$419,361			
Special assessments						
Use of money and property	1,000		(1,000)			
Miscellaneous		1,175	1,175			
Total Revenues	239,000	658,536	419,536			
EXPENDITURES						
Current:						
Community Development	239,000	658,536	(419,536)			
Public Works						
Law Enforcement						
Recreation						
Capital outlay				$2,665,626	$1,418,838	$1,246,788
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	239,000	658,536	(419,536)	2,665,626	1,418,838	1,246,788
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				(2,665,626)	(1,418,838)	1,246,788
OTHER FINANCING SOURCES (USES)						
Transfers in				350,000	350,000	
Transfers (out)						
Total Other Financing Sources (Uses)				350,000	350,000	
NET CHANGE IN FUND BALANCES				($2,315,626)	(1,068,838)	$1,246,788
Fund balances (deficit) at beginning of year					2,308,488	
Fund balances (deficit) at end of year					$1,239,650	

CAPITAL PROJECTS FUNDS

CYPRESS GROVE CAPITAL PROJECT			STREET MAINTENANCE REHAB			2006-1 ASSESSMENT DISTRICT		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
	$34	$34				$500	($4,341)	($4,841)
$60,310	92,444	32,134					123,423	123,423
60,310	92,478	32,168				500	119,082	118,582
70,000	55,090	14,910	$5,782,016	$2,558,151	$3,223,865			
70,000	55,090	14,910	5,782,016	2,558,151	3,223,865			
(9,690)	37,388	47,078	(5,782,016)	(2,558,151)	3,223,865	500	119,082	118,582
			4,000,000	4,000,000		123,423		(123,423)
			4,000,000	4,000,000		123,423		(123,423)
($9,690)	37,388	$47,078	($1,782,016)	1,441,849	$3,223,865	$123,923	119,082	($4,841)
	74,921			2,150,940			530,346	
	$112,309			$3,592,789			$649,428	

(Continued)

CITY OF OAKLEY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	DEBT SERVICE FUND		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Property taxes			
Other taxes			
Intergovernmental			
Developer fees			
Special assessments			
Use of money and property	$500	($3,980)	($4,480)
Miscellaneous			
Total Revenues	500	(3,980)	(4,480)
EXPENDITURES			
Current:			
Community Development			
Public Works			
Law Enforcement			
Recreation			
Capital outlay			
Debt service:			
Principal	315,000	315,000	
Interest and fiscal charges	358,129	356,670	1,459
Total Expenditures	673,129	671,670	1,459
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(672,629)	(675,650)	(3,021)
OTHER FINANCING SOURCES (USES)			
Transfers in	671,370	671,370	
Transfers (out)			
Total Other Financing Sources (Uses)	671,370	671,370	
NET CHANGE IN FUND BALANCES	($1,259)	(4,280)	($3,021)
Fund balances (deficit) at beginning of year		45,336	
Fund balances (deficit) at end of year		$41,056	

INTERNAL SERVICE FUNDS

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

The concept of major funds does not extend to internal service funds because they do not do business with outside parties. For the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

However, internal service funds are still presented separately in the Fund financial statements, including the funds below.

EQUIPMENT REPLACEMENT

This fund is used to finance and account for the replacement of equipment used by City departments.

CAPITAL FACILITIES MAINTENANCE AND REPLACEMENT

This fund is used to account for the maintenance and replacement of the City's capital facilities used by City departments.

INFORMATION TECHNOLOGY

This fund is used to finance and accounts for the replacement of technology equipment used by City departments.

CITY OF OAKLEY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

	Equipment Replacement	Capital Facilities Maintenance and Replacement	Information Technology	Total
ASSETS				
Current:				
Cash and investments available for operations	$881,637	$491,371	$142,685	$1,515,693
Receivables:				
Interest	911	505	325	1,741
Total Current Assets	882,548	491,876	143,010	1,517,434
Noncurrent:				
Capital assets:				
Depreciable, net	518,933	5,272,618	468,315	6,259,866
Total Noncurrent Assets	518,933	5,272,618	468,315	6,259,866
Total Assets	1,401,481	5,764,494	611,325	7,777,300
LIABILITIES				
Accounts payable	25,288		11,000	36,288
Accrued liabilities	1,455			1,455
Total Liabilities	26,743		11,000	37,743
NET POSITION				
Investment in capital assets	518,933	5,272,618	468,315	6,259,866
Unrestricted	855,805	491,876	132,010	1,479,691
Total Net Position	$1,374,738	$5,764,494	$600,325	$7,739,557

CITY OF OAKLEY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Equipment Replacement	Capital Facilities Maintenance and Replacement	Information Technology	Total
OPERATING REVENUES				
Charges for services	$346,081	$475,000	$160,000	$981,081
Total Operating Revenues	346,081	475,000	160,000	981,081
OPERATING EXPENSES				
Supplies	102,747	3,300	18,608	124,655
Depreciation	179,737	279,036	115,481	574,254
Total Operating Expenses	282,484	282,336	134,089	698,909
Operating Income (Loss)	63,597	192,664	25,911	282,172
NONOPERATING REVENUES (EXPENSES)				
Gain on sale of assets	16,205			16,205
Interest income	(18,180)	(8,530)	(2,653)	(29,363)
Total Nonoperating Revenues	(1,975)	(8,530)	(2,653)	(13,158)
Income (Loss) Before Contributions and Transfers	61,622	184,134	23,258	269,014
Contributions			210,089	210,089
Transfers in			366,978	366,978
Transfers (out)	(366,978)			(366,978)
Change in net position	(305,356)	184,134	600,325	479,103
BEGINNING NET POSITION	1,680,094	5,580,360		7,260,454
ENDING NET POSITION	$1,374,738	$5,764,494	$600,325	$7,739,557

CITY OF OAKLEY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Equipment Replacement	Capital Facilities Maintenance and Replacement	Information Technology	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$346,081	$475,000	$160,000	$981,081
Payments to suppliers	(79,071)	(3,300)	(7,608)	(89,979)
Cash Flows from Operating Activities	267,010	471,700	152,392	891,102
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in			148,047	148,047
Transfers (out)	(148,047)			(148,047)
Cash Flows from Noncapital Financing Activities	(148,047)		148,047	
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Proceeds from sale of capital assets	16,205			16,205
Acquisition of capital assets	(302,887)	(242,920)	(154,776)	(700,583)
Cash Flows from Capital Financing Activities	(286,682)	(242,920)	(154,776)	(684,378)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest	(18,324)	(8,855)	(2,978)	(30,157)
Net Cash Flows	(186,043)	219,925	142,685	176,567
Cash and investments at beginning of period	1,067,680	271,446		1,339,126
Cash and investments at end of period	$881,637	$491,371	$142,685	$1,515,693
NONCASH TRANSACTIONS				
Contributions of capital assets			$210,089	$210,089
Transfer of capital assets	($218,931)		$218,931	
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:				
Operating income (loss)	$63,597	$192,664	$25,911	$282,172
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation	179,737	279,036	115,481	574,254
Net change in assets and liabilities:				
Accounts payable	22,221		11,000	33,221
Accrued liabilities	1,455			1,455
Cash Flows from Operating Activities	$267,010	$471,700	$152,392	$891,102

CUSTODIAL FUNDS

Custodial Funds report resources, not in a trust, that are held by the City for other parties outside of the City's reporting entity.

ASSESSMENT DISTRICT 2004-1

This fund accounts for Assessment District 2004-1 special assessment collections and debt service payments.

GENERAL AGENCY FUND

This fund accounts for fees established by the County to fund future County capital facilities from development that are collected via building permits and submitted to the County, as well as assets held on behalf of other agencies for other purposes.

ASSESSMENT DISTRICT 2006-1

This fund accounts for Assessment District 2006-1 special assessment collections and debt service payments.

CITY OF OAKLEY
CUSTODIAL FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

	Assessment District 2004-1	General Agency Fund	Assessment District 2006-1	Total
ASSETS				
Cash and investments	$1,307,968	$1,249,865	$767,239	$3,325,072
Cash and investments with fiscal agent	141,715		363,529	505,244
Interest receivable	1,291		719	2,010
Total Assets	1,450,974	1,249,865	1,131,487	3,832,326
LIABILITIES				
Accounts payable		564,329		564,329
Due to other agencies		685,536		685,536
Total Liabilities		1,249,865		1,249,865
NET POSITION:				
Restricted for:				
Bondholders	1,450,974		1,131,487	2,582,461
Total Net Position	$1,450,974		$1,131,487	$2,582,461

CITY OF OAKLEY
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Assessment District 2004-1	General Agency Fund	Assessment District 2006-1	Total
ADDITIONS				
Special assessments	$1,189,803		$759,160	$1,948,963
Payment from bondholders	10,496,000			10,496,000
Use of money and properties	(20,594)		(11,963)	(32,557)
Total Additions	11,665,209		747,197	12,412,406
DEDUCTIONS				
Administrative expenses	112,196		133,343	245,539
Payments to bondholders and related fiscal charges	12,393,157		632,345	13,025,502
Total Deductions	12,505,353		765,688	13,271,041
Change in Net Position	(840,144)		(18,491)	(858,635)
Beginning Net Position	2,291,118		1,149,978	3,441,096
Ending Net Position	$1,450,974		$1,131,487	$2,582,461

This Page Left Intentionally Blank

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and wellbeing have changed over time:

