RESOLUTION RATIFYING THE SAN JOAQUIN COUNCIL OF GOVERNMENTS
ANNUAL FINANCIAL PLAN FOR FISCAL YEAR 2010-2011

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS
FOLLOWS:

That the City Council ratifies the San Joaquin Council of Governments' ("COG")
Annual Financial Plan for Fiscal Year 2010-2011 ("Plan"), pursuant to COG's Joint Powers
Agreement; a copy of said Plan is attached as Exhibit "A" and incorporated by this
reference.

PASSED, APPROVED and ADOPTED JUN 29 2010

 ANN JOHNSTON
ANN JOHNSTON, Mayor
of the City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
City Clerk of the City of Stockton

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May 21, 2010

Mr. Kevin O’Rourke  
City of Stockton  
425 N. El Dorado  
Stockton, CA 95202

Dear Mr. O’Rourke:

Enclosed is a summary of the San Joaquin Council of Governments’ Annual Financial Plan (AFP) for Fiscal Year 2010-2011. The Board unanimously adopted the Plan on March 25, 2010. A copy of the adopting resolution is enclosed. Pursuant to SJCOG’s Joint Powers Agreement, following adoption of the budget by the SJCOG Board, it is to be delivered to member agencies for ratification by each governing body. Approval by governing bodies representing 55% or more of the county’s population is considered ratification.

Therefore, SJCOG requests you place SJCOG’s Annual Financial Plan for Fiscal Year 2010-2011 on a forthcoming agenda prior to June 30, 2010 for approval.

The Annual Financial Plan implements the FY 2010-2011 Overall Work Program (OWP) that was also adopted by the SJCOG Board on March 25, 2010.

The attached Annual Financial Plan summary provides a detail of expenditures by cost category and line item comparing the proposed budgets with the current year (FY 2009-10) adopted budget and the actual expenditures for FY 2008-09. The following assumptions are incorporated in the budget:

REVENUES

SJCOG operating revenues are down 10.96% or $758,000 lower. Overall, federal funding is down 15.58% from 2009-10; however this includes reducing SJCOG’s drawdown on previously obligated FHWA PL funds from $500,000 to $100,000 in addition to the current year’s obligation. State funding sources are down 15.28% due to the completion of several planning projects and the expenditure of funds tied to those projects. Local revenues are 5.76% lower due to economic conditions taking a toll of sales tax which impacts the Local Transportation Fund and Measure K.

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MAY 25 2010

CITY MANAGER
CITY OF STOCKTON
EXPENDITURES

Salaries and Benefits These line items are budgeted to remain fractionally below the 2009-10 level.

Services and Supplies All of the line items in this category are budgeted to remain at the 2009-10 level.

Professional Services is decreasing 39.61% reflecting the completion of significant amounts of consulting work in the OWP.

Fixed Assets remains the same as approved in 2009-10 at $80,500.

FY 2010-11 Work Program

SJCOG continues to support our city and county members delivering on our Metropolitan Planning Organization responsibilities including preparing the Regional Transportation Plan and the Federal Transportation Improvement Plan, the biannual Congestion Management Plan update, developing Transportation Systems/Demand Management and safety strategies, transit coordination and monitoring and participating actively in the transportation reauthorization debate.

As the Regional Transportation Planning Agency, SJCOG continues to administer the Transportation Development Act process. We will be updating the State Transportation Improvement Plan coordinating closely with Caltrans and the California Transportation Commission, actively participating in four major planning studies:

- State Route 12 Major Investment Study
- State Route 239 Feasibility Study
- Interstate 5/SR 99 Freight Study
- Regional Multimodal Trip Planning Study

SJCOG will also be participating in the High/Higher Speed Rail discussion and developing SB 375 integration & alternative scenarios.

SJCOG is active in Intergovernmental Coordination including working closely with the other Valley Counties on transportation and air quality modeling, preparation of a goods movement action plan, Blueprint planning and leadership in the Northern California Trade Corridor Coalition.

As the Local Transportation Authority, SJCOG will continue to deliver Measure K and Measure K Renewal projects. Nearly $500 million of Proposition 1B bond funds have been programmed in San Joaquin County requiring not only Measure K and Measure K Renewal local tax dollars to fully fund the projects, but also project development, design, right of way support, and construction management assistance.
In addition, SJCOG will be updating the Strategic Plan, developing the Safe Route to School Program, preparing Bike and Pedestrian Program Guidelines and administering round 2 of the SMART Growth Incentive Program.

SJCOG will continue to sponsor Commute Connection to San Joaquin and Stanislaus Counties, and, for the first time, Merced County. Commute Connection also is developing the 511 traveler information system, managing park and ride lot implementation and bike and pedestrian programs. Freeway Service Patrol vehicles will continue on I-205 and SJCOG will begin the process to have FSP on other highway facilities as they go into construction.

As the JPA responsible for the implementation of the San Joaquin County Multispecies Habitat Conservation Plan, SJCOG, Inc. will be active in conservation easement acquisition, preserve management and coordinating with the state on the development of the Bay-Delta Conservation Plan.

SJCOG staff would be pleased to appear before your policymakers to answer any questions they might have regarding this matter. We request ratification prior to June 30, 2010. Please let me know when this will be on your agenda. If you have any questions regarding this matter, don't hesitate to contact me at 235-0600.

Thank you for your assistance.

Sincerely,

[Signature]

STEVE DIAL
Deputy Executive Director/Chief Financial Officer
San Joaquin Council of Governments  
ANNUAL FINANCIAL PLAN  
Fiscal Year 2010/11  
Adopted March 28, 2010

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<td><strong>SJCOG OPERATING REVENUES</strong></td>
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<td>Federal Pass-Through</td>
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<td><strong>TOTAL SJCOG REVENUE</strong></td>
<td>$370,647,434</td>
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<table>
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<tr>
<th>EXPENDITURES</th>
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<tbody>
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<td>Salaries &amp; Benefits</td>
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<td>Unallocated/Reserve</td>
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<tr>
<td>SJCOG OPERATING EXPENDITURES</td>
<td>$6,742,489</td>
<td>$7,472,243</td>
<td>$5,018,243</td>
</tr>
</tbody>
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Excess (Deficit) Revenues  
- $0  
Over Expenditures (Operating)  
- $0
RESOLUTION
SAN JOAQUIN COUNCIL OF GOVERNMENTS

R-10-34

RESOLUTION APPROVING THE ADOPTION OF THE 2010-2011
ANNUAL FINANCIAL PLAN
FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

WHEREAS, the San Joaquin Council of Governments is required by the Joint Powers
Agreement to adopt a budget (Annual Financial Plan) annually, and

WHEREAS, the adopted budget is to be sent to the member agencies for ratification.

NOW THEREFORE BE IT RESOLVED, that the San Joaquin Council of Governments
adopts the FY 2010-2011 Annual Financial Plan and directs the Executive Director to transmit it
to the member agencies for ratification.

PASSED AND ADOPTED this 25th day of March, 2010 by the following vote of the San
Joaquin Council of Governments, to wit:

AYES: Supervisor Bestolarides, San Joaquin County; Councilman Harris,
City of Manteca, Councilman Frithben, City of Stockton,
Councilman Hansen, City of Lodl, Councilman Haskin, City of
Escalon, Mayor Ives, City of Tracy, Mayor Johnston, City of
Stockton, Vice Mayor Miller, City of Stockton, Vice Mayor Salcedo,
City of Lathrop, Supervisor Vogel, San Joaquin County, Mayor Winn
City of Ripon.

NOES:

ABSENT: Supervisor Ornellas, San Joaquin County.

LARRY D. HANSEN
Chairman