

CITY COUNCIL COMMITTEE

POLICY DEVELOPMENT AND INTERNAL OPERATIONS

Mayor Tim Grayson, Chair
Ron Leone, Committee Member

5:30 p.m.
Monday, February 10, 2014

Building A, Garden Conference Room
1950 Parkside Drive, Concord

ROLL CALL

PUBLIC COMMENT PERIOD

- 1. CONFIRMATION** – of the second Monday of the month at 5:30 p.m. as the regular meeting date and time for the Policy Development & Internal Operations Council Committee.
- 2. CONSIDERATION** – Provide Input to Staff in Consideration of Developing a Policy on the Use of One-time and Surplus Funds to Address the City’s Long-term Post-employment Liabilities and Infrastructure Backlog. Report by Scott Johnson, Assistant City Manager.
- 3. CONSIDERATION** – Memorial and Commemorative Policy. Report by Justin Ezell, Director of Public Works.
- 4. ADJOURNMENT**

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Distribution: City Council
Valerie Barone, City Manager
Scott Johnson, Assistant City Manager
Mark Coon, City Attorney
Justin Ezell, Director of Public Works
Karan Reid, Director of Finance
Administrative Services

**REPORT TO COUNCIL COMMITTEE ON
POLICY DEVELOPMENT & INTERNAL OPERATIONS**

TO THE HONORABLE COMMITTEE MEMBERS:

DATE: February 10, 2014

SUBJECT: PROVIDE INPUT TO STAFF IN CONSIDERATION OF DEVELOPING A POLICY ON THE USE OF ONE-TIME AND SURPLUS FUNDS TO ADDRESS THE CITY'S LONG-TERM POST-EMPLOYMENT LIABILITIES AND INFRASTRUCTURE BACKLOG

Report in Brief

At Council's direction, staff is seeking input from the Policy Development & Internal Operations (PD&IO) Committee (Grayson & Leone) in developing a policy on how to use one-time and surplus funds (in other words, non-recurring funds) to address the City's long-term post-employment liabilities and infrastructure backlog. The intent is to take the Committee's recommendations to the full Council for consideration and adoption.

Background

The City Council developed four priority focus areas for this fiscal year. This report addresses two of the priority focus areas, including specific actions under each, as follows:

- (1) Long-term Financial Stability & Economic Vitality
 - a. Develop a balanced annual budget and 10-year financial plan; and
 - b. Develop a plan for addressing unfunded liabilities.
- (2) Infrastructure Maintenance.
 - a. Maintain existing infrastructure & facilities in a safe and operational condition,
 - b. Develop of a plan to address street maintenance needs,
 - c. Identify backlogged infrastructure and facility maintenance needs.

On January 28, 2014 staff presented a report to the City Council which provided an *Update on the City's Long-Term Post Employment Liabilities and Infrastructure Backlog* (attached). The report identified the magnitude of the City's unfunded long-term post-employment liabilities and infrastructure backlog. At that meeting the Council directed staff to work with the PD&IO Committee to develop a policy on the use of one-time and surplus funds in a manner that supported addressing these very real city liabilities.

**CONSIDER ESTABLISHMENT OF A POLICY
ON THE USE OF ONE-TIME AND SURPLUS FUNDS**

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Discussion

The City has a legal and ethical obligation to fully fund its long-term post-employment benefits for its current and prior employees. These benefits include Retiree Medical, the City's closed City of Concord Retirement System (CCRS) and CalPERS. The City has historically funded its entire annual contributions to the City's CalPERS retirement program. However, the City is currently funding approximately 60% of what should be set aside annually for the CCRS and Retiree Medical plans. While the City has a practice of using surplus and one-time funds as they come available from year-to-year to supplement budgeted funding for these benefits, this practice has not been incorporated into the City's adopted policies. If the City does not fully fund these obligations annually, then costs will increase substantially in the future, placing a greater financial burden on the City's General Fund in the future. The City needs to add \$2.9 million in additional annual funding to fully fund the Retiree Medical and CCRS plans.

The City adopts a capital improvement budget each year, however, over time there has not been sufficient funding to meet all of the infrastructure funding needs for the community, thus a backlog continues to accumulate for these capital and maintenance needs. This challenge has been further impacted by the negative fiscal impacts the City has been experiencing from the "great recession" that began in 2007-08. Although the City's general revenues have recently been improving as the economy strengthens, revenue is still not sufficient to support the City's existing level of service for general government services, and also fund necessary infrastructure needs. During the January 28th meeting, staff identified four infrastructure areas that are in need of funding; (1) city facilities, (2) park system, (3) roadways, and (4) signs. Staff conducted an inventory and assessment on three of the four areas (a comprehensive assessment of the park infrastructure backlog with condition assessments is necessary before any conclusions can be made on the funding and priority needs of the City's park facilities). In summary, staff estimates the annual funding requirement to eliminate the City's infrastructure backlog ranges between \$7.2 million to \$7.6 million. This estimate does not include the infrastructure backlog for the City's park system, the Pavilion, the sewer system or the City's municipal golf course.

Staff has researched how other municipalities adopted and implemented similar policies to fund unfunded liabilities as well as one-time needs. Attached to this report are samples of ordinances and policies from San Jose and Pittsburg.

First, in developing a policy on the use of one-time and surplus funds, it is necessary to define these terms. One-time funds are revenues that the City receives on a one-time or non-regular basis (usually only received in one annual budget) and not permanently included in baseline or regular revenue projections. For example, such revenues may include, but are not limited to, proceeds from the sale of surplus land, one-time unexpected sales tax allocations associated with capital improvements from local businesses, unallocated grants, lump sum payments for project fees, the receipt of funds for retroactive (prior-year payments) taxes or fees, contributions, etc. The National Advisory Council on State and Local Budgeting Practice (NACSLB) recommends that government agencies adopt a policy on the use of one-time funds. The NACSLB has established a best practice for the use of one-time funds that government agencies should limit the use of one-time funds to one-time or non-recurring needs. Examples of one-time needs include capital improvement expenditures, paying down long term debt or liabilities, infrastructure, technology purchases, procuring fleet vehicles, one-time special projects, etc. It is prudent to apply one-time and surplus funds to non-recurring expenditures for special or one-time priority projects rather than using on-going revenues to support these

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ON THE USE OF ONE-TIME AND SURPLUS FUNDS**

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non-recurring funding needs. Such a policy provides guidance to minimize disruptive effects on services to the community due to non-recurrence of these sources of revenues.

Surplus funds typically refers to a situation after closing the books for the year and completion of the annual audit, in which annual revenues recognized during the year exceed expenditures, thus adding to the government agencies' fund balance at the end of the year.

Second, after identifying available resources from one-time and surplus funds, the policy should address what needs should be funded and in what priority. Staff suggests five categories that should be considered:

- i. Funding the annual required contributions for post-employment benefits – consideration should be given as a first priority to fund the required annual contributions for the CCRS and Retiree Health programs. While the City has historically funded its entire annual contributions to the City's CalPERS retirement program, the City has not been fully funding the City's Retiree Medical and CCRS plans. Based on the City's current budgeted funding levels for these programs, the City needs to add \$2.9 million in additional annual funding to fully fund these plans.
- ii. Maintaining general fund reserves – The City should periodically evaluate the funding levels for all general fund reserves and determine adequate reserve levels, at a minimum the general fund reserve should be maintained at a level no less than 15% of annual General Fund budgeted expenditures. The Government Finance Officers Association (GFOA) recommends reserve levels equal to at least 15% of operating expenses (equivalent to funding slightly less than two months of operation costs).
- iii. Long-term post-employment liabilities - There are three components to the City of Concord's unfunded long-term post-employment benefits liability; (1) Retiree Medical, (2) the City of Concord Retirement System (CCRS), and (3) Cal PERS. The January 28th report quantified the latest information available on the three unfunded post-employment liabilities, which total approximately \$149 million.
- iv. Infrastructure backlog - Staff completed an infrastructure backlog assessment in the following areas in need of funding: (1) city facilities, (2) roadways, and (3) signs. Staff estimates the annual funding requirement to eliminate the City's infrastructure backlog in these three areas ranges between \$7.2 million to \$7.6 million (this estimate does not include the backlog for the City's park system, the Pavilion, the sewer system or the City's municipal golf course).
- v. Special or one-time priority projects - It is prudent to apply one-time and surplus funds to non-recurring expenditures for special or one-time priority projects rather than using on-going revenues to support these periodic non-recurring funding needs.

Once Council determines what categories to fund and the order of priority, the Council may want to consider an allocation methodology. For example, Council may determine that the minimum reserve level has been met, and therefore consider funding category i (Funding the annual required contributions for post-employment benefits) as first priority, and if any residual funds are available, then fund the remaining funds using the following allocation; 50% towards category iii, then 25% towards category iv, and then the remaining 25% for category v.