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

Revenue Capacity
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax:

1. Assessed and Estimated Actual Value of Taxable Property
2. Property Tax Rates, All Overlapping Governments
3. Principal Property Tax Payers
4. Property Tax Levies and Collections

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

1. Ratio of Outstanding Debt by Type
2. Computation of Direct and Overlapping Debt
3. Computation of Legal Bonded Debt Margin
4. Bonded Debt Pledged Revenue Coverage, Former Redevelopment Agency Tax Allocation Bonds

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

1. Demographic and Economic Statistics
2. Principal Employers

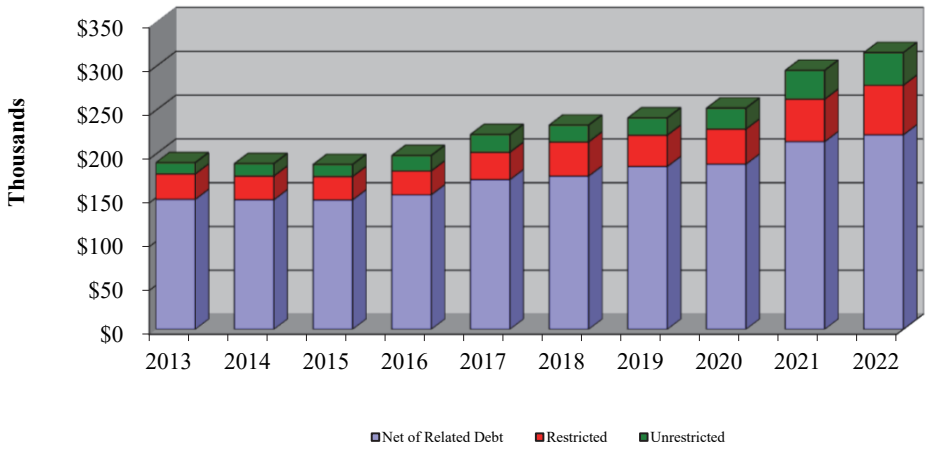
Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

1. Budgeted Full-Time Equivalent City Government Employees by Function
2. Operating Indicators by Function/Program
3. Capital Asset Statistics by Function/Program

Sources
Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

This Page Left Intentionally Blank

CITY OF OAKLEY
Net Position by Component (000's)
Last Ten Fiscal Years
(accrual basis of accounting)



	Fiscal Year Ended June 30,									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Primary government										
Governmental activities										
Net investment in capital assets	$148,296	$147,874	$147,685	$153,509	$170,799	$174,868	$185,805	$188,555	$214,187	$221,980
Restricted	28,996	27,042	26,651	27,205	31,286	39,006	35,780	39,992	48,461	56,581
Unrestricted	12,975	14,338	13,898	17,784	20,395	19,286	19,877	24,020	33,049	37,422
Total governmental activities net position	$190,267	$189,254	$188,234	$198,498	$222,480	$233,160	$241,462	$252,567	$295,697	$315,983

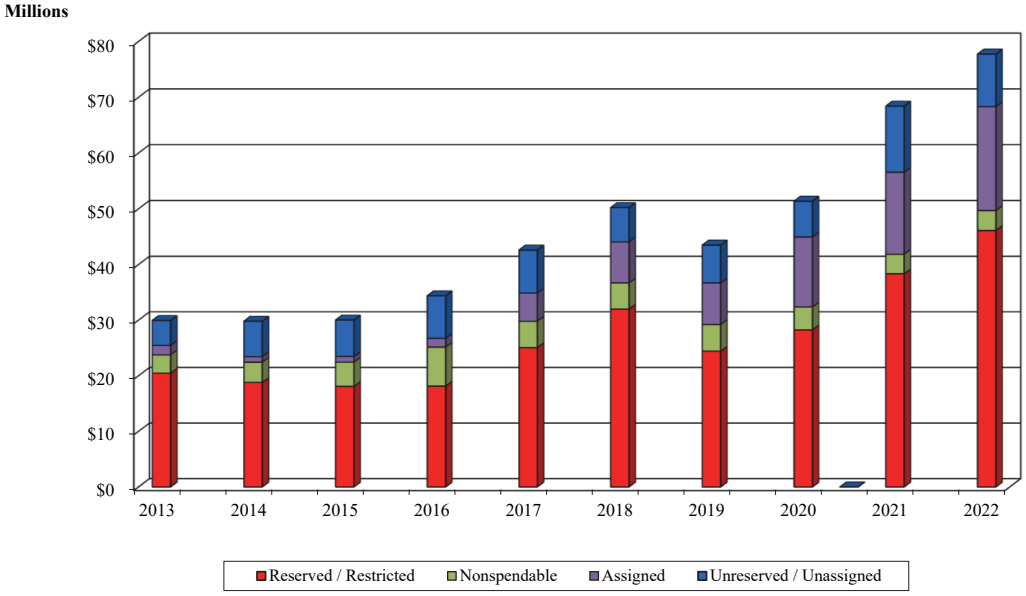
CITY OF OAKLEY
Changes in Net Position (000's)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020** (a)	**2021**	**2022**
Expenses										
Governmental Activities:										
Legislative	$492	$446	$466	$481	$604	$641	$754	$661	$722	$620
Administrative Services	973	1,301	1,341	1,220	1,855	1,877	1,971	3,197	3,056	1,236
Community Development	1,802	1,819	1,843	2,152	2,088	3,160	4,019	4,572	3,437	3,782
Public Works	9,631	10,177	10,640	11,478	11,818	12,200	12,969	13,198	21,437 (b)	16,987
Housing Programs	9	8	45	85	3	3	4	4	3	3
Law Enforcement	7,338	7,694	8,314	8,230	8,066	9,097	9,567	10,257	10,139	10,005
Recreation	420	478	524	560	562	629	771	662	653	723
Interest and fiscal charges	324	317	301	292	476	400	390	378	373	349
Total Governmental Activities Expenses	20,989	22,240	23,474	24,498	25,472	28,007	30,445	32,929	39,820	33,705
Total Primary Government Expenses	$20,989	$22,240	$23,474	$24,498	$25,472	$28,007	$30,445	$32,929	$39,820	$33,705
Program Revenues										
Governmental Activities:										
Charges for Services:										
Administrative Services	$235	$266	$252	$395	$521	$549	$399	$889	$1,736	$1,240
Community Development	1,461	1,154	1,375	2,133	2,151	3,137	2,759	3,312	4,785	3,832
Public Works	3,391	3,499	3,592	3,951	4,245	4,764	5,206	5,571	7,021	7,962
Law Enforcement	3,038	3,232	3,506	3,638	4,068	4,426	4,887	5,408	5,551	6,480
Recreation	54	69	73	98	126	166	189	583	281	334
Operating Grants and Contributions	1,371	1,503	1,714	1,356	1,309	1,619	2,090	2,246	2,895	3,549
Capital Grants and Contributions	3,360	2,625	2,715	5,040	10,324	10,562	8,430	10,090	45,155	16,125
Total Government Activities										
Program Revenues	12,910	12,348	13,227	16,611	22,744	25,223	23,960	28,099	67,424	39,522
Total Primary Government										
Program Revenues	$12,910	$12,348	$13,227	$16,611	$22,744	$25,223	$23,960	$28,099	$67,424	$39,522
Net (Expense)/Revenue										
Governmental Activities	($8,079)	($9,892)	($10,247)	($7,887)	($2,728)	($2,784)	($6,485)	($4,830)	$27,604	$5,817
Total Primary Government Net Expense	($8,079)	($9,892)	($10,247)	($7,887)	($2,728)	($2,784)	($6,485)	($4,830)	$27,604	$5,817
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	$4,359	$4,499	$5,331	$5,814	$6,233	$6,918	$7,435	$7,965	$8,569	$8,821
Sales Taxes	1,618	1,521	1,506	1,753	1,774	1,826	2,041	2,183	2,485	3,246
Transient Occupancy Tax	196	195	196	210	267	276	270	233	240	261
Nonregulatory Franchise and Business	1,222	1,341	1,418	1,584	1,686	1,877	1,934	2,042	2,234	2,475
Intergovernmental, unrestricted:										
Motor Vehicle In-Lieu	18	16	16	16	18	22	20	33	31	50
Other					186		2			
Interest Earnings and Use of Property	371	436	519	557	563	881	1,645	1,573	756	(1,578)
Other	1,058	871	1,056	1,890	1,340	1,665	1,440	1,907	1,210	1,194
Extraordinary / Special Item			362 (c)	6,327 (d)	14,642 (d)					
Total Government Activities	8,842	8,879	10,404	18,151	26,709	13,465	14,787	15,936	15,525	14,469
Total Primary Government	$8,842	$8,879	$10,404	$18,151	$26,709	$13,465	$14,787	$15,936	$15,525	$14,469
Change in Net Position										
Governmental Activities	$763	($1,013)	$157	$10,264	$23,981	$10,681	$8,302	$11,106	$43,129	$20,286
Total Primary Government	$763	($1,013)	$157	$10,264	$23,981	$10,681	$8,302	$11,106	$43,129	$20,286

NOTES:

(a) Revenues were reclassified in fiscal year 2019-20. Prior years have not been revised.
(b) The City conveyed a completed fire station project totaling $3.3 million to the East Contra Costa County Fire Protection District which was recorded as an expenditure in the Statement of Activities.
(c) Pursuant to a settlement agreement with the Department of Finance, the City transferred assets to the Successor Agency and the Successor Agency transferred assets to the City.
(d) Pursuant to the Long Range Property Management Plan, the Successor Agency transferred assets to the City.

