

**OAKLAND AREA GEOLOGIC HAZARD ABATEMENT DISTRICT  
BUDGET FOR FISCAL YEAR 2022/23**



June 7, 2022

Oakland Area Geologic Hazard Abatement District Board of Directors  
Chair Loren Taylor  
Boardmember Rebecca Kaplan  
Boardmember Dan Kalb  
Boardmember Nikki Fortunato Bas  
Boardmember Carroll Fife  
Boardmember Sheng Thao  
Boardmember Noel Gallo  
Boardmember Treva Reid

Oakland Area Geologic Hazard Abatement District  
Oakland City Hall  
1 Frank Ogawa Place  
Oakland, CA 94612

Subject: Oakland Area Geologic Hazard Abatement District  
Oakland, California

**BUDGET FOR FISCAL YEAR 2022/23**

Dear Chair Taylor and Boardmembers:

Attached is the program budget for the Oakland Area Geologic Hazard Abatement District (GHAD) for Fiscal Year (FY) 2022/23. The proposed program budget is \$18,333. The budget expenses break down into the following approximate percentages of the total expenses.

Major Repair .....	0 percent
Preventive Maintenance and Operations .....	38 percent
Special Projects .....	0 percent
Administration and Accounting .....	16 percent
Additional - Outside Professional Services.....	46 percent

The budget anticipates FY 2022/23 revenue of \$14,700. A summary of the expenses is shown in Table 6, followed by a brief description of each budget item on the following pages.

Sincerely,

Oakland Area Geologic Hazard Abatement District  
ENGEO Incorporated, General Manager  
1630 San Pablo Avenue, Suite 200  
Oakland, CA 94612  
ENGEO Project No. 6964.002.021