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Third, Council should consider what “tool” to use to implement this policy. The Council could (1) consider adopting a new policy, (2) modify an existing Policy (such as PP129 – see attached), or (3) adopt an Ordinance.

- What is the difference between a Council Policy and an Ordinance?
 - A Council Policy is a general statement by the City Council that is City-wide in scope which states management principles, precepts and standards that provide decision-making guidelines and operating parameters for the City, without, in any way limiting or restricting the Council's authority to act by ordinance, resolution, agreement, motion or later expression of policy.
 - An Ordinance is a law set forth by a governmental authority; *specifically*: a municipal regulation. An Ordinance has a higher legal authority than a Policy. Given the higher legal authority and the significance and importance of this policy, staff recommends that Council adopt the policy through an Ordinance.

Finally, the Council may also want to further refine the Council’s commitment to this policy by placing a greater restriction on this policy by requiring a 4/5 vote of the City Council before any future changes can be made to the policy.

Public Contact

Agenda has been posted in accordance with legal requirements.

Recommendation for Action

Provide input and direction to staff in developing a policy on how to use one-time and surplus funds to address the City’s long-term post-employment liabilities and infrastructure backlog. Once staff has taken the Committee’s input, staff will return to the Committee with a draft policy for feedback with the intent to take the Committee’s recommendations to the full Council for consideration and adoption.



Scott P. Johnson

Assistant City Manager

scottp.johnson@cityofconcord.org

Attachment 1: Update on the City’s Long-Term Post Employment Liabilities and Infrastructure Backlog

Attachment 2: Samples of ordinances and policies from San Jose and Pittsburg

Attachment 3: Policy & Procedure No. 129 – Budget and Fiscal Policies



*Update on Long-Term
Post-Employment Liabilities
and
Infrastructure Backlog*

City Council Presentation

January 28, 2014

Agenda 2

Presentation Agenda

- 1. Introduction**
By: Valerie Barone, City Manager
- 2. Recent General Fund History & Trends**
By: Jovan Grogan, Budget Officer
- 3. Post-Employment Liabilities**
By: Karan Reid, Director of Finance
- 4. Infrastructure Backlog**
By: Justin Ezell, Director of Public Works and Robert Ovadia, City Engineer
- 5. Summary**
By: Valerie Barone, City Manager

Introduction 3

Council Priority Focus Areas

**Long-term Financial
Stability & Economic Vitality**

Public Safety

Infrastructure Maintenance

Organizational Health & Employee Success

Introduction 4

Council Priority Focus Areas

Long-term Financial Stability & Economic Vitality	}	<ul style="list-style-type: none">• Balanced annual budget and 10-year financial plan• Development of a plan for addressing unfunded liabilities
Infrastructure Maintenance	}	<ul style="list-style-type: none">• Maintain existing infrastructure & facilities in a safe and operational condition• Development of a plan to address the street maintenance needs• Identification of backlogged infrastructure and facility maintenance needs

Introduction 5

A Look Back: The Three-Legged Stool

Use of Reserves

Savings from Program and Operational Changes

Savings from Salary and Benefit Reductions

The diagram shows a black three-legged stool. The left leg is labeled 'Use of Reserves', the right leg is labeled 'Savings from Program and Operational Changes', and the front leg is labeled 'Savings from Salary and Benefit Reductions'.

Introduction 6

A Look Back: Adding a Fourth-Leg to the Stool

New Revenues:

- Measure Q
- Grants
- Economic Enhancement

Savings from Service Reductions & Efficiencies

Use of Reserves

Savings from Salary and Benefit Reductions & Cost Shifts

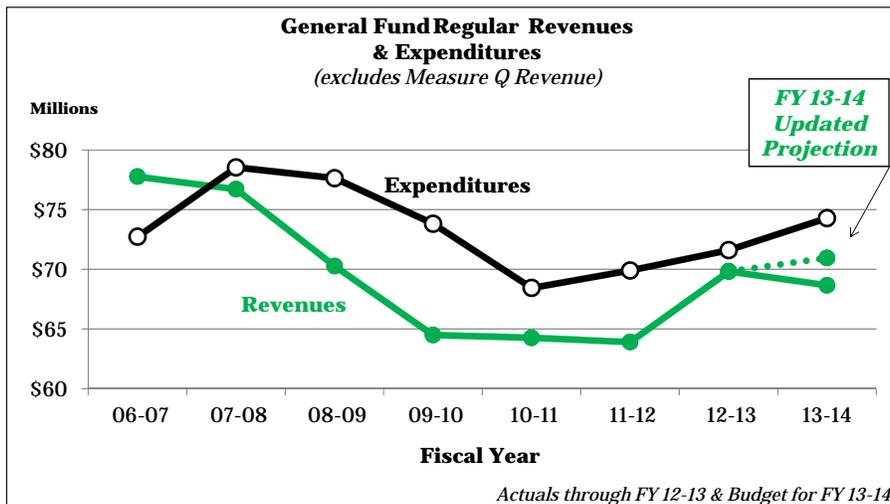
The diagram shows a black four-legged stool. The left leg is red and labeled 'New Revenues: Measure Q, Grants, Economic Enhancement'. The right leg is labeled 'Savings from Service Reductions & Efficiencies'. The front leg is labeled 'Savings from Salary and Benefit Reductions & Cost Shifts'. The back leg is labeled 'Use of Reserves'.

Overview of General Fund Budget and Structural Deficit

Jovan Grogan, Budget Officer

General Fund History

On the road to recovery, but annual shortfall remains



Budget Overview 9

General Fund History

Some of the Actions Taken to Balance the Budget

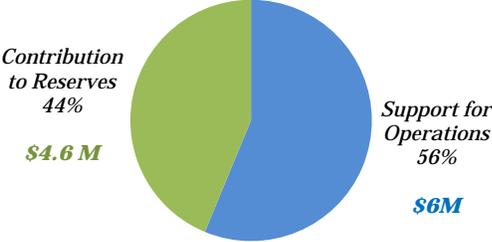
- Reduced workforce by 25% (144 employees)
- Reduced General Fund expenditures by \$10 M (from 2007 to 2011)
- Reduced programs and eliminated services
- Outsourced some services
- Increased employee contributions to health and retirement benefits
- Used Reserves (\$24 Million from FY 07-08 to FY 10-11)
- Placed Measure Q on the ballot (adopted by voters in Nov. 2010)

Budget Overview 10

FY 2013-14 General Fund Adopted Budget

- Expenditures: **\$75 Million**
- Regular Revenues: **\$69 Million**
- Measure Q Support for Operations: **\$6 Million**

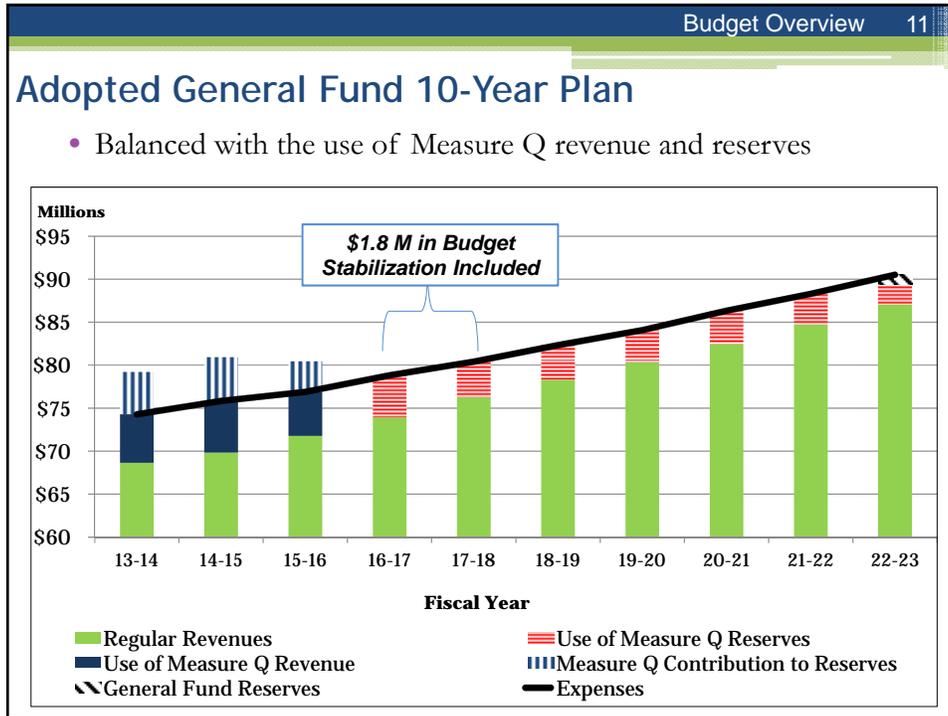
Measure Q Revenue \$10.6 Million



Category	Percentage	Amount
Support for Operations	56%	\$6M
Contribution to Reserves	44%	\$4.6M