CITY OF OAKLEY
Fund Balances of Governmental Funds (000's)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)



	Fiscal Year Ended June 30,										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
General Fund											
Nonspendable	$3,301	$3,654	$4,375	$7,000	$4,741	$4,704	$4,793	$4,104	$3,512	$3,537	
Restricted	559	560	559	559	559	202	429	644	1,110	974	
Assigned	991	331	170	943	626	4,257	3,919	5,960	6,922	11,750	
Unassigned	6,151	7,837	7,938	9,068	8,769	7,172	7,796	7,342	12,791	10,381	
Total General Fund	$11,002	$12,382	$13,042	$17,570	$14,695	$16,335	$16,937	$18,050	$24,335	$26,642	(a)
All Other Governmental Funds											
Nonspendable										$18	
Restricted	$19,898	$18,233	$17,525	$17,593	$24,517	$31,783	$24,004	$27,615	$37,235	45,152	
Assigned	698	668	829	622	4,434	3,132	3,543	6,625	7,770	6,869	
Unassigned	(1,645)	(1,467)	(1,374)	(1,401)	(1,046)	(1,039)	(993)	(920)	(923)	(931)	
Total all other governmental funds	$18,951	$17,434	$16,980	$16,814	$27,905	$33,876	$26,554	$33,320	$44,082	$51,108	(a)

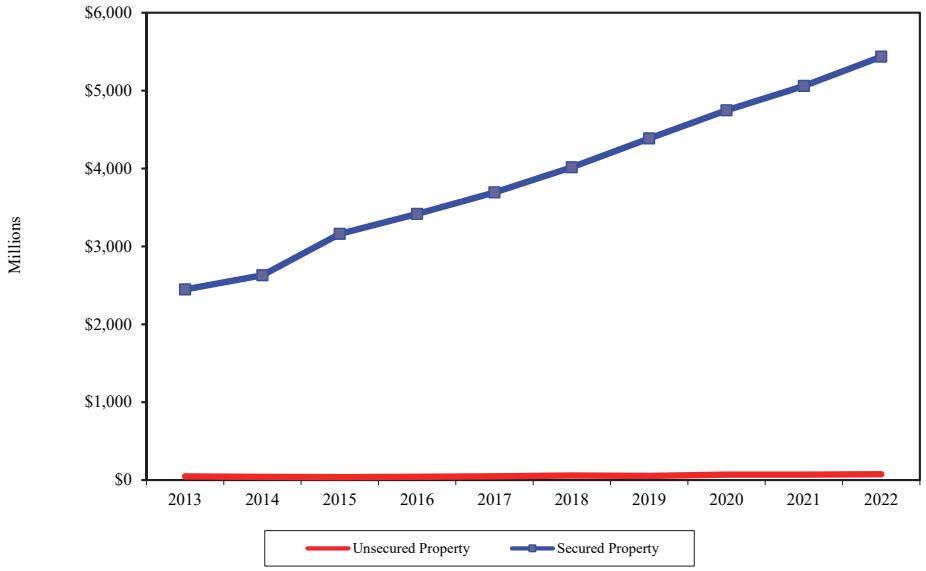
NOTES:

(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.

CITY OF OAKLEY
Changes in Fund Balance of Governmental Funds (000's)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	$7,729	$7,446	$8,331	$9,213	$10,179	$11,499	$12,484	$13,663	$15,955	$17,836
Licenses, permits and fees	1,178	1,345	1,285	2,024	2,348	2,562	1,772	2,331	4,740	3,816
Fines and forfeitures	181	159	135	138	133	133	129	105	77	106
Use of money and property	121	231	319	563	366	640	1,359	1,383	509	(1,451)
Intergovernmental revenues	3,306	2,471	2,651	3,030	3,015	3,757	5,092	2,961	3,171	4,197
Charges for services	8,648	8,941	9,259	11,578	14,635	16,131	12,490	18,283	24,184	22,209
Other	1,123	971	1,116	1,867	1,320	4,835	2,578	2,563	2,938	1,392
Total Revenues	22,286	21,564	23,096	28,413	31,996	39,557	35,904	41,289	51,574	48,105
Expenditures										
Current:										
Legislative	481	433	449	482	614	612	730	683	728	875
Administrative services	918	1,110	1,287	1,335	1,709	1,419	1,586	3,238	2,961	2,291
Community development	1,771	1,787	1,821	2,274	2,113	3,081	3,959	4,608	4,351	4,899
Public works	4,015	4,608	4,661	5,651	5,921	6,053	6,373	6,093	8,044	9,683
Housing programs	9	8	5	85	3	3	3	4	3	3
Law enforcement	7,186	7,458	7,975	8,098	8,038	9,202	9,779	9,807	9,772	10,610
Recreation	414	471	522	566	575	607	750	687	660	925
Estimated reduction in value of property held for resale			40							
Capital outlay	4,502	5,253	5,293	7,969	6,397	10,279	18,747	7,591	7,329	8,928
Debt service:										
Principal repayment	240	255	265	275	6,725	275	280	295	305	315
Interest and fiscal charges	329	318	306	299	621	417	417	403	375	361
Total Expenditures	19,865	21,701	22,624	27,034	32,716	31,948	42,624	33,409	34,528	38,890
Excess (deficiency) of revenues over (under) expenditures	2,421	(137)	472	1,379	(720)	7,609	(6,720)	7,880	17,046	9,215
Other Financing Sources (Uses)										
Transfers in	925	1,067	2,227	2,311	6,091	3,747	2,891	3,933	3,028	6,550
Transfers (out)	(925)	(1,067)	(2,227)	(2,311)	(6,091)	(3,747)	(2,891)	(3,933)	(3,028)	(6,550)
Proceeds (loss) from sale of property			10	79	50					120
Lease revenue bonds issued					10,025					
Bond issuance premium					157					
Total other financing sources (uses)			10	79	10,232					120
Special item			(274)	2,904	(1,294)					
Net Change in fund balances	$2,421	($137)	$208	$4,362	$8,218	$7,609	($6,720)	$7,880	$17,046	$9,335
Debt service as a percentage of noncapital expenditures	3.7%	3.5%	3.3%	3.0%	27.9%	3.2%	2.9%	2.7%	2.5%	2.3%

CITY OF OAKLEY
ASSESSED AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY (MILLIONS)
LAST TEN FISCAL YEARS



Fiscal Year	Real Property				Total Real Secured Property	Unsecured Property	Total Assessed (a)	Estimated Full Market (a)	Total Direct Tax Rate (b)
	Residential Property	Commercial Property	Industrial Property	Other					
2013	$2,125	$102	$11	$162	$2,400	$47	$2,447	$2,447	1%
2014	2,350	103	11	124	2,588	41	2,629	2,629	1%
2015	2,869	112	11	131	3,123	38	3,161	3,161	1%
2016	3,105	112	11	147	3,375	42	3,417	3,417	1%
2017	3,314	130	11	190	3,645	48	3,693	3,693	1%
2018	3,639	142	11	166	3,958	58	4,016	4,016	1%
2019	3,997	148	45	143	4,333	53	4,386	4,386	1%
2020	4,272	153	56	196	4,677	70	4,747	4,747	1%
2021	4,528	165	64	233	4,990	70	5,060	5,060	1%
2022	4,841	173	120	227	5,361	75	5,436	5,436	1%

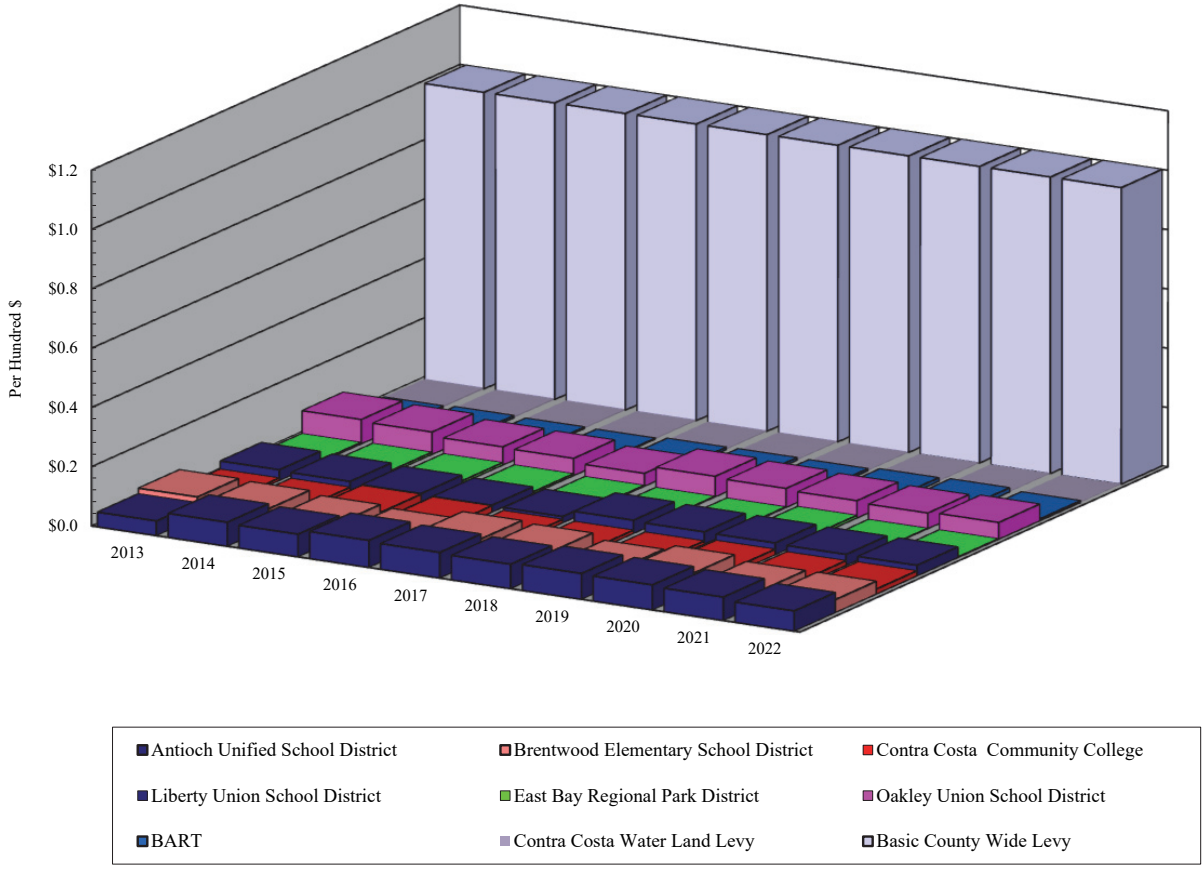
Source: Contra Costa County Auditor Controller Office Certificate of Assessed Valuations