Haley Ralston  
hjr/eh/jf

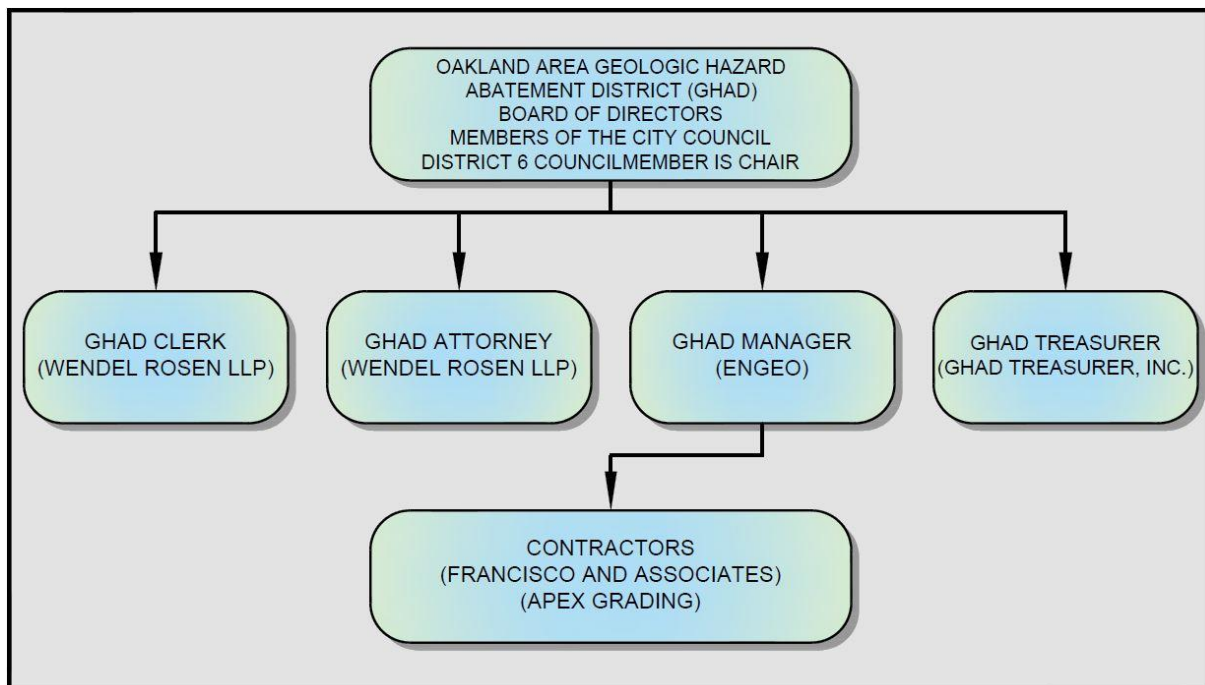
Eric Harrell

**Oakland Area Geologic Hazard Abatement District  
Program Budget  
Fiscal Year 2022/23**

The following budget summarizes the anticipated revenue and expenditures for FY 2022/23 for the Oakland Area Geologic Hazard Abatement District (GHAD), which currently includes the Siena Hill and Kenilworth developments. The Oakland Area GHAD was formed on July 18, 2006, when the Oakland City Council adopted Resolution No. 80058. The 7-unit Kenilworth development was annexed into the Oakland Area GHAD on February 21, 2017, by the GHAD Board of Directors with the adoption of Resolution No. 15; however, it does not currently receive GHAD services as Plan of Control responsibilities have not been transferred from the developer to the GHAD yet. It is anticipated that the earliest date the GHAD would acquire Plan of Control responsibilities for the Kenilworth development would be in 2027.

Under Condition of Approval No. 51 for the Oak Knoll development (Subdivision 8320), the City of Oakland required annexation of the Oak Knoll development into the existing Oakland Area GHAD. To satisfy this requirement, the developer of Oak Knoll has petitioned the Board of Directors of the Oakland Area GHAD to annex Oak Knoll into the existing Oakland Area GHAD. It is anticipated that the earliest date the GHAD would acquire Plan of Control responsibilities within the Oak Knoll development would be in 2025.

The structure of the Oakland Area GHAD is shown below.



Currently, the GHAD has monitoring and maintenance responsibilities for 10 of the 32 residential parcels within the Siena Hill development (Table 1). Until accepted by the GHAD, monitoring and maintenance responsibilities described in the Plans of Control for the remaining parcels within the Siena Hill development and the Kenilworth development are the responsibility of the property owner(s).

**TABLE 1: Parcels Accepted by the Oakland Area GHAD for Plan of Control Monitoring and Maintenance Responsibilities**

NUMBER	STREET
64	Siena Drive
67	Siena Drive
68	Siena Drive
71	Siena Drive
72	Siena Drive
75	Siena Drive
76	Siena Drive
79	Siena Drive
80	Siena Drive
84	Siena Drive

The GHAD is funded through real property assessments and return on investments of the GHAD's reserves. The FY 2021/22 assessment levy was set at \$1,301.78 per residential unit adjusted up 3.15% from the 2020/21 assessment level. The assessment limit annual adjustment is based on the 2006 Engineer's Report using the San Francisco-Oakland-Hayward Consumer Price Index (CPI). The final assessment roll prepared for the 2021/22 fiscal year and submitted to the Alameda County Assessor's Office identifies 10 properties subject to the levy of the GHAD assessment. The total levy amount for the 2021/22 FY was \$13,017.80.

**TABLE 2: Actual CPI Adjustments and Assessment Limit for Residential Properties**

FISCAL YEAR	INDEX DATE	SAN FRANCISCO-OAKLAND-HAYWARD CPI (JUNE/JUNE)	SIENA HILL ANNUAL ASSESSMENT LIMIT	SIENA HILL ASSESSMENT LEVY
2006/2007			\$2,632.00	\$2,632.00
2007/2008	6/30/2008	3.38%	\$2,720.95	\$2,720.94
2008/2009	6/30/2008	4.19%	\$2,834.99	\$2,834.98
2009/2010	6/30/2009	0.23%	\$2,841.43	\$2,841.42
2010/2011	6/30/2010	1.07%	\$2,871.87	\$2,871.86
2011/2012	6/30/2011	2.43%	\$2,941.57	\$2,941.56
2012/2013	6/30/2012	2.64%	\$3,019.13	\$3,019.12
2013/2014	6/30/2013	2.56%	\$3,096.29	\$3,096.28
2014/2015	6/30/2014	3.00%	\$3,189.22	\$3,189.22
2015/2016	6/30/2015	2.29%	\$3,262.24	\$3,262.24
2016/2017	6/30/2016	2.67%	\$2,500.00 <sup>1</sup>	\$1,119.00 <sup>1</sup>
2017/2018	6/30/2017	3.48%	\$2,587.04	\$1,157.96
2018/2019	6/30/2018	3.91%	\$2,688.14	\$1,203.20
2019/2020	6/30/2019	3.22%	\$2,774.57	\$1,241.96
2020/2021	6/30/2020	1.62%	\$2,819.41	\$1,261.96
2021/2022	6/30/2021	3.15%	\$2,980.36	\$1,301.78