Measure Q Facts

- ½ Cent Temporary Sales Tax
- Adopted in Nov. 2010
- Implemented in April 2011
- Expires in March 2016



- Budget Overview 12
- ### What's Not in the Current 10-Year Plan
- Full Funding Annual Contributions for...
 - City of Concord Retirement System
 - Retiree Medical Benefits
 - Infrastructure Backlog for...
 - City Facilities
 - Park System
 - Signs
 - Roadways

Post-Employment Liabilities

CalPERS

Retiree Medical Benefits

City of Concord Retirement System (CCRS)

Karan Reid, Director of Finance

Overview of Post-Employment Liabilities

- **Overview and Definition**
- **Benefit Liabilities:**
 - California Public Employees' Retirement System (CalPERS)
 - Retiree Medical (OPEB)
 - City of Concord Retirement System (CCRS) – closed pension plan
- **Addressing as part of Long-Term Fiscal Stability**

California Public Employees' Retirement System (CalPERS)

CalPERS - Pensions

- Reasonably well funded at 76% (best practice 75-80% funded)
- City pays CalPERS full annual funding
 - Annual Employer Contribution: \$9 Million
- Current budget & 10-year plan includes full funding and future increases adopted by the CalPERS Board

■ **Funded (Assets)** ■ **Unfunded**

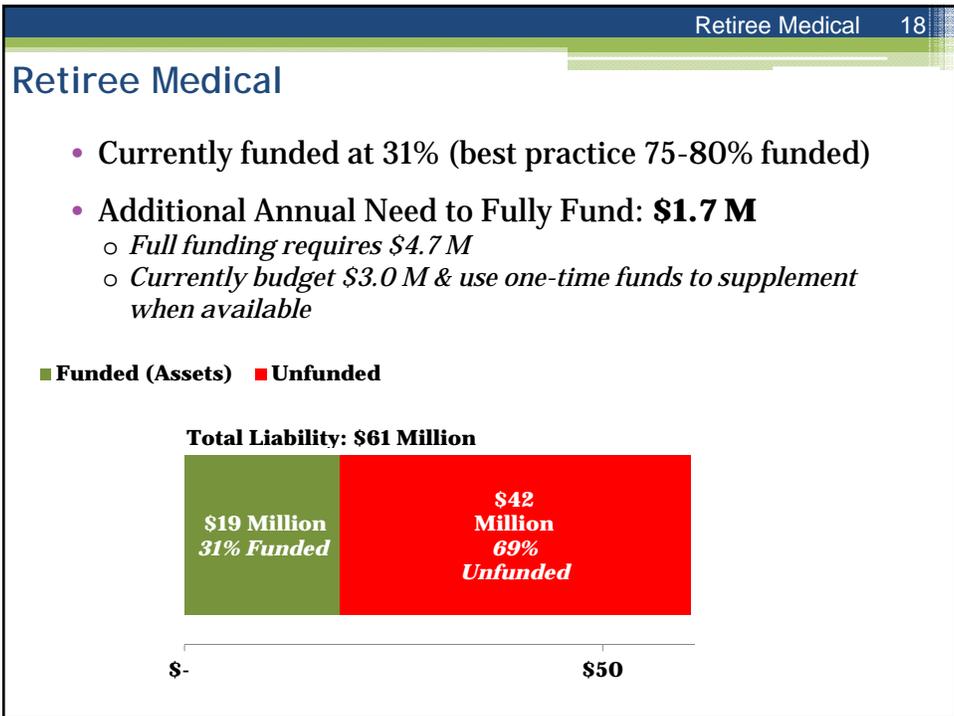
Total Liability: \$339 Million



\$-

\$200

Retiree Medical Benefits



City of Concord Retirement System (CCRS)

CCRS Pensions 20

City of Concord Retirement System (CCRS)

- Currently funded at 62% (target 90% funded)
- Additional Annual Need to Fully Fund: **\$1.2 M**
 - Full funding requires \$2.0 M
 - Currently budgeted at \$800,000 & use one-time funds to supplement when available

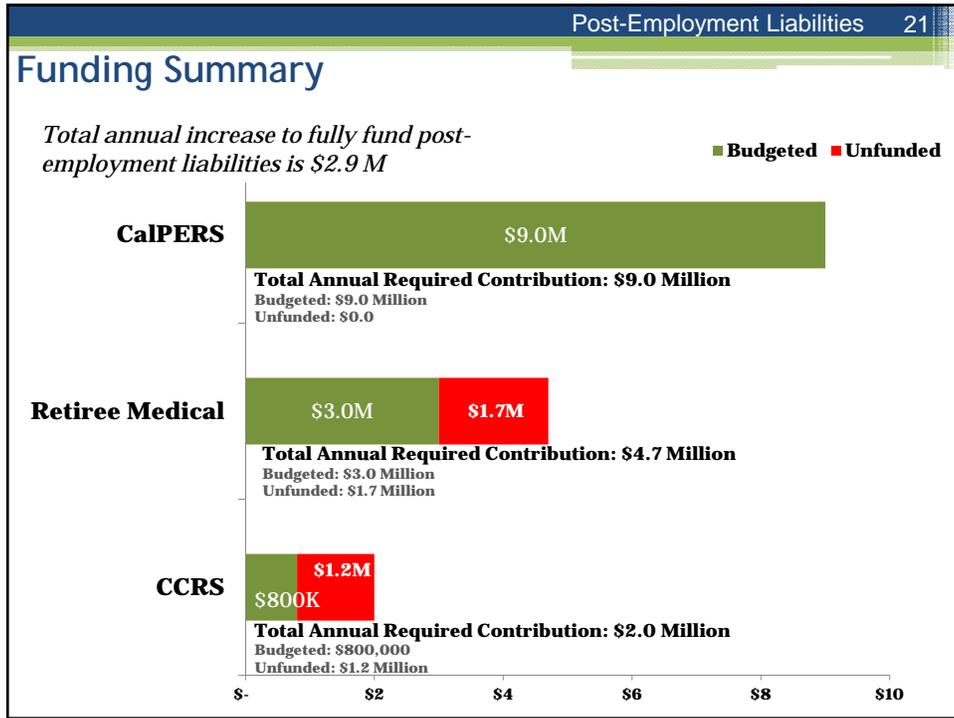
■ Funded (Assets) ■ Unfunded

Total Liability: \$64 Million



\$- \$50

City of Concord
 Update on Long-Term Post-Employment
 Liabilities & Infrastructure Backlog



Infrastructure Backlog

- City Facilities
- Park System
- Signs
- Roadways

*Justin Ezell, Director of Public Works
 and
 Robert Ovadia, City Engineer*

City Facilities

Justin Ezell, Director of Public Works

Facility Maintenance Reductions

	2008-09	2013-14	Net Change
Number of Positions (FTEs)	14.9	6.9	-54%
Building Maintenance Division Annual Budget	\$2.6 M	\$1.7 M	-36%

Deferred maintenance backlog increased

Facilities Backlog & Cost

Short-term
(next fiscal year)

- Projects needed now to preserve facilities
- Roof repairs, exterior painting
- Est. Cost of Backlog: \$83,000

Deferred
(next 5 years)

- Projects placed on hold for lack of resources
- Building preservation, operation, aesthetic
- Est. Cost of Backlog: \$2.9 Million

Long-term
(next 5-10 years)

- Upcoming facility needs
- Building preservation, operation, aesthetic
- Est. Cost of Backlog: \$3.6 Million