Notes:

(a) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus the value of any new construction, plus an increment of no more than two percent annually. These values are considered to be full market values.

(b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. The City of Oakley includes 44 tax rate areas.

CITY OF OAKLEY
PROPERTY TAX RATES
ALL OVERLAPPING GOVERNMENTS
(Rate Per $100 of Assessed Value)
LAST TEN FISCAL YEARS



Fiscal Year	Basic County Wide Levy	East Bay Regional Park District	Oakley Union School District	Liberty Union School District	Brentwood Elementary School District	Contra Costa Community College	BART	Contra Costa Water Land Levy	Antioch Unified School District	Total
2013	$1.0000	$0.0051	$0.0823	$0.0364	$0.0685	$0.0087	$0.0043	$0.0045	$0.0495	$1.2593
2014	1.0000	0.0078	0.0757	0.0328	0.0639	0.0133	0.0075	0.0042	0.0809	1.2861
2015	1.0000	0.0085	0.0614	0.0273	0.0522	0.0252	0.0045	0.0037	0.0764	1.2592
2016	1.0000	0.0067	0.0583	0.0237	0.0447	0.0220	0.0026	0.0035	0.0912	1.2527
2017	1.0000	0.0032	0.0433	0.0217	0.0698	0.0120	0.0080	0.0032	0.0864	1.2476
2018	1.0000	0.0021	0.0693	0.0450	0.0635	0.0114	0.0084	0.0030	0.0824	1.2851
2019	1.0000	0.0021	0.0641	0.0414	0.0445	0.0110	0.0070	0.0028	0.0870	1.2599
2020	1.0000	0.0094	0.0585	0.0399	0.0617	0.0188	0.0120	0.0026	0.0843	1.2872
2021	1.0000	0.0014	0.0527	0.0370	0.0445	0.0161	0.0139	0.0025	0.0789	1.2470
2022	1.0000	0.0020	0.0565	0.0360	0.0441	0.0176	0.0060	0.0023	0.0682	1.2327

Source: Contra Costa County Auditor-Controller

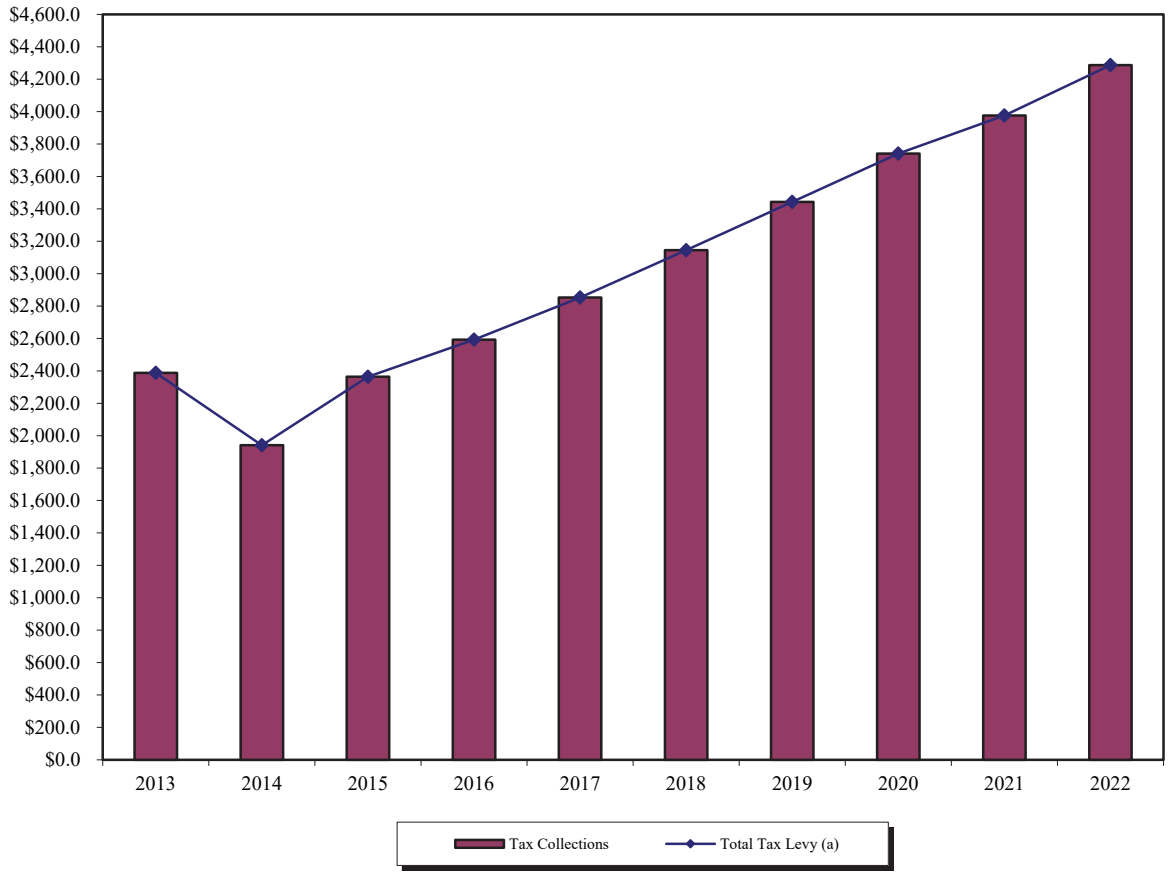
CITY OF OAKLEY
Principal Property Tax Payers
Current Year and Nine Years Ago

	2021-22			2012-13		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
ACD TI Oakley LLC	$34,243,706	1	0.63%			
ET Oakley LLC	28,627,380	2	0.53%			
NPIF IV Oakley Building II LLC	26,400,613	3	0.49%			
Oakley Self Storage LP	23,300,078	4	0.43%			
Cypress Square Commercial LLC	20,499,372	5	0.38%			
Meritage Homes of California	16,422,012	6	0.30%	$5,988,378	10	0.24%
Neroly Sports Club Investors	14,940,603	7	0.27%	11,638,862	2	0.48%
Foundation Constructors Inc.	13,903,791	8	0.26%			
Cypress Road Self Storage LLC	12,828,426	9	0.24%			
HPH Properties LP	11,882,333	10	0.22%	7,483,542	5	0.31%
Cypress Square S and R Associates				17,666,000	1	0.72%
Shea Homes LP				10,271,556	3	0.42%
Lucky No Cal Investor LLC				8,354,771	4	0.34%
Shurgard Storage Centers Inc.				7,016,223	6	0.29%
Brookfield Bay Area Holdings				6,400,000	7	0.26%
BMS Investments 3 LLC				6,236,212	8	0.25%
Western Oilfields Supply Company				6,060,916	9	0.25%
Subtotal	$203,048,314		3.74%	$87,116,460		3.56%

Total Net Assessed Valuation:
Fiscal Year 2021-2022 $5,436,000,000
Fiscal Year 2012-2013 $2,447,000,000

Source: HdL Companies (Contra Costa County Assessor Combined Tax Rolls and the SBE Non Unitary Tax Roll)

CITY OF OAKLEY
PROPERTY TAX LEVIES AND COLLECTIONS (THOUSANDS)
LAST TEN FISCAL YEARS



Fiscal Year	Total Tax Levy (a)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2013	$2,388 (b)	$2,388	100.0%	(a)	$2,388	100.0%
2014	1,941	1,941	100.0%	(a)	1,941	100.0%
2015	2,364	2,364	100.0%	(a)	2,364	100.0%
2016	2,593	2,593	100.0%	(a)	2,593	100.0%
2017	2,853	2,853	100.0%	(a)	2,853	100.0%
2018	3,145	3,145	100.0%	(a)	3,145	100.0%
2019	3,443	3,443	100.0%	(a)	3,443	100.0%
2020	3,741	3,741	100.0%	(a)	3,741	100.0%
2021	3,976	3,976	100.0%	(a)	3,976	100.0%
2022	4,287	4,287	100.0%	(a)	4,287	100.0%

Source: City of Oakley Records

NOTES: Amounts reported above include only the 1% basic property taxes allocated to the City. They do not include special taxes, assessments, or property taxes received in lieu of vehicle license fees.