<sup>1</sup>Based on the approved Engineer's Report dated August 31, 2006 and revised April 26, 2016.

Based on the CPI figures reported through February 2022, for budgeting purposes, we estimate a FY 2022/23 inflation rate adjustment of 5 percent. The actual CPI adjustment for the FY 2022/23 assessment limit will be based on the inflation rate through June 30, 2022, for the past 12 months as specified in the approved Engineer’s Report for the Siena Hill development. We estimate that 10 residential units will be subject to assessment in the FY 2022/23.

**TABLE 3: Estimated Revenue**

	FY 2022/23 ESTIMATE
Assessed Residential Units	10
Assessments	\$13,670
Investment Income	\$1,030
Total Revenues	\$14,700

The budget amounts listed are based on the Engineer’s Report approved by the Oakland Area GHAD Board of Directors in 2016. The budget amounts have been inflation adjusted to provide the listed budget estimates. The current Program Budget projects that at the beginning of the 2022/23 fiscal year (July 1, 2022), the cumulative reserve will be about \$120,532 and about \$116,899 at the end of the 2022/23 fiscal year (June 30, 2023).

For fiscal year 2022/23 (July 1, 2022, through June 30, 2023), the GHAD management payment limit is set at \$7,500. The tasks included within the payment limit may include site monitoring events, report preparation, oversight of maintenance and repair projects, administration, accounting, and assessment roll updates.

**TABLE 4: Payment Limit**

TASK	AMOUNT
Scheduled Monitoring Events	\$4,000
Erosion and Sediment Removal - Concrete Structures	\$200 <sup>1</sup>
Slope Stabilization	\$400 <sup>1</sup>
Administration and Accounting	\$2,200
Budget Preparation	\$700

<sup>1</sup>Dependent on maintenance and/or repair activities by the GHAD during FY 2022/23. ENGE0 payment limit is 20% of the total budget item.

The budget is divided into four categories, including Major Repair, Preventive Maintenance and Operations, Special Projects, and Administration and Accounting.

## MAJOR REPAIR

Included within the major repair category are those repair or improvement projects that are intermittent and, by their nature, do not fit within a scheduled maintenance program. Minor slope repair and erosion control items are generally funded within the Preventive Maintenance and Operations category. For the purposes of this budget, we define major repairs as those estimated at over \$25,000.

## **PREVENTIVE MAINTENANCE AND OPERATIONS**

Preventive maintenance and operations include slope stabilization, erosion protection, and professional services within the District. Professional services include site-monitoring events as scheduled in the GHAD Plan of Control. Slope stabilization and erosion protection responsibilities include the open space slopes. GHAD-maintained improvements generally include the District's slopes, concrete-lined drainage ditches, retaining walls, subsurface drainage facilities, and storm drain facilities.

## **SPECIAL PROJECTS**

The Special Projects category allows the GHAD to budget for projects beneficial to the GHAD that are not included in one of the other three categories. Although not proposed in the FY 2022/23 budget, special projects can include items such as global positioning system (GPS)/geographic information system (GIS) development for GHAD maintained improvements; website development and maintenance; and reserve studies to reevaluate the financial condition of the GHAD.

## **ADMINISTRATION AND ACCOUNTING**

Administrative expenses include the General Manager duties related to the operation and administration of the GHAD. The administrative budget category includes tasks of the General Manager, clerical, and accounting staff.