Total Estimated Cost of Backlog: \$6.6 Million

Project Examples - Cowell Pool



City Facilities 27

Project Examples - Various



Wire theft attempt



Vandalized window



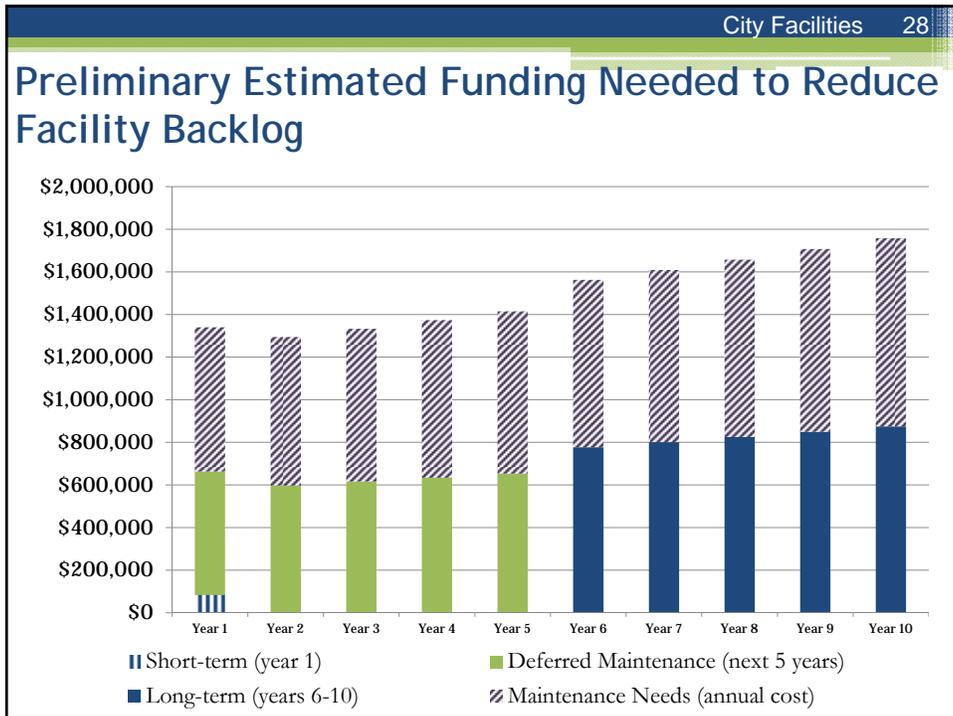
Deteriorated water line



Deteriorated light pole



Handrail installation

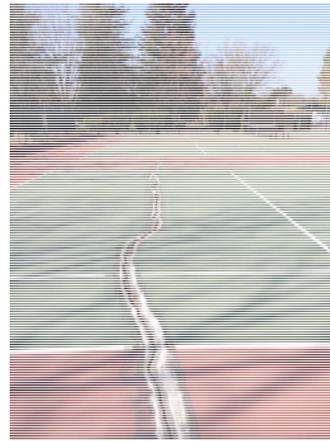


Park System

Park System

Concord Park System Stats

- 31 Park Areas Maintained
- 17 Tennis Courts
- 1,300 Acres of Open Space
- Street Median Landscape City-wide
- Various specialized facilities
 - Concord Community Pool
 - Meadow Homes Spray Park
 - Bocce Ball Courts
 - Softball/Baseball/Soccer Fields
 - 15 Playgrounds
 - Dog Parks
 - Outdoor Basketball Courts
 - 9 Group Reservation Picnic Areas



Concord Community Park Tennis Courts out of service for the last seven years.

Park System

Need a **comprehensive assessment of park infrastructure backlog** with condition assessments
(estimated cost \$150,000)

Signs

Signs

- \$480,000 in deferred replacement of roadway signs
- 3,207 of 14,800 City signs need replacement (22%)

Retro-reflectivity is a type of reflection that directs artificial light (such as street and automobile headlights) back toward the source. 22 percent of the City's roadway signs need replacement in order to provide the necessary retro-reflectivity to meet optimum nighttime sign visibility levels.



Unacceptable

Acceptable

Examples Acceptable/Unacceptable

Sign Replacement Costs

- Currently Budget **\$60,000** Annually for Sign Replacement
- Additional Cost to Eliminate Deferred Backlog
 - Year 1: \$100,000
 - Year 2: \$100,000
 - Year 3: \$100,000
- Beginning in Year 4: **\$140,000** needed annually to avoid future backlog
 - Equates to \$80,000 in addition to the \$60,000 that is currently budgeted

Roadways

Robert Ovadia, City Engineer

Roadways 36

Existing Roadway System and On-going Funding

- 715 Lane Miles
 - 117 Arterial
 - 124 Collector
 - 474 Residential (*local*)
- Current Funding Sources
 - State Gas Tax Funds
 - Countywide Measure J
 - One-Time Grants

Roadway Type	Percentage
Residential	66.3%
Collector	17.3%
Arterial	16.4%

Roadways 37

Common Pavement Distresses



Weathering or
Raveling



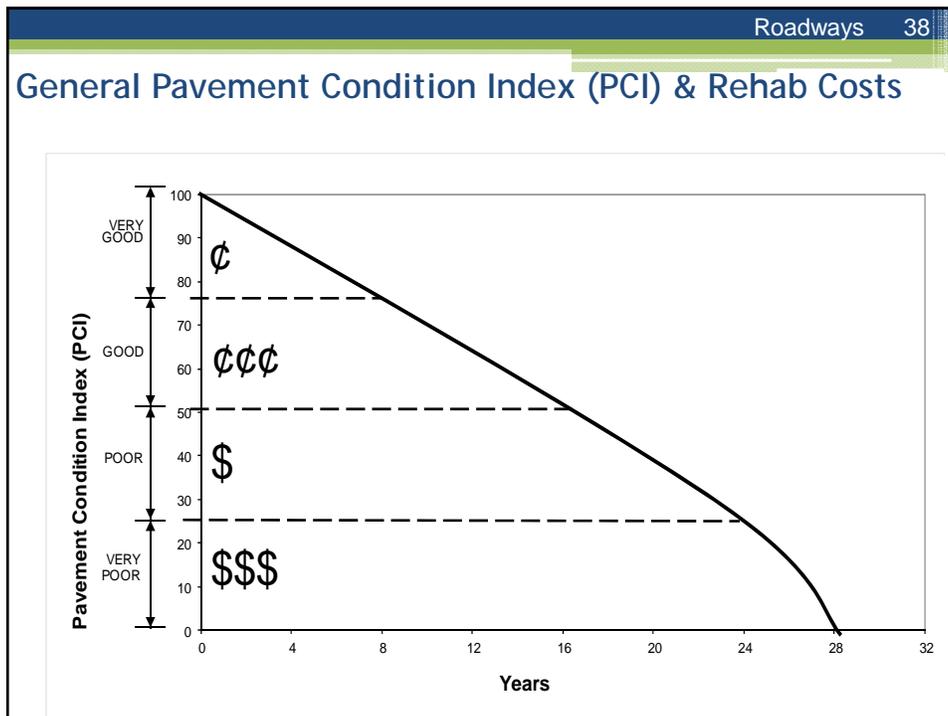
Transverse or
Longitudinal
Cracking

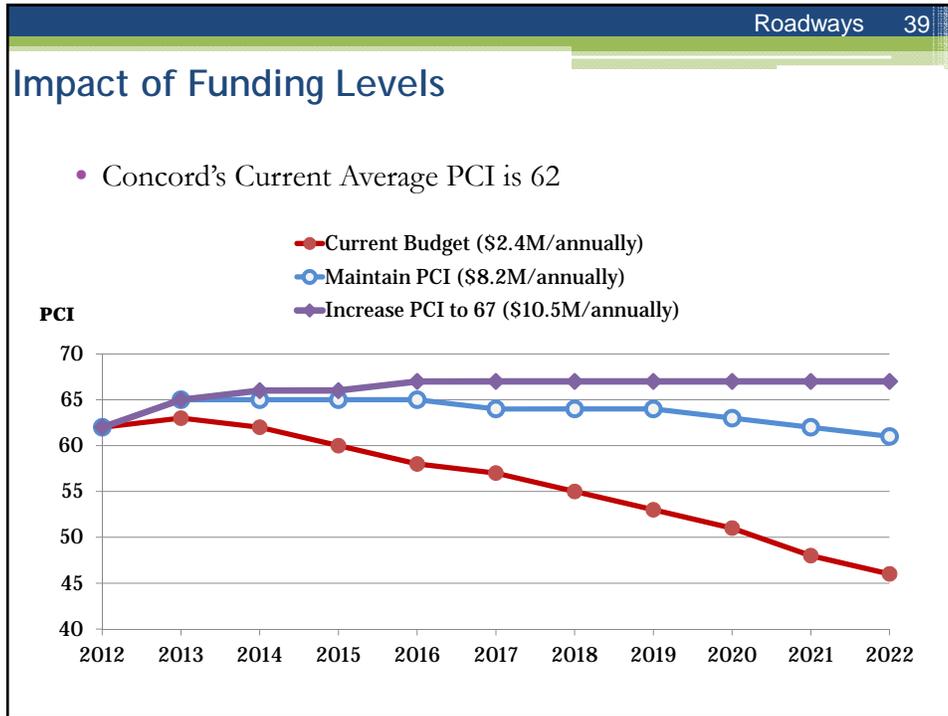


Block
Cracking



Alligator
Cracking





- Roadways 40
- ### Roadways Summary
- Current funding level of **\$2.4 M** is insufficient to maintain our roads
 - An additional **\$5.8 M** is needed to maintain current conditions
 - Total annual funding required= \$8.2 M
 - An additional **\$8.1 M** is needed to improve PCI by 5
 - Total annual funding required= \$10.5 M
 - Most of our roadway network are local streets
 - The availability of one-time grants is limited, often competitive, and typically cannot be applied to local roadways