(a) The County apportions taxes under the alternative method of apportionment authorized under Revenue & Taxation Code sections 4701 et seq, under which the County provides the City with 100% of its tax levy. The County retains any penalty and delinquency charges collected.

(b) $443 thousand of the decline in the 2010 tax levy was caused by the State's borrowing of property tax revenue under the provisions of Proposition 1A; and the increase in 2013 included the repayment of the loan.

CITY OF OAKLEY
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities (in thousands)				
Fiscal Year	Certificates of Participation	Lease Revenue Bonds	Total	Percentage of Personal Income (a)	Per Capita (a)
2013	$7,210	$0	$7,210	0.76%	$194
2014	6,955	0	6,955	0.72%	183
2015	6,690	0	6,690	0.66%	175
2016	6,415	0	6,415	0.61%	160
2017	0	9,715	9,715	0.90%	236
2018	0	9,440	9,440	0.86%	226
2019	0	9,160	9,160	0.76%	219
2020	0	8,865	8,865	0.70%	209
2021	0	8,560	8,560	0.63%	200
2022	0	8,245	8,245	0.58%	185

Notes : Debt amounts exclude any premiums, discounts, or other amortization amounts.

Sources: City of Oakley
(a) See the Demographic Statistics schedule for personal income and population data.

CITY OF OAKLEY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2022

2021-22 Assessed Valuation, Excluding the Redevelopment Agency	$4,835,398,239

OVERLAPPING TAX AND ASSESSMENT DEBT:	Net Debt Outstanding	Percentage Applicable To City of Oakley	Amount Applicable To City of Oakley
Contra Costa County Pension Obligation Bonds	$44,925,000	2.321%	$1,042,860
Contra Costa County PFA Lease Revenue Bonds	289,804,873	2.321%	6,727,343
Bay Area Rapid Transit District Bonds	660,703,057	2.321%	15,337,139
East Bay Regional Park District Bonds	77,146,356	2.321%	1,790,826
Liberty Union High School District Bonds	200,563,926	20.555%	41,226,673
Brentwood Union School District Bonds	88,059,704	0.139%	122,342
Oakley Union School District Bonds	52,485,000	88.147%	46,263,763
Antioch Unified School District School Facilities Improvement District No. 1	117,857,208	6.357%	7,491,729
Contra Costa Community College District Bonds	936,870,000	2.329%	21,820,021
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT	$2,468,415,124		$141,822,696
DIRECT DEBT:			
City of Oakley Lease Revenue Bonds	$8,245,000	100.000%	$8,245,000
TOTAL DIRECT AND OVERLAPPING DEBT			$150,067,696 (1)

(1) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

RATIOS TO 2021-22 ASSESSED VALUATION:	
Direct Debt	0.17%
Overlapping Debt	2.93%
Total Debt	3.10%

Source: HdL Coren & Cone

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

CITY OF OAKLEY
COMPUTATION OF LEGAL BONDED DEBT MARGIN
JUNE 30, 2022

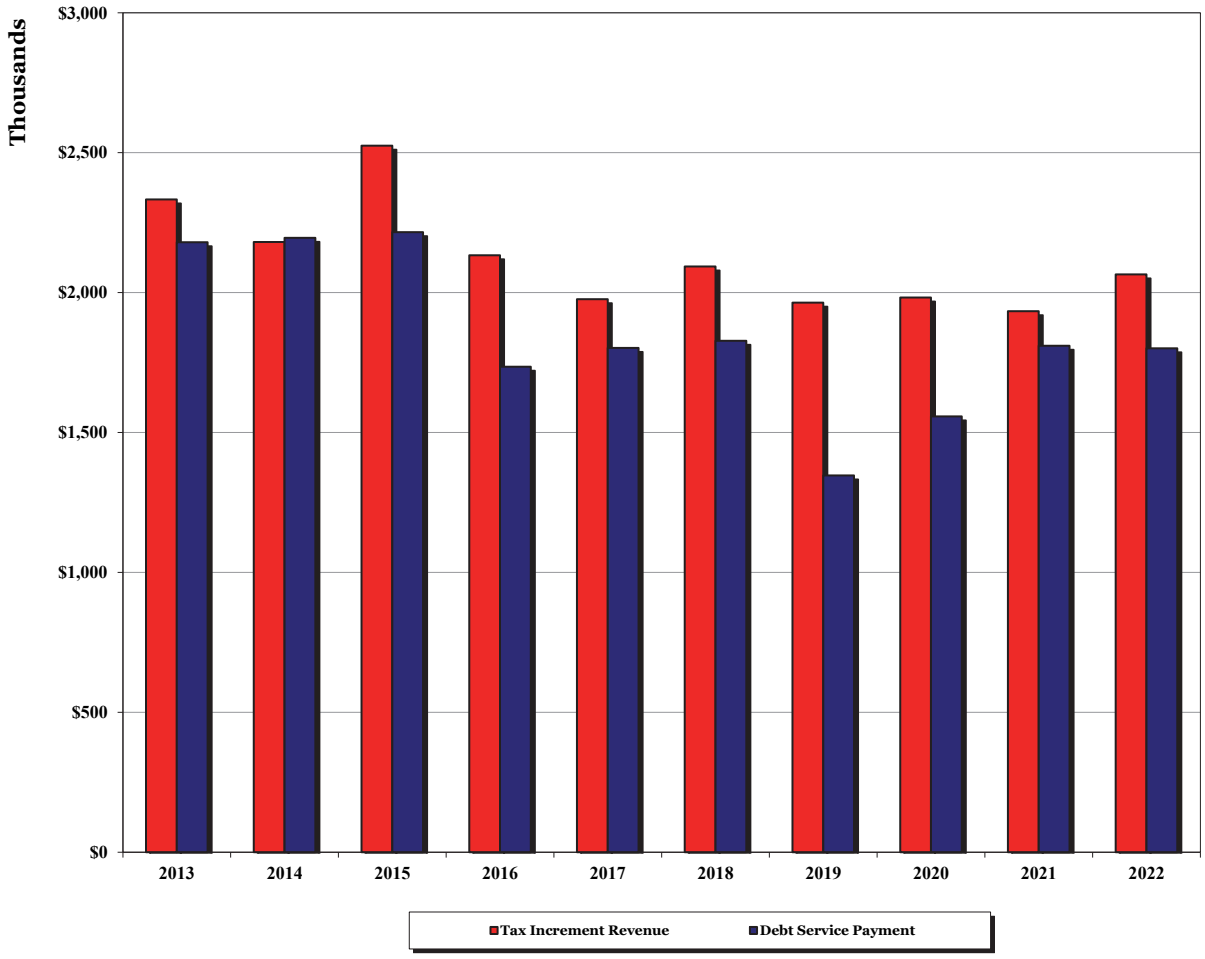
ASSESSED VALUATION:		
Secured property assessed value, net of exempt real property	$5,436,000,000	
BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)		$203,850,000
AMOUNT OF DEBT SUBJECT TO LIMIT:		
Total Bonded Debt	$0	
Less Tax Allocation Bonds and Sales Tax Revenue Bonds, Certificate of Participation not subject to limit	0	
Amount of debt subject to limit		0
LEGAL BONDED DEBT MARGIN		$203,850,000

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2013	$91,762,500	$0	$91,762,500	0.00%
2014	98,587,500	0	98,587,500	0.00%
2015	118,537,500	0	118,537,500	0.00%
2016	128,137,500	0	128,137,500	0.00%
2017	138,487,500	0	138,487,500	0.00%
2018	150,600,000	0	150,600,000	0.00%
2019	164,475,000	0	164,475,000	0.00%
2020	195,262,500	0	195,262,500	0.00%
2021	208,012,500	0	208,012,500	0.00%
2022	203,850,000	0	203,850,000	0.00%

NOTES:

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

CITY OF OAKLEY
BONDED DEBT PLEDGED REVENUE COVERAGE
FORMER REDEVELOPMENT AGENCY TAX ALLOCATION BONDS
LAST TEN FISCAL YEARS