A summary of the proposed budget through the end of FY 2022/23 is shown in Table 5.

**TABLE 5: Summary of Use of Funds**

<b>USE OF FUNDS</b>				
	<b>FY 2021/22 ESTIMATE*</b>	<b>FY 2021/22 BUDGET</b>	<b>FY 2022/23 PROPOSED</b>	<b>PERCENT CHANGE FROM FY 2021/22</b>
<b>Major Repairs</b>				
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Preventive Maintenance and Operations - Professional Services</b>				
Scheduled Monitoring Events	\$4,000	\$3,000	\$4,000	
Heavy Rainfall Monitoring Event	\$0	\$1,000	\$0	
<b>Subtotal</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>0.0%</b>
<b>Preventive Maintenance and Operations - Maintenance and Operations</b>				
Erosion Control including Ditches	\$0	\$1,000	\$1,000	
Slope Stabilization	\$0	\$2,000	\$2,000	
<b>Subtotal</b>	<b>\$0</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>0.0%</b>
<b>Special Projects</b>				
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Administration and Accounting – GHAD Manager</b>				
Administration and Accounting	\$2,200	\$2,200	\$2,200	
Budget Preparation	\$700	\$700	\$700	
<b>Subtotal</b>	<b>\$2,900</b>	<b>\$2,900</b>	<b>\$2,900</b>	<b>0.0%</b>
<b>Administration and Accounting – Outside Professional Services</b>				
Assessment Roll and Levy Update	\$1,000	\$1,000	\$1,000	
Legal Counsel	\$5,000	\$5,000	\$5,000	
Treasurer	\$350	\$650	\$600	
Clerk	\$200	\$400	\$400	
Alameda County Assessor's Fees	\$222	\$215	\$230	
California Association of GHADs Membership	\$103	\$103	\$103	
Insurance – Directors and Officers	\$585	\$600	\$600	
Insurance – General Liability	\$500	\$500	\$500	
<b>Subtotal</b>	<b>\$7,960</b>	<b>\$8,468</b>	<b>\$8,433</b>	<b>-0.3%</b>
<b>Total</b>	<b>\$14,860</b>	<b>\$18,368</b>	<b>\$18,333</b>	<b>-0.2%</b>

\*FY2021/22 Estimate Includes Actual Expenses through April 20, 2022

**TABLE 6: Summary of Proposed Fiscal Year 2022/23 Budget**

BUDGET ITEM	LABEL	BUDGET AMOUNT	PERCENT OF TOTAL BUDGET (FY 2022/23)
<b>Major Projects</b>	TOTAL	<b>\$0</b>	<b>0%</b>
<b>Scheduled Monitoring Events</b>			
Open Space Scheduled Monitoring Events		\$4,000	
	Subtotal	\$4,000	
<b>Maintenance and Operations</b>			
Erosion Control Including Concrete Structures		\$1,000	
Slope Stabilization		\$2,000	
	Subtotal	\$3,000	
	<b>TOTAL</b>	<b>\$7,000</b>	<b>38%</b>
<b>Special Projects</b>			
	TOTAL	\$0	0%
<b>Administration and Accounting</b>			
Administration and Accounting		\$2,200	
Budget Preparation/Annual Reporting		\$700	
	Subtotal	\$2,900	16%
Assessment Roll and Levy Update Preparation		\$1,000	
Legal Counsel		\$5,000	
Treasurer		\$600	
Clerk		\$400	
Alameda County Assessor's Fees		\$230	
California Association of GHADs Membership		\$103	
Insurance – Directors and Officers		\$600	
Insurance – General Liability		\$500	
	Subtotal	\$8,433	46%
	<b>TOTAL</b>	<b>\$11,333</b>	
<b>ESTIMATED EXPENDITURES</b>	<b>TOTAL</b>	<b>\$18,333</b>	<b>100%</b>
<b>ESTIMATED RECEIVABLES</b>			
<b>Beginning Balance</b>			
Balance (July 1, 2021)		\$121,186	
<b>Estimated FY 2021/22 Revenue</b>			
Assessment Revenue		\$13,018	
Investment Revenue		\$1,188	
<b>Estimated 2021/22 Expenses</b>			
Estimated Expenses		\$14,860	
<b>ESTIMATED RESERVE ON JUNE 30, 2022</b>		<b>\$120,532</b>	
<b>Estimated 2022/23 Revenue</b>			
Estimated FY 2022/23 Assessment		\$13,670	
Estimated FY 2022/23 Investment Income		\$1,030	
<b>Estimated 2022/23 Expenses</b>			
Expenses through June 30, 2023		\$18,333	
<b>ESTIMATED RESERVE ON JUNE 30, 2023</b>		<b>\$116,899</b>	