Infrastructure Backlog Summary

Additional Annual Need

- Buildings: \$1.3 M to \$1.7 M
- Park System: TBD
- Signs: \$80,000 to \$100,000
- Roadways: \$5.8 M (to maintain current conditions)

Total: \$7.2 M to \$7.6 M (+ park system)

Summary

Financial Summary

Current 10-Year Plan includes

- \$1.8 Million in on-going Budget Stabilization beginning in FY 2016-17
- Annual Use of \$2.2 M to \$4.9 Million in Reserves after Measure Q expires

Costs Not Factored into Current 10-Year Plan

	Annual Amount
Fully Funding Post-Employment Liabilities & Infrastructure Backlog	\$10.1 M to \$10.5 M
Park System Deferred Maintenance	<i>TBD</i>

Summary

- Don't Panic—This is a Challenge NOT a Crisis
- Council has made a number of hard decisions already that have put the City on the right path
- Requires Continued Focus From Council, the City Organization & Community on:
 - ❖ The Challenge
 - ❖ Balancing Competing Needs & Limited Resources
 - ❖ Enhancing the Economic Vitality of the Community
 - ❖ Enhancing the Efficiency of the Organization
 - ❖ Controlling Costs within the Organization

Next Steps

- Develop an ordinance to define & document the Council's policy on use of one-time and surplus funds
- Daylight the challenge by incorporating into future budget documents
- Continue to work with employee groups on controlling employee-related cost increases
- Continue to focus on economic development to enhance property tax and sales tax revenue
- Continue to look for program efficiencies to save money
- Continue to identify, appropriate new revenue sources
- Work to understand community service priorities to guide future service cuts

Council Discussion and Feedback

Below is the Policy enacted by the San Jose City Council.

Policy on Fund Balance

The appropriation of carryover fund balance must be approved judiciously. This should ensure that ongoing expenditures will be budgeted only to the extent that proven revenue streams exist.

In the annual budget, and in subsequent reports, there will be a presentation on fund balances and their anticipated uses.

The first increment of any General Fund "Ending Fund Balance" identified in the City Manager's Annual Report shall be split 50% for unmet/deferred infrastructure and maintenance needs in the areas of: 1) transportation; 2) technology infrastructure and software upgrades; 3) fleet replacement; and 4) building facilities at the recommendation of the City Manager and approval by the City Council;

and 50% to offset any projected deficit for the following fiscal year, after necessary appropriation adjustment actions to rebudget funds, correct errors, or reflect updated cost information have been accounted for in the fund balance reconciliation.

If the projected deficit is less than the amount allocated for this purpose, the remaining funds shall be allocated for the following uses:

- 1) Budget Stabilization Reserve.
- 2) Unmet/deferred infrastructure and maintenance needs.
- 3) Other one-time urgent funding needs.

Annual surplus funds shall not be used for ongoing expenditures, unless those expenditures can be accommodated in Year Two and possibly Year Three of the five year financial forecast. Any available carryover balance should only be used to offset one-time costs or to increase revenues.

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

An Ordinance of the City of Pittsburg Adding)
Chapter 3.26 to the Pittsburg Municipal)
Code Relating to Fiscal Sustainability and)
Reserve Funds)

ORDINANCE NO. 12-1363

The City Council of the City of Pittsburg DOES ORDAIN as follows:

SECTION 1. Recitals.

- A. In order to ensure the fiscal sustainability of the City, the City desires to protect its revenues and ensure proper fiscal responsibility; and
- B. The City desires to maintain a reserve funds in case of an emergency; and
- C. The City desires to maintain a minimum balance in the City’s Budget Stabilization Fund; and
- D. By ensuring minimum funding levels for reserve funds, the City desires to minimize the need to rely on one-time measures and funding sources to balance its budget, while protecting the City from major deficits and over spending.

SECTION 2. Adding Chapter 3.26 “Fiscal Sustainability and Reserve Funds” to Title 3 “Revenue and Finance” of the Pittsburg Municipal Code

Title 3 “Revenue and Finance” of the Pittsburg Municipal Code is hereby amended to include Chapter 3.26 “Fiscal Sustainability and Reserve Funds,” which shall read as follows:

Section 3.26.010 Purpose and Definitions.

A. The purpose of this chapter is to establish policies and procedures to ensure the City maintains unappropriated fund balances, “Reserves” in the City’s funds.

B. For purposes of this Ordinance, the following terms shall have the following meanings:

1. “City’s Operating Expenses” shall mean the City’s General Fund operating expenses of the City as set forth in the City’s annual budget which generally includes staff costs and operating expenses of the City, and excludes the capital project appropriations.

2. “One-time Revenues” shall mean those revenues that the City receives on a one-time or non-regular basis. For example, such revenues may include, but are not limited to, proceeds from the sale of surplus land, one-time unexpected sales tax allocations associated with capital improvements from local retailers, grants, lump sum payments of project fees, non-reoccurring sales tax of fee revenue, etc.

3. “Unappropriated Reserves” shall mean unappropriated operating revenues excluding capital project and program appropriations which originate from funding sources that are restricted to projects or programs.

Section 3.26.020 General Fund Account

There is established a "General Fund" into which all sums of money collected by the City for any purpose whatsoever shall be deposited, unless otherwise provided by ordinance or resolution directing the deposit into a specific fund other than the General Fund.

Section 3.26.030 General Fund Reserves

- A. There is established within the General Fund, a "General Fund Reserve", which shall be used for emergencies, including for example, natural disasters and costs associated with such natural disasters.
- B. At each and every budget cycle, commencing with FY 2013-14, and every year thereafter, money from the General Fund shall be unappropriated, and shall be deposited into the General Fund Reserve. The minimum funding level within the General Fund Reserve shall be thirty percent (30%) of the City's General Fund Operating Expenses. However, the City Council shall, on a best efforts basis, take such steps as necessary to achieve the minimum General Fund Reserve level during the budget process each year through fiscal year 2017/18. Afterward, the minimum funding levels will become mandatory as defined by this ordinance.

Section 3.26.040 Budget Stabilization Fund

- A. There is established a "Budget Stabilization Fund" which shall provide the City a cushion to help absorb costs during economic downturns and/or budget shortfalls.
- B. The minimum funding level within the Budget Stabilization Fund shall be no less than \$2.0 million dollars or five percent (5%) of the City's General Fund Operating Expenses, whichever is greater. However, the City Council shall, on a best efforts basis, take such steps as necessary to achieve the minimum Budget Stabilization Fund level during the budget process each year through fiscal year 2017/18. Afterward, the minimum funding levels will become mandatory as defined by this ordinance.
- C. The target maximum funding level for the Budget Stabilization Fund shall be no more than \$7.5 million dollars or twenty-five percent (25%) of the annual City's General Fund Operating Expenses, whichever is greater.
- D. Additional Deposits into the Budget Stabilization Fund shall include:
 1. One-time General Fund Revenues and/or projected recurring revenues that exceed eight percent (8%) or more from the previous fiscal year shall be deposited into the Budget Stabilization Fund.
 2. Fiscal year-end General Fund surpluses shall also be deposited into the Budget Stabilization Fund.
- E. Appropriations from the Budget Stabilization Fund require a majority vote of the City Council, and may be made in order to balance the General Fund budget.

Section 3.26.050 Infrastructure Repair and Replacement Fund

- A. There is established an "Infrastructure Repair and Replacement Fund" which shall provide additional funding for repairs and capital improvements projects related to the City's infrastructure including streets, roads, parking lots, and storm drains.

- B. Once the Budget Stabilization Fund reaches the maximum funding level, seventy five percent (75%) of the available, excess revenues that would normally be placed into the Budget Stabilization Fund shall be deposited into the Infrastructure Repair and Replacement Fund.
- C. Appropriations from the Infrastructure Repair and Replacement Fund shall require a majority vote of the City Council.

Section 3.26.060 Other Post-employment Benefits (OPEB) Fund

- A. There is established an “Other Post-employment Benefits (“OPEB”) Fund” which shall be available to provide funding to reduce the City’s General Fund’s portion of unfunded OPEB liabilities, including for example, retiree health benefits.
- B. Once the Budget Stabilization Fund reaches the maximum funding level, twenty five percent (25%) of the available, excess revenues that would normally be placed into the Budget Stabilization Fund shall be deposited into the OPEB Fund.
- C. Appropriations from the OPEB Fund shall require a majority vote of the City Council.