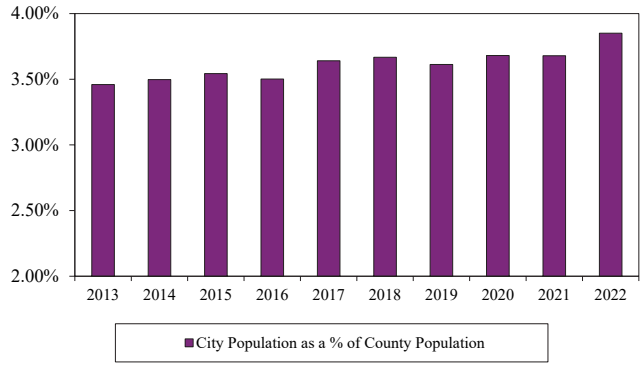


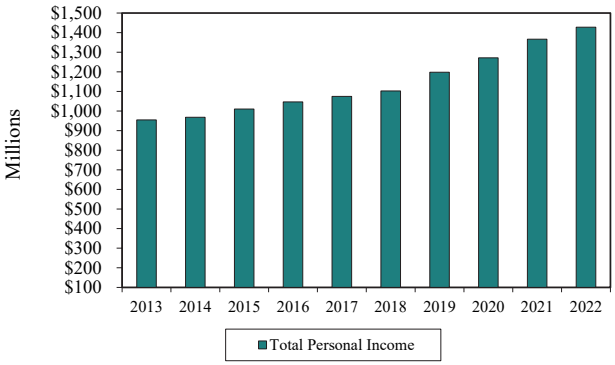
Fiscal Year	Tax Increment Revenue (a)	Debt Service Requirements			
		Principal	Interest	Total	Coverage
2013	$2,332,827	$560,000 (b)	$1,619,876 (b)	$2,179,876	1.07
2014	2,180,805	610,000 (b)	1,585,609 (b)	2,195,609	0.99
2015	2,525,004	660,000 (b)	1,555,802 (b)	2,215,802	1.14
2016	2,133,349	425,000 (b)	1,310,054 (b)	1,735,054	1.23
2017	1,976,225	465,000 (b)	1,337,150 (b)	1,802,150	1.10
2018	2,093,153	510,000 (b)	1,317,650 (b)	1,827,650	1.15
2019	1,963,996	245,000 (b) (c)	1,101,416 (b) (c)	1,346,416	1.46
2020	1,982,174	540,000 (b)	1,017,321 (b) (c)	1,557,321	1.27
2021	1,933,455	815,000 (b)	994,885 (b)	1,809,885	1.07
2022	2,065,052	845,000 (b)	955,694 (b)	1,800,694	1.15

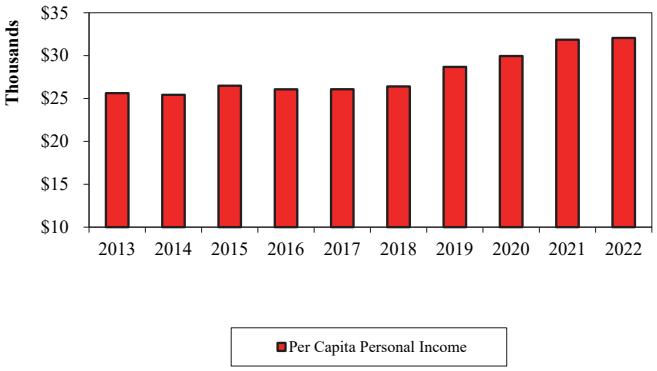
(a) Beginning in fiscal year 2012, tax increment reported in this table is the amount calculated by the County Auditor-Controller. Under the provisions of the laws dissolving the Redevelopment Agency, the Successor Agency only receives the funds necessary to fulfill its approved obligations.
(b) Debt service is paid by the Successor Agency.
(c) The Successor Agency refunded the 2008 Subordinate Tax Allocation Bonds in fiscal year 2019 with the issuance of the 2018 Tax Allocation Refunding Bonds.

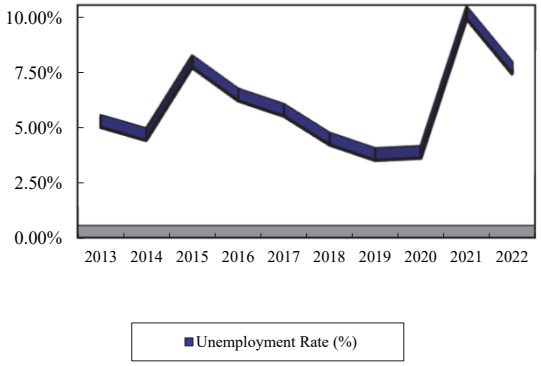
Source: City of Oakley Annual Financial Statements

CITY OF OAKLEY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS









Fiscal Year	City Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate (%) (a)	Contra Costa County Population	City Population % of County
2013	37,252	$954,583,000	$25,625	5.0%	$1,065,117	3.46%
2014	38,075	968,323,000	25,432	4.4%	1,074,702	3.50%
2015	38,124	1,010,134,000	26,496	7.7%	1,088,764	3.54%
2016	40,141	1,046,700,000	26,075	6.2%	1,102,684	3.50%
2017	41,199	1,074,714,000	26,085	5.5%	1,123,429	3.64%
2018	41,742	1,102,345,000	26,408	4.2%	1,149,363	3.67%
2019	41,759	1,197,857,000	28,684	3.5%	1,155,879	3.61%
2020	42,461	1,271,727,000	29,950	3.6%	1,153,526	3.68%
2021	42,895	1,366,625,000	31,859	9.9%	1,165,927	3.68%
2022	44,533	1,427,927,000	32,064	7.4%	1,156,555	3.85%

(a) Data reported is for the prior calendar year.

Sources: HdL Coren & Cone

U.S. Department of Commerce, California State Department of Finance, Employment Development Department

U.S. Census Bureau latest available data

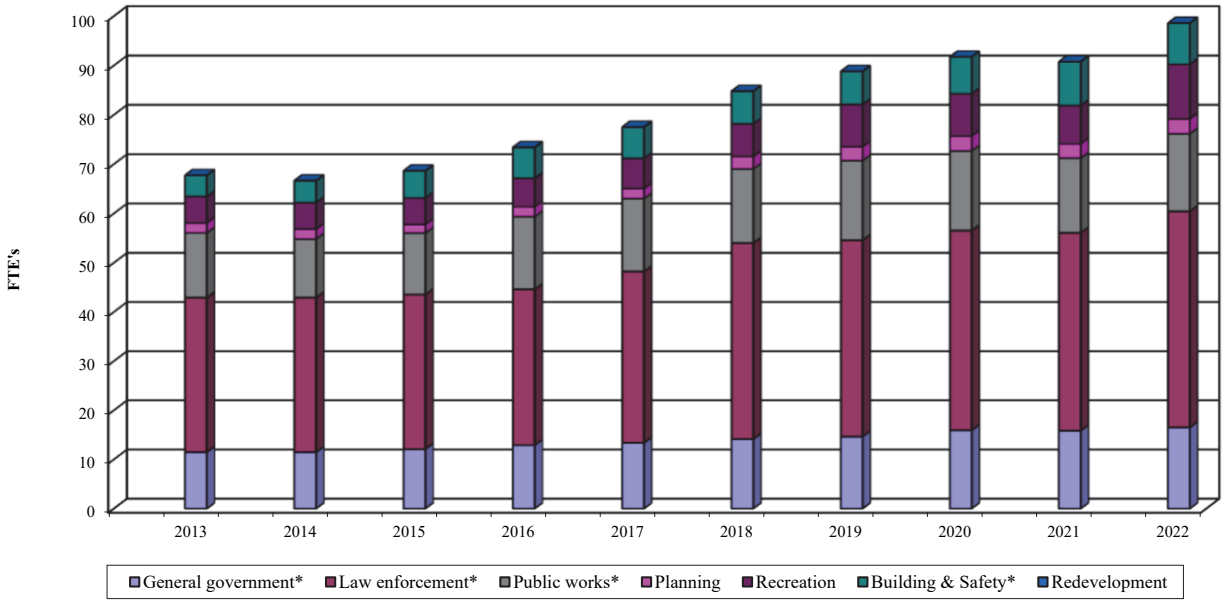
CITY OF OAKLEY
Principal Employers
Current Year and Nine Years Ago

	2021-22			2012-13		
Employer	**Number of Employees**	**Rank**	**Percentage of Total City Employment**	**Number of Employees**	**Rank**	**Percentage of Total City Employment**
Oakley Union Elementary School District	493	1	18.4%	487	1	28.7%
Amazon.com Services LLC	194	2	7.3%			
Lucky's	85	3	3.2%	54	3	3.2%
Pet Food Express	72	4	2.7%		2	0.0%
McDonalds	57	5	2.1%	36	6	2.1%
Raley's	52	6	1.9%	46	4	2.7%
Skipolini's	38	7	1.4%			
Dutch Bros Coffee	37	8	1.4%			
Starbucks Coffee Store# 22433	36	9	1.3%			
Starbucks Coffee Store# 9330	32	10	1.2%			
Diamond Hills Sports Club and Spa				55	2	3.2%
Continente Nut LLC				44	5	2.6%
Foundation Constructors Inc				32	7	1.9%
Ironhouse Sanitary District				32	7	1.9%
Rain 4 Rent				30	8	1.8%
Round Table Pizza				27	9	1.6%
Momijii Enterprises Inc., DBA Molly Maid of East CC & Solano County				26	10	1.5%
Subtotal	1,096		41.0%	869		51.2%
Total City Day Population (A)	2,674			1,696		

Source: City of Oakley Finance Department - Business Licenses

Notes:
(A) Total City Day Population is the number of employees reported on business license applications by businesses located in Oakley.