## MAJOR REPAIRS (MAJOR)

There are currently no ongoing major repair projects and none are anticipated for the 2022/23 fiscal year within the GHAD-maintained areas of the Oakland Area GHAD. Minor slope repair and erosion control items are generally funded within the Preventive Maintenance and Operations category. While no major repairs are ongoing at this time, by their nature, major repairs such as landslides are unpredictable and could occur during the 2022/23 fiscal year. The reserve portion of the budget allows for funding toward these unpredictable events.

## PREVENTIVE MAINTENANCE AND OPERATIONS (PREVM&O)

### Professional Services

#### Scheduled Monitoring Events (SCMON)

As provided in the Plan of Control, there are two scheduled monitoring events within the GHAD during each calendar year.

**Estimated budget \$4,000**

### Maintenance and Operations

#### Erosion Control (ERCON)

Anticipated tasks under this budget item include the repair of slope erosion and maintenance of concrete-lined drainage ditches within the accepted lots.

**Estimated budget \$1,000**

#### Slope Stabilization (SLOPE)

This is for minor repairs, including slope instability, which may occur during the 2022/23 fiscal year. Purchase of emergency stabilization supplies will be included within this budget item.

**Estimated budget \$2,000**

## SPECIAL PROJECTS (SPEPROJ)

There are currently no ongoing special projects, and none are anticipated for the 2022/23 fiscal year within the GHAD-maintained areas of the Oakland Area GHAD.

## ADMINISTRATION AND ACCOUNTING (ADMIN)

#### Administration (ADACC)

Administrative expenses include the General Manager duties related to the operation and administration of the GHAD. The budget estimate for the accounting and administrative services is derived from the original GHAD budget used to prepare the GHAD Engineer's Report.

**Estimated budget \$2,200**

#### Annual Report and Budget Preparation (BDGET)

This budget provides for the preparation of the annual report and budget. The budget estimate for the accounting and administrative services is derived from the original GHAD budget used to prepare the GHAD Engineer's Report.

**Estimated budget \$700**

[Assessment Roll and Levy Update \(ASSESS\)](#)

This budget item allows for preparation of the assessment roll for the District and the updated levy based on the Consumer Price Index adjustment. **Estimated budget \$1,000**

[GHAD Attorney \(LEGAL\)](#)

This budget item allows the GHAD to seek review and comment from GHAD counsel for the District. **Estimated budget \$5,000**

[GHAD Treasurer \(TREAS\)](#)

This budget item accounts for fees related to treasurer services, investment of the GHAD reserve funds, and processing of accounts payable. **Estimated budget \$600**

[GHAD Clerk \(CLERK\)](#)

This budget item accounts for fees to provide clerical staffing and support services for the GHAD Board of Directors and to keep and provide interested parties with accurate records and documents relative to Board actions. **Estimated budget \$400**

[Alameda County Assessor's Fees \(ALAAS\)](#)

This budget item accounts for commission charged by the Alameda County Assessor's Office (currently 1.7 percent of total annual assessment amount) for collection of assessments within the Oakland Area GHAD. **Estimated budget \$230**

[Association Membership \(CGHAD\)](#)

The GHAD maintains membership in the California Association of GHADs. **Estimated budget \$103**

[Directors and Officers Insurance \(INSUR\)](#)

The GHAD maintains directors and officers insurance for the Board of Directors. **Estimated budget \$600**

[General Liability Insurance \(INSURGL\)](#)

The GHAD maintains general liability insurance for open space areas within the District. **Estimated budget \$500**