Section 3.26.070 Internal Service Fund Reserves

- A. The City maintains the following Internal Service Funds which provides funding to allocate costs for services provided to all City departments:
 1. Information and Communication Systems
 2. Fleet Maintenance
 3. Building Maintenance
 4. Fringe Benefits
 5. Liability Insurance
- B. It is established within each of these Internal Services Funds an Unappropriated Reserve which shall be used for emergencies, including for example, natural disasters and costs associated with such natural disasters. At each and every budget cycle, commencing with FY 2013-14, and every year thereafter, the unappropriated reserve level within Internal Services Funds shall be thirty percent (30%) of the Internal Services Funds’ annual budget excluding capital project and equipment appropriations. However, the City Council shall, on a best efforts basis, take such steps as necessary to achieve the minimum Internal Services Funds’ Reserve levels during the budget process each year through fiscal year 2017/18. Afterward, the minimum funding levels will become mandatory as defined by this ordinance. The thirty percent (30%) reserve level may be exceeded.

Section 3.26.080 Enterprise Fund Reserves

- A. The City maintains the following enterprise funds for enterprise operations:
 1. Water
 2. Sewer
 3. Waterfront Operations
 4. Marina
- B. It is established within each of these Enterprise Funds an Unappropriated Reserve which shall be used for emergencies, including for example, natural disasters and

costs associated with such natural disasters. At each and every budget cycle, commencing with FY 2013-14, and every year thereafter, the unappropriated reserve level within each Enterprise Fund Reserves shall be thirty percent (30%) of each Enterprise Fund's fiscal year operating expenses, excluding capital project appropriations. However, the City Council shall, on a best efforts basis, take such steps as necessary to achieve the minimum Enterprise Funds' Reserve levels during the budget process each year through fiscal year 2017/18. Afterward, the minimum funding levels will become mandatory as defined by this ordinance. The thirty percent (30%) reserve level may be exceeded.

Section 3.26.090 Council Action Required

Except as otherwise stated in this Chapter, any variance from the policies established within this Ordinance, shall require adoption of a City Council resolution by a 4/5 vote of the City Council. The Council resolution shall set forth the following:

- A. A statement of findings supporting the appropriation of reserves or temporary modification of funding levels required by this ordinance; and
- B. A plan for replenishing the reserves within a reasonable time period when the appropriation causes a reserve to fall below minimum funding levels; and
- C. A description of the circumstances or event constituting an emergency.

SECTION 3. Effective Date

This ordinance shall be in full force and effective thirty (30) days after its adoption.

SECTION 4. Publication

The City Clerk shall either (a) have this ordinance published once within 15 days after adoption in a newspaper of general circulation or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once 5 days before its adoption and again 20 days after adoption.

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on December 17, 2012 and was adopted and ordered published at a meeting of the City Council held on January 22, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Nancy L. Parent, Mayor

ATTEST:

Alice E. Evenson, City Clerk

CITY OF CONCORD

Number:	129
Authority:	Council Motion
Effective:	6/27/95
Revised:	02/02/2009
Reviewed:	2009
Initiating Dept.:	FN

BUDGET AND FISCAL POLICIES

1. PURPOSE

To guide City budget decisions toward maintaining long-term financial stability, to ensure that basic City services are delivered, and to protect past and future investments in the City's infrastructure and facilities.

2. ADOPTION AND REVIEW

A set of policies were originally adopted in 1995 with the initiation of long-term financial planning for the City. The policies set a course to achieve financial stability. With implementation of the original policies, financial stability for the City has been attained and this document revised to establish a more comprehensive approach to budget and fiscal policies to ensure that the City maintains its financial stability long into the future. Each year at the time the City budget is considered, the City Council shall review the Budget and Fiscal Policies and conduct a review of the proposed budget for consistency with these Budget and Fiscal Policies.

3. POLICIES

3.1 10-Year Financial Planning

- 3.11 City Manager will present a budget (Capital and Operating) that is balanced over the 10-year planning period for all funds.
- 3.12 Utilize the 10-Year Plan as the basis for making long-range financial planning decisions.
- 3.13 Maintain a contingency and reserves as a percentage of designated operating expenses for the General Fund and the Enterprise funds.
- 3.14 Maintain a capital and operational reserve to address unforecasted needs.
- 3.15 The aggregate of contingencies and reserves shall be 15% of designated operating expenses for the General Fund;
- 3.16 The aggregate total shall be reviewed on an annual basis and shall revert to an aggregate 30% when economic conditions improve.
- 3.17 Develop and maintain a revenue monitoring and forecasting system to assist in trend analysis and revenue forecasting for the 10-year planning period.
- 3.18 Document all assumptions for revenue and expenditure forecasts each year.
- 3.19 Establish a financial plan for the Redevelopment Agency that ensures a positive cash balance at the end of the life of the Agency.
- 3.110 Seek reimbursement for State and Federal mandated programs and projects.
- 3.111 Conduct periodic audits for sales tax (point-of-sale), franchises and concessions, and transient occupancy tax (TOT).

- 3.112 Carefully review and discourage grants that may expand or add services without a reliable replacement revenue after the grant period ends.
- 3.113 Maintain an aggressive collection system for all accounts receivable.
- 3.114 Be alert to potential development of new revenue sources.
- 3.2 Performance-Based Budgeting (PBB)
 - 3.21 Establish the PBB as the City Council's service delivery policy document.
 - 3.22 Establish a PBB that measures service levels, efficiency and effectiveness.
 - 3.23 Follow the principles of outcome management in utilizing the PBB.
 - 3.24 Ensure all costs (direct and indirect) are charged against each program budget.
 - 3.25 Measure work efficiency and effectiveness to ensure an optimal allocation of human and fiscal resources to budget approved services and programs.
 - 3.26 Ensure all operating programs have measurable performance objectives which identify the service and level of service, and the resources required to accomplish the objectives.
 - 3.27 Complete year-end reports and audits to measure the work accomplished against what was planned at the beginning of the fiscal year and evaluate future service levels.
- 3.3 Capital Improvement Program (CIP)
 - 3.31 Develop a 10-year plan for CIP.
 - 3.32 Seek grants for needed capital projects which can offset use of other City funds, which can then be utilized for other needed projects.
 - 3.33 Maintain capital improvements to the level required to adequately protect the City's capital investment and to minimize future maintenance and replacement costs.
 - 3.34 Include resources required to maintain and operate new capital improvements commencing the year the project is completed and continuing through the balance of the 10-Year Plan.
 - 3.35 Ensure capital budgets contain all costs to complete the project (design, right-of-way, construction, inspection, contract management, contingency).
 - 3.36 Ensure all proposed projects in the 10-Year Plan have a viable source of funding for both construction and maintenance.
 - 3.37 Fund projects proposed for Enterprise programs by revenues derived from user fees.
 - 3.37 Encourage pay-as-you-go financing of capital improvements where feasible.
- 3.4 Internal Service Funds
 - 3.41 Maintain Internal Service Funds for Workers' Compensation, Risk Management, Storm Water, Fleet Maintenance and Replacement, Technology Maintenance and Replacement (including all computer/software and communications equipment), Building Maintenance and Replacement, and Miscellaneous/Office Equipment Maintenance and Replacement.
 - 3.42 Maintain a 10-year financial plan for all Internal Service Funds.

- 3.43 Include cost of operation, maintenance and replacement in the 10-year financial plans.
 - 3.44 All costs (operation, maintenance and replacement) associated with each Internal Service Fund will be charged to the appropriate user department.
 - 3.45 Maintain equipment and facilities to the level required to adequately protect the City's investment and to minimize future maintenance and replacement costs.
- 3.5 Enterprise Funds
- 3.51 Maintain a 10-year financial plan for all Enterprise Funds.
 - 3.52 All costs associated with providing administrative support (finance, personnel, legal, etc.) shall be charged to the appropriate Enterprise Fund.
 - 3.53 Periodically review market driven enterprise operations for partnerships, sponsorships and other mutually beneficial business development opportunities.
 - 3.54 The cost of each enterprise shall be completely offset by user charges and fees derived from the enterprise activity. Costs shall include operating, maintenance, capital, debt service, contingency and administrative costs.
 - 3.55 Periodically review and adjust user fees in order to avoid large one-time fee increases. For Golf the review should include the market established for similar services.
 - 3.56 Periodically review concession agreements, lease agreements and all other revenue generating agreements in order to determine if the City is receiving a return that reflects the market for similar agreements.
- 3.6 Investment Policies/Financial Practices
- 3.61 Maintain an Investment Policy consistent with established regulations and guidelines. Said policy is to be reviewed each year by the City Council.
 - 3.62 The Investment Policy shall address safety, liquidity and yield.
 - 3.63 Limit use of debt to minimize future commitment of the fiscal resources of the City and its taxpayers.
 - 3.64 Debt payment should not exceed the anticipated useful life of an improvement, and in no case should it exceed 30 years.
 - 3.65 Maintain accounting systems and financial management practices in accordance with generally accepted accounting principles, so as to result in an unqualified opinion from the City's independent auditor.
- 3.7 Review and Adopt a Performance Based Budget
- 3.71 The budget will be adopted as shown in the operating and Performance Based Budget document annually.
 - 3.72 Full review of revenue assumptions and preparation of the Capital Improvement Program and Ten-Year Plans on all funds will be done annually.