CITY OF OAKLEY
Budgeted Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years



	Adopted for Fiscal Year Ended June 30,									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Function										
General government*	11.45	11.46	12.08	12.89	13.36	14.13	14.61	15.92	15.82	16.49
Community development:										
Public works*	13.13	11.88	12.46	14.74	14.78	15.03	16.13	16.13	15.13	15.71
Planning	2.00	2.00	1.75	2.00	2.00	2.50	2.80	3.00	2.90	3.00
Building & Safety*	4.30	4.45	5.50	6.25	6.33	6.60	6.68	7.46	8.90	8.35
Redevelopment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Law enforcement*	31.48	31.48	31.48	31.73	34.88	39.88	39.98	40.63	40.26	43.96
Recreation	5.37	5.37	5.37	5.78	6.16	6.64	8.60	8.60	7.77	11.08
Total	67.73	66.64	68.64	73.39	77.51	84.78	88.80	91.74	90.78	98.59

Notes:
Amounts reported are Full Time Equivalent (FTEs).
n/a means not available.

* The City Contracts for the following services:
City Attorney and IT services are contracted with an outside firm and included in the General Government total.
Police Services were contracted with the County Sheriff through April 30, 2016 and include contracting for a specific number of officers.
Police Records Supervisory services are contracted with an outside firm.
Building Inspection and Engineering Services were contracted with an outside firm until October 2013.

Source: City of Oakley Operating Budgets

CITY OF OAKLEY
Operating Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Function/Program										
Law enforcement:										
Police (a) (b):										
Violent crimes	85	54	46	52	54	51	59	33	29	127
Property crimes	477	468	429	615	491	511	465	537	554	580
Public Works:										
Street resurfacing (miles)	0.72	1.54	8.62	0.25	0.42	8.50	1.40	5.60	1.50	3.80
Leisure Services:										
Recreation:										
Recreation activities participants	16,486	22,663	29,630	32,386	36,430	35,417 (c)	33,996	36,832	8,341 (d)	32,309

Source: City of Oakley

Notes:
(a) 2013 - 2017 data is prior calendar year's; 2018 is for fiscal year end.
(b) Data from FB1 Uniformed Crime Reports (UCR)
(c) No indoor facility rentals with construction of Recreation Center
(d) Large decrease due to COVID 19 Pandemic

CITY OF OAKLEY
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Function/Program										
Law enforcement:										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol vehicles	29	25	26	28	29	28	23	27	29	29
Public works:										
Miles of streets	129.12	131.00	131.00	133.00	136.00	136.00	139.00	141.00	142.00	142.00
Street lights	3,032	3,050	3,050	3,104	3,200	3,200	3,285	3,314	3,347	3,347
Traffic Signals	33	33	33	34	35	36	37	38	39	40
Recreation:										
Community services:										
City parks	29	30	31	32	33	34	36	37	37	37
City parks acreage	98.0	101.5	102.5	108.0	113.0	116.0	119.0	121.0	121.0	121.0
Community centers	2	2	2	1	1	0 (a)	1 (a)	1	1	1
Baseball/softball diamonds	8	8	8	8	9	9	10	10	10	10
Soccer/football fields	7	7	7	8	9	9	9	9	9	9
Skate features	3	3	3	3	3	3	3	1	1	1
BMX dirt track	1	1	0	0	0	0	0	0	0	0

Source: City of Oakley

Notes:
(a) Oakley Recreation Building closed for construction of Recreation Center.

This Page Left Intentionally Blank

OTHER AUDIT REPORT

MAZE & ASSOCIATES

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Members of the City Council
City of Oakley, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the City of Oakley, California, as of and for the year ended June 30, 2022, and have issued our report thereon dated December 2, 2022. Our report included an emphasis of a matter paragraph disclosing the implementation of new accounting principles.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control that we consider to be significant deficiencies as listed on the Schedule of Significant Deficiencies included as part of our separately issued Memorandum on Internal Control dated December 2, 2022, which is an integral part of our audit and should be read in conjunction with this report.

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W **mazeassociates.com**

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated December 2, 2022 which is an integral part of our audit and should be read in conjunction with this report.

City's Response to Findings

Government Auditing Standards require the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in our separately issued Memorandum on Internal Control dated December 2, 2022, which is an integral part of our audit and should be read in conjunction with this report. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Pleasant Hill, California
December 2, 2022

CITY OF OAKLEY

MEMORANDUM ON INTERNAL CONTROL

FOR THE YEAR ENDED
JUNE 30, 2022

This Page Left Intentionally Blank

CITY OF OAKLEY
MEMORANDUM ON INTERNAL CONTROL

For the Year Ended June 30, 2022

Table of Contents

Page

Memorandum on Internal Control 1

Schedule of Significant Deficiencies 3

Schedule of Other Matters 5

This Page Left Intentionally Blank

MAZE & ASSOCIATES

MEMORANDUM ON INTERNAL CONTROL

To the City Council of
the City of Oakley, California

In planning and performing our audit of the basic financial statements of the City of Oakley, California, as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control included on the Schedule of Significant Deficiencies to be significant deficiencies.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe are opportunities for strengthening internal controls and operating efficiency.

Government Auditing Standards require the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Significant Deficiencies and Schedule of Other Matters. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W **mazeassociates.com**

This communication is intended solely for the information and use of management, City Council, others within the organization, and agencies and pass-through entities requiring compliance with *Government Auditing Standards*, and is not intended to be and should not be used by anyone other than these specified parties.



Pleasant Hill, California
December 2, 2022

CITY OF OAKLEY
MEMORANDUM ON INTERNAL CONTROL

SCHEDULE OF SIGNIFICANT DEFICIENCIES

2022-01 Compliance with Transportation Development Act Audit Requirements

Transportation Development Act (TDA) grant funding received from the Metropolitan Transportation Commission (MTC) requires an audit when expenditures are incurred and/or when funding is requested from MTC. In addition, grant reimbursement requests should be reviewed by someone other than the preparer prior to mailing, including those for grant reimbursement requests.

During the fiscal year 2022 audit, we noted that the City received a payment of $130,000 from MTC and we inquired about whether a TDA audit was needed. Upon further research by Finance staff, it was determined that the funding was related to a reimbursement request filed for fiscal year 2021 expenditures, and the TDA grant funding had been accrued as accounts receivable and revenue at June 30, 2021. Therefore, the City should have undergone a TDA compliance audit for the year ended June 30, 2021, but no such audit was completed.

We understand that the Finance Department was not made aware of the TDA grant until fiscal year 2022, when the grant accrual was made during the fiscal year 2022 audit, and that City staff was also not aware that the grant was subject to a compliance audit. As a result, the City is not in compliance with the TDA compliance audit requirements of MTC.

We also understand that grant billings are prepared by the applicable department staff, but the billings are not reviewed by someone other than the preparer until the Finance Department staff reviews it when the receivable is collected.

The City should develop procedures to ensure that TDA audits are completed when grant expenditures are incurred and/or reimbursement is requested from MTC. In addition, the City should review all outstanding grant agreements to determine whether the City is in compliance with any associated audit requirements. Finally, the City should develop procedures to ensure that grants receivable billings are reviewed by someone other than the preparer prior to mailing.

Management's Response:

City staff recognize this deficiency as an opportunity to improve our internal controls, and we will develop procedures and work more closely with other departments to ensure that Finance is notified whenever new grants are awarded and funds are received or become receivable. Included in the procedures will be the review by Finance of all outstanding agreements, to determine whether the City is in compliance with any associated audit requirements.

This Page Left Intentionally Blank

SCHEDULE OF OTHER MATTERS

2022-02 Investment Policy Compliance

The City significantly revised its Investment Policy during fiscal year 2022 and hired an investment manager to assist with expanding the City's investment portfolio. We reviewed the City's Fiscal Year 2021-22 Investment Policy adopted on September 14, 2021 and noted the following:

a. Monthly and Quarterly Reporting

Section 14, Reporting, of the Investment Policy requires a monthly listing of investment transactions and a quarterly investment report to the City Council. Although we did note that the City files a quarterly investment report with the City Council, it does not appear that the City includes the monthly listing of transactions in that report or in a separate report to the City Council.

The City should either comply with the requirements of Section 14 of the Investment Policy or revise the Investment Policy to reflect the current practices.

b. Safekeeping and Custody

Section 11, Safekeeping and Custody, of the Investment Policy requires that all investment transactions "be conducted on a delivery-versus-payment (DVP basis). Securities will be held by a third-party custodian designated by the Director and evidenced by safekeeping receipts."

Although the City does have access to the investment purchase receipts for transactions initiated by the investment manager, the investments are held by the investment manager's third-party custodian in an account in the name of the City.

The City should either require the use of its own third-party custodian to comply with the requirements of Section 22 of the Investment Policy, or revise the Investment Policy to reflect the current arrangement.

c. Investment Reporting

Section 14, Reporting, of the Investment Policy and California Government Code Section 53646(b)(1) require a listing of investments, including the investment instrument, issuer name, maturity date, credit rating, coupon rate, yield, purchase price, par value, book value, current market value and the source of the valuation. Although the City includes the source of the market valuation in its quarterly Investment Report and the December 2021 and June 2022 Investment Reports indicate "See Detail", the reports did not include the details for the individual investments in the City's portfolio, and instead included only a summary statement of investments attachment.

The City should revise the Investment Report to comply with the requirements of Section 14 of the Investment Policy. If the City does not want to include the detailed listing of investments in the body of the Investment Report, then the detailed statement should be attached to the Investment Report, rather than the summary statement.