3.73 The City Council will hold public hearings and formally approve a budget for the City annually.

3.8 Reserve Funds

3.81 An aggregate reserve, consisting of operating contingency and reserves, will be established and maintained at a level not less than equal to 15% of the General Fund designated operating expenditures. The contingency and reserve shall be determined to be fully funded when 15% of the General Fund designated operating expenditures can be maintained as the reserve projected balance at the end of each fiscal year and funded within the approved General Fund Ten-Year Plan.

3.82 As economic conditions warrant the 10% operating contingency and the aggregate 20% reserves will be re-instituted.

3.83 Reserve funds will have four subaccounts: the Economic Contingency Reserve, the Unforecasted Reserve, the Capital/Maintenance Reserve, and the Benefits Reserve.

3.84 Reserve funds will be built and replenished as necessary to maintain full funding of the minimum reserve through regular annual contributions at least equal to 4% of the General Fund operating budget. The City Council will annually review and approve the distribution of reserve contributions among the four subaccounts as part of the budget process.

3.85 The City Council may act to override the individual purposes of some or all of the four subaccount reserves in the face of a major economic crisis of calamitous dimensions and draw on reserves to maintain the City's fiscal stability. In such a case the Council will take formal action determining that multiple adverse factors exist that warrant this exceptional use of one or more of the subaccount reserve funds.

3.86 The Economic Contingency Reserve is to be made available by Council appropriation to meet unanticipated needs caused by State or Federal redirection of City resources, general economic downturns, or reductions in operating revenues.

3.87 The Unforecasted Reserve is to be made available by Council appropriation to continue services if State, Federal or other grant funding sources are lost, and to offset the costs of unanticipated, unfunded governmental mandates.

3.88 The Capital/Maintenance Reserve is to be made available by Council appropriation to meet unanticipated, unscheduled and or unprogrammed capital and maintenance needs of City infrastructure and facilities. This reserve is intended to be used for major capital repair where facility failure, unexpected hazards, or destruction of City property has occurred and where repair or replacement is not planned within the established capital, operations or internal replacement funds. The threshold for work meeting this intent will be the same dollar amount as the threshold set for inclusion of projects in the City Capital Improvement Program.

In exceptional circumstances and where adequate funding sources are not available, the City Council may consider appropriation of Capital/Maintenance Reserve funds for a new capital improvement. When making such an appropriation, the City Council will first determine that the maintenance and operating costs of the new project can be fully supported in the Ten-Year Plan in accordance with Policy 3.33.

3.89 The Benefits Reserve Fund is available to support unplanned costs and obligations of existing employment benefits. The Benefits Reserve is not intended for use to enhance benefits negotiated through the collective bargaining process that require City Council approval.

**REPORT TO COUNCIL COMMITTEE ON
POLICY DEVELOPMENT & INTERNAL OPERATIONS****TO THE HONORABLE COMMITTEE MEMBERS:**

DATE: February 10, 2014

SUBJECT: MEMORIAL AND COMMEMORATIVE POLICY**Report in Brief**

The City lacks formal policy and procedure on the installation of memorial and commemorative items which are requested by the general public. This staff report presents a history of the City's Memorial Tree Program and makes a recommendation to continue developing formal City policy on memorial and commemorative items which would be considered by the Full City Council.

Background

On May 27, 1968 at a regular City Council meeting, a motion passed by unanimous vote of the City Council to approve a memorial tree planting project proposed by the Concord Women's Garden Club. While gathering information about the 1968 memorial tree planting project staff obtained an unofficial document from the Garden Club which offers a rough outline of the project (see Attachment A). The following summarizes the main points listed in the informal document which was obtained from the Garden Club:

- The Garden Club collects and deposits donations to be used for purchasing trees (the initial donations ranged from \$7.50 to \$25.00 per memorial tree request)
- The City plants and maintains the trees
- The Garden Club provides the plaques, sends acknowledgement cards, and maintains the records and bank account
- The Garden Club provides funds for certain trees and concrete if the City requests it
- Trees can be planted in any City Park except for Todos Santos and Markham Nature Park
- Funds come from the Memorial Tree Account and not the General Fund

As time passed, the Garden Club's 1968 memorial tree planting project transitioned into what is now referred to by staff as the City's Memorial Tree Program. In addition to trees, memorial plaques and other commemorative items began being installed by City staff somewhat haphazardly. In some cases benches with accompanying memorial plaques have been installed, in other cases plaques have been installed on City assets which already exist. In all cases the memorial items are installed without any guiding policy or direction from the City Council.

The placement of new memorial items (including trees) has been on hold since the beginning of this calendar year. Staff placed a hold on the program so that a guiding document which addresses future requests could be developed.

MEMORIAL AND COMMEMORATIVE POLICY

February 10, 2014

Page 2

The Memorial Tree Program that was initiated by the Garden Club in 1968 continues today, although changes over time have painted a slightly different picture of the program. The following table compares the 1968 program with how the memorial tree program functions today:

1968 Program	Current Program
The Garden Club collects and deposits donations to be used for purchasing trees (the initial donations ranged from \$7.50 to \$25.00 per memorial tree request)	The Garden Club collects and deposits a \$50 fee The fees are deposited into a Garden Club account which is periodically used for planting projects
The City plants and maintains the trees	The City plants and maintains the trees The City purchases the trees
The Garden Club provides the plaques, sends acknowledgement cards, and maintains the records and bank account	The Garden Club sends acknowledgement cards and maintains the records and bank account The City provides the plaques
The Garden Club provides funds for certain trees and concrete if the City requests it	The City provides funding for all materials
Trees can be planted in any City Park except for Todos Santos and Markham Nature Park	Parks Maintenance staff consider individual requests as they are made
Funds come from the Memorial Tree Account and not the General Fund	The City's General Fund fully funds all program costs

Discussion

In recent months, requests have been made to install memorial plaques on buildings and other City assets. Because of the increase in requests to place memorial items, staff recommends that policy be established which provides appropriate oversight and consistent approach when the City receives a request for the placement of memorial or commemorative items in public spaces (including but not limited to trees and benches). Staff recommends that memorial and commemorative items should contribute to the priorities and purpose of City planning efforts and preservation of the unique characteristics of existing City-owned facilities, parks, open space areas, trail systems and neighborhoods.

Staff considered a multitude of issues while drafting a memorial policy. First and foremost, staff contemplated who (or what) might qualify to receive remembrance. Should only Concord residents be remembered? Should the individual have to have made some memorable contribution to the community? Does the individual need to be human or will the City allow canines (for example) to also have the opportunity to be remembered in some way? Staff felt the range of possibilities too great to

attempt to narrow down policy specific to these questions. Staff believes that if the policy is too narrowly focused, requests for exceptions will begin being made thus adding complexity. To address this concern, the draft policy was written with the idea in mind that staff can use its own discretion while considering requests. These decisions will not be made entirely without limitations. Staff recommends that the following guidelines be used when considering a request for the placement of a memorial or commemorative item:

- a. Contributions the remembered individual has made to the community
- b. Future maintenance
- c. Enrichment to the public space
- d. Appropriateness to the setting
- e. Compatibility with master planning efforts
- f. Parks, Recreation and Open Space Commission review (if necessary)

Staff recommends that once installed, memorial and commemorative items should become City property and the City should not guarantee their permanency. If an item must be relocated or removed, the City can attempt to notify the applicant to inform them of the action. Because of cost and other factors, staff further recommends that the City not take responsibility for the replacement or maintenance of stolen or damaged memorial or commemorative items, or the replanting of trees which fail to survive. The City should reserve the right to remove or modify these items without notice when necessary, and should not commit to manually-watering memorial trees.

Additionally, staff recommends that applicants be charged for time and material costs to achieve full cost recovery for placement and or installation of memorial and commemorative items. Fees should be calculated at the time of application using current labor and material rates, the City should also apply additional fees as necessary to recover the cost of existing assets when used for memorial purposes (Example: the cost of a new park bench when a request is made to place a plaque on an existing bench). When fees are collected for existing assets they should be set aside to support the enhancement of City facilities and Park projects.