SCHEDULE OF OTHER MATTERS

2022-02 Investment Policy Compliance (Continued)

d. Review of Internal Controls

Section 18, Internal Controls, of the City's fiscal year 2021-22 Investment Policy requires the following:

> The Finance Director shall establish an annual process for independent review of these controls, including cash and investment testing, by an external auditor. This review will help to ensure compliance with the City's investment policies and procedures.

As the City's external auditors, we cannot be part of the City's internal control structure. Although we have been engaged to audit the City's financial statements, we have not been requested to perform an audit specific to the system of internal controls required by the Investment Policy. We would be happy to perform any procedures the City specifies regarding the investments as a separate engagement. Otherwise, the provisions should be revised to reflect current practices or removed from the Investment Policy.

Management's Response:
Staff agrees with the auditors' recommendations, and we plan to revise Section 11 of the Investment Policy to reflect current practices related to investment safekeeping and Section 14 of the Investment Policy to reflect the current practices related to monthly and quarterly reporting. For investment reporting, we will either include the detailed listing of investments in the body of the Investment Report or attach the detailed statement to the Investment Report, rather than the summary statement, as recommended. Regarding the review of internal controls, we will modify the wording that was in Section 18 to reflect current practices without the need for an audit that is specific to the system of internal controls.

2022-03 Developer Dedicated Infrastructure Improvements

Generally accepted accounting principles require that contributed capital assets be valued at their estimated acquisition value on the date contributed.

The City periodically receives contributions of developer constructed infrastructure improvements and the dollar amount capitalized is based on the original engineer's estimate of the improvements expected to be installed. Although the timing of the engineer's estimate may sometimes be relatively close to the date the developer dedicates the capital assets to the City, that is not always the case. As a result, the estimated acquisition value of the assets on the City's acceptance date may differ from the original engineer's estimate.

The City should develop procedures to estimate the acquisition value of developer dedicated infrastructure at the time of acceptance of the capital assets and use that amount to record the capital assets in the general ledger.

Management's Response:
The City will attempt to develop procedures to more-closely estimate the acquisition value of developer dedicated infrastructure at the time of acceptance of the capital assets.

SCHEDULE OF OTHER MATTERS

NEW GASB PRONOUNCEMENTS OR PRONOUNCEMENTS NOT YET EFFECTIVE

The following comment represents new pronouncements taking affect in the next few years. We cite them here to keep you informed of developments:

EFFECTIVE FISCAL YEARS 2022, 2023 and 2024:

GASB 99 – *Omnibus 2022*

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments,* that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument

- Clarification of provisions in Statement No. 87, *Leases,* as amended, related to the determination of the lease term, classification of a lease as a short term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives

- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements,* related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset

- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements,* related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short term SBITA, and recognition and measurement of a subscription liability

- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt

- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP)

- Disclosures related to nonmonetary transactions

- Pledges of future revenues when resources are not received by the pledging government

- Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments,* as amended, related to the focus of the government-wide financial statements

GASB 99 – *Omnibus 2022 (Continued)*

- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*

- Terminology used in Statement 53 to refer to resource flows statements.

The Requirements of this Statement are Effective as Follows:

The requirements in paragraphs 26–32 related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

The requirements in paragraphs 11–25 related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

The requirements in paragraphs 4–10 related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Earlier application is encouraged and is permitted by individual topic.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

EFFECTIVE FISCAL YEAR 2022/23:

GASB 91 – *Conduit Debt Obligations*

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

SCHEDULE OF OTHER MATTERS

GASB 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

GASB 96 – *Subscription-Based Information Technology Arrangements*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

EFFECTIVE FISCAL YEAR 2023/24:

GASB 100 – *Accounting for Changes and Error Corrections*

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

SCHEDULE OF OTHER MATTERS

GASB 100 – *Accounting for Changes and Error Corrections (Continued)*

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

EFFECTIVE FISCAL YEAR 2024/25:

GASB 101 – *Compensated Absences*

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

CITY OF OAKLEY

REQUIRED COMMUNICATIONS

FOR THE YEAR ENDED
JUNE 30, 2022

This Page Left Intentionally Blank

CITY OF OAKLEY

REQUIRED COMMUNICATIONS

For the Year Ended June 30, 2022

Table of Contents

Page

Required Communications 1

Significant Audit Matters 1

Qualitative Aspects of Accounting Practices 1

Difficulties Encountered in Performing the Audit 3

Corrected and Uncorrected Misstatements 4

Disagreements with Management 4

Management Representations 4

Management Consultations with Other Independent Accountants 4

Other Audit Findings or Issues 4

Other Matters 4

This Page Left Intentionally Blank

MAZE & ASSOCIATES

REQUIRED COMMUNICATIONS

To the City Council of
the City of Oakley, California

We have audited the financial statements of the City of Oakley for the year ended June 30, 2022. Professional standards require we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information orally to the Mayor, City Manager and Finance Director during our discussion on April 20, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies - Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year, except as follows:

Accounting for the Change in Fair Value of Investments – Historically, the City has primarily invested in the Local Agency Investment Fund (LAIF) and recorded the unrealized gain or loss on the fair value of investments as of the end of the fiscal year in the General Fund. With the change in the composition of the City's investment portfolio in fiscal year 2022, the City changed its accounting policy to allocate the unrealized gain or loss on the fair value of investments to all funds that participate in the City's investment pool.

GASB 87 – *Leases*

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W **mazeassociates.com**

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement.

The pronouncement became effective, and as disclosed in Note 1M to the financial statements required a prior period restatement for the cumulative effect on the financial statements.

GASB 97 – ***Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32***

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The pronouncement became effective, and required revisions to the disclosures related to the City's deferred compensation plans as disclosed in Note 13 to the financial statements.

The following pronouncements became effective, but did not have a material effect on the financial statements:

GASB 89 – ***Accounting for Interest Cost Incurred before the End of a Construction Period***
GASB 90 – ***Majority Equity Interests (an amendment of GASB Statements No. 14 and No. 61)***
GASB 92 – ***Omnibus 2020***
GASB 93 – ***Replacement of Interbank Offered Rates***
GASB 99 – ***Omnibus 2022 (paragraphs 26-32)***

Unusual Transactions, Controversial or Emerging Areas - We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates - Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Estimated Fair Value of Investments: Investments held by the City were measured by fair value as disclosed in Note 3 to the Financial Statements. Fair value is essentially market pricing in effect as of June 30, 2022. These fair values are not required to be adjusted for changes in general market conditions occurring subsequent to June 30, 2022.

Estimated Depreciation: Management's estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 7 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Compensated Absences: Accrued compensated absences is estimated using accumulated unpaid leave hours and hourly pay rates in effect at the end of the fiscal year as disclosed in Note 1H. We evaluated the key factors and assumptions used to develop the accrued compensated absences and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Net Pension Liability (Asset) and Pension-Related Deferred Outflows and Inflows of Resources: Management's estimate of the net pension liability and deferred outflows/inflows of resources are disclosed in Note 11 to the financial statements and are based on accounting valuations determined by the California Public Employees Retirement System, which are based on the experience of the City. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Estimated Claims Liabilities: Management's estimate of the claims liabilities payable is disclosed in Note 15 to the financial statements and is based on actuarial studies determined by the City's joint powers authority insurance provider, which are based on the claims experience of the City. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Disclosures - The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole, except for the post-closing entry to record the unearned revenue of $4,411,399 related to the unspent American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the City Council.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated December 2, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

We were engaged to report on the supplementary information which accompany the financial statements, but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory and Statistical Sections which accompany the financial statements, but are not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

******

This information is intended solely for the information and use of the City Council and management and is not intended to be and should not be used by anyone other than these specified parties.

Maze & Associates

Pleasant Hill, California
December 2, 2022

This Page Left Intentionally Blank

MAZE & ASSOCIATES

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED UPON PROCEDURES FOR COMPLIANCE WITH THE PROPOSITION 111 2021-2022 APPROPRIATIONS LIMIT INCREMENT

To the City Council of the
City of Oakley, California

We have performed the procedures enumerated below on the Appropriations Limit Worksheet (Worksheet) of the City of Oakley, California, for the year ended June 30, 2022. The City's management is responsible for the Worksheet.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of these procedures, which were suggested by the League of California Cities and presented in their Article XIIIB Appropriations Limitation Uniform Guidelines, were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIIIB of the California Constitution. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

A. We obtained the Worksheet and determined that the 2021-2022 Appropriations Limit of $13,425,784 and annual adjustment factors were adopted by Resolution of the City Council. Although the Worksheet included the City population factor used in the calculation, neither the Resolution, nor the Worksheet indicated that the factor selected was the City population factor. The Worksheet indicated the "Higher of the County Population Growth Factor or City Population Growth Factor".

B. We recomputed the 2021-2022 Appropriations Limit by multiplying the 2020-2021 Revised Prior Year Appropriations Limit on the Worksheet by the annual adjustment factors. We were not able to agree the Prior Year Appropriations Limit to the 2020-2021 Resolution, because the City used a Revised 2020-2021 Appropriations Limit to correct an error in the prior year calculation.

C. For the Worksheet, we agreed the Per Capita Income and City Population Factors to California State Department of Finance Worksheets. The County Population Factor was not included in the Worksheet.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Worksheet. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W **mazeassociates.com**

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management and the City Council and is not intended to be and should not be used by anyone other than those specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

Maze & Associates

Pleasant Hill, California
December 2, 2022