With regard to a request to name a City structure concurrent with the placement of a memorial, and/or the placement of memorials within existing City buildings, it will be discouraged unless the City Council is the proponent of said naming or placement. If a request is made by the community to name a structure the decision shall be guided by the City's Policy and Procedure No. 159 "Naming of City Facilities." If a request is made to place a plaque within or on an existing City building, the request shall go before the City Council for approval and direction. Doing so will allow policy leaders to weigh in on these decisions of great importance.

Staff believes that formal policies and procedures which address memorial and commemorative items and which contain the afore-mentioned staff recommendations are necessary for a consistent and deliberate approach when considering these items. As it is now, City staff will respond to requests without guidance and direction, and the General Fund subsidizes the cost of running the program in lieu of established cost recovery methods.

Fiscal Impact

The General Fund currently subsidizes the cost of installing memorial items. This staff recommendation will establish a method for achieving full cost recovery for the placement and or installation of memorial and commemorative items which would relieve the General Fund of this obligation.

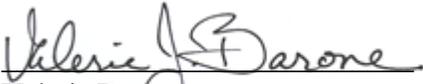
Public Contact

The City Council Committee Agenda was posted.

Recommendation for Action

Staff recommends that the Policy Development and Internal Operations Council Committee review and comment on the draft memorial and commemorative policy attached, and direct staff to present the draft policy to the Parks Recreation and Open Space Commission for additional review and comment before taking the document to the full City Council for consideration.

Prepared by: Justin Ezell
Public Works Director
justin.ezell@cityofconcord.org



Valerie Barone
Interim City Manager
valerie.barone@cityofconcord.org

- Attachment A – Garden Club document
- Attachment B – Draft Memorial and Commemorative Policy
- Attachment C – Draft Memorial and Commemorative Item Request and Agreement Form

ATTACHMENT A

CONCORD GARDEN CLUB MEMORIAL TREES PROGRAM

THE CONCORD GARDEN CLUB IN CONJUNCTION WITH THE CITY OF CONCORD PROVIDES THIS MEMORIAL PROGRAM. THE CITY PLANTS AND MAINTAINS THE TREES. CONCORD GARDEN CLUB PROVIDES THE PLAQUES, SENDS THE CARDS AND MAINTAINS THE RECORDS AND BANK ACCOUNT. THE CLUB ALSO PROVIDES FUNDS FOR CERTAIN TREES AND CONCRETE IF THE CITY REQUESTS IT. THESE MONIES COME FROM THE MEMORIAL TREES ACCOUNT * NOT OUR GENERAL FUND.

THE MEMORIAL TREES CHAIRMAN MUST:

1. COLLECT AND DEPOSIT ALL DONATIONS.
2. MAIL CARDS TO DONOR AND NEXT OF KIN DESIGNATED
3. REPORT ALL DONATIONS TO CITY EMPLOYEE IN CHARGE OF PROGRAM

THE FOLLOWING INFORMATION MUST BE RECORDED:

1. DATE OF DONATION
 2. AMOUNT OF DONATION (\$20.00 minimum)
 3. NAME TO BE ENGRAVED ON PLAQUE
 4. NAME AND ADDRESS OF KIN OF HONOREE
 5. NAME, ADDRESS AND PHONE NUMBER OF DONOR
 6. LOCATION TREE TO BE PLANTED IN (if requested)
- REPORT ONLY ITEMS 1,2,3, and 6 to city
RECORD ALL ITEMS IN CLUB RECORD BOOK

DO NOT MAIL CARDS UNTIL DONATION IS RECEIVED

CHECKS MUST BE MADE PAYABLE TO CONCORD GARDEN CLUB MEMORIAL TREES

IF DONATION IS IN EXCESS OF \$20.00 DISCUSS APPROPRIATE PLANTING WITH CITY
CHECK PERIODICALLY WITH CITY TO BRING RECORDS UP TO DATE ON PLANTINGS
TREES CAN BE PLANTED IN ANY CITY PARK EXCEPT TODOS SANTOS AND NATURE PARK
REQUESTS FOR USE OF THE PLAQUES IN ANY OTHER SITUATION MUST BE DENIED
PLAQUES ARE KEPT AT THE CITY CORPORATION YARD

MAKE PERIODICAL FINANCIAL REPORTS AT CLUB MEETINGS

HAVE FINANCIAL RECORDS CHECKED BY CLUB AUDITOR AT THE END OF THE YEAR

ATTACHMENT B
CITY COUNCIL MEMORIAL AND COMMEMORATIVE POLICY
DRAFT – FEBRUARY 5, 2014

Purpose:

This Memorial and Commemorative policy has been established to make certain that appropriate oversight and consistent approach is provided when the City receives a request for the placement of memorial or commemorative items in public spaces (including but not limited to trees and benches). The intent of the City Council is to ensure that memorial and commemorative items contribute to the priorities and purpose of City planning efforts and preservation of the unique characteristics of existing City-owned facilities, parks, open space areas, trail systems and neighborhoods.

Policy:

Once installed, memorial and commemorative items become City property; the City does not guarantee their permanency. If an item must be relocated or removed, Public Works staff will attempt to notify the applicant, in writing, at the address shown on the completed *Memorial and Commemorative Request and Agreement Form*. The City is not responsible for the replacement or maintenance of stolen or damaged memorial or commemorative items, or the replanting of trees which fail to survive. The City reserves the right to remove or modify these items without notice and will not manually-water memorial trees. The City highly discourages requests to place plaques within or on existing City buildings; such requests will only be considered by the City Council.

Approval process:

1. The Director of Public Works or assigned designee will approve requests; with the exception that requests to name a structure or place a plaque within an existing City building shall go before the City Council for approval and direction.
2. Requests may be made on the *Memorial and Commemorative Request and Agreement Form*; Public Works will process requests in the order received.
3. Requests for memorial and commemorative items will be considered on a case by case basis; a limited number of new installations will be considered on an annual basis with a priority given to City initiated requests. Approval considerations will include, but not be limited to:
 - a. Contributions the remembered individual has made to the community
 - b. Future maintenance
 - c. Enrichment to the public space
 - d. Appropriateness to the setting
 - e. Compatibility with master planning efforts
 - f. Parks, Recreation and Open Space Commission review (if necessary)
4. The Director of Public Works or assigned designee must approve a request prior to the ordering and installation of memorial or commemorative item materials.

Fees:

The Public Works Department will charge time and material costs to achieve full cost recovery for placement and or installation of memorial and commemorative items. The fee will be calculated at the time of application using current labor and material rates. Additional fees will be applied to recover the cost of existing assets when used for memorial purposes (Example: the cost of a new park bench when a request is made to place a plaque on an existing bench). Final approval will be contingent upon payment of fees.

ATTACHMENT B
CITY COUNCIL MEMORIAL AND COMMEMORATIVE POLICY
DRAFT – FEBRUARY 5, 2014

Appeal Process:

If a request is denied by the Public Works Department the applicant has the right to appeal to the City Manager or designee for reconsideration. Conversely, if a request is approved and a citizen opposes the memorial or commemorative project, that citizen also has the right to appeal to the City Manager or designee for reconsideration. The decision of the City Manager shall be final.

Unveiling:

Applicants will be provided the opportunity to be present when the memorial or commemorative item is placed. Applicants wishing to hold unveiling ceremonies may do so at their own scheduling and expense provided that the ceremony does not cause a disruption to City operations or events. Fees for the purpose of recovering City staff labor costs which are incurred as the result of an unveiling event shall be assessed using current labor rates and shall be payable to the City upon scheduling the unveiling.

DRAFT



Name of Applicant: _____

Name of Organization (if applicable): _____

Mailing Address (number and street): _____

City: _____ Zip Code: _____

Phone: () _____ Email: _____

Describe request: _____

Inscription (if applicable): _____

Once installed, memorial and commemorative items become City property; the City does not guarantee their permanency. If an item must be relocated or removed, Public Works staff will attempt to notify the applicant, in writing, at the address shown on the completed Memorial and Commemorative Request and Agreement Form. The City is not responsible for the replacement or maintenance of stolen or damaged memorial or commemorative items, or the replanting of trees which fail to survive. The City reserves the right to remove or modify these items without notice and will not manually-water memorial trees. The City highly discourages requests to place plaques within or on existing City buildings; such requests will only be considered by the City Council.

The undersigned has read, understands and agrees to this Memorial and Commemorative policy:

Applicant Signature: _____ Date: _____

Mail completed form to: Public Works Department, 1455 Gasoline Alley, Concord, CA 94520

FOR CITY USE ONLY

Director of Public Works (or assigned) Name: _____

Approval Signature: _____ Date: _____

Amount paid by applicant: \$ _____ Date: _____

Comments and or item description (attach location map): _